



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**ASSESSMENT OF TRAINING AND DEVELOPMENT PRACTICES: IN NIB  
INTERNATIONAL BANK MAIN OFFICE**

**BY**

**BETHELIHEM MESELE**

**JULY, 2017**

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**A THESIS SUBMITTED TO ST MARY'S UNIVERSITY, SCHOOL OF GRADUATE  
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## **LIST OF ACRONYMS AND ABBREVIATION**

ECSC	Ethiopian Civil Service College
EMI	Emergency Management Institute
HRD	Human Resource Department
HRM	Human Resource Management
KSA	Knowledge, Skill, Ability
NIB	Nib International Bank
SPSS	Statistical Procedure Support System
T&D	Training and Development
TND	Training Need Assessment



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## **Abstract**

*The main purpose of this study was to assess how it looks like the training and development practice of NIB. The study achieved the objective of the research through the help of questionnaires for employees and interviews with human resources managers of NIB international bank S.C. both primary and secondary source of data were used and the descriptive methods of research design and simple random sampling techniques were employed. After thoroughly present and analyzing the data obtained from respondents the researcher presented and interprets the response through percentage, frequency distribution and table. So in light of the above problems, the following conclusions and recommendations were forwarded. The bank has major weakness in most of the tasks in the phase of system approach model especially with respect to training need assessment; trainee selection criteria; performance appraisal training evaluation and coaching role of line managers. According the researcher recommendation that the capacity of training and development should be updated periodically through training and development, trainee policy and procedure should be applied consistently; training impact evaluation technique should be in place of for future improvement. Finally NIB should follow its training and development system in order to make its T & D efforts as fruitful as desired.*

**Keywords:** *Training Need Assessment, Training Objective, Training Design, Training Delivery, Training Evaluation.*

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the Study

Human, natural, and capital resources of a country primarily shape the nature of corporate productive capacity in the world, and thus the nature of international business. Nowadays, the role of human resources has become increasingly important as a primary determinant of industry and country competitiveness as the level of technology has advanced (Kotabe and Helsen, 1999).

An organizations or an individual employees need must be studied before a course of action can be planned to make the function better. Hence, 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 demands. 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 Ledvika, 1998).

As the business environment is continuously changing, firms are focusing on developing their products and services to meet changing demands and increase their market share. To achieve these objectives, they need their human resources to broaden their skills and gain other technical and interpersonal skills continuously. Several empirical studies have been made that indicate the importance of training. These studies indicate that training has positive effects on: employee's commitment (Ahmed andSchoeder, 2003); new sales revenue, productivity, customer satisfaction, quality and speed (Ely, 2004); increase in ROI (Ballot et al, 2001); net sales, ROA, ROE, profit margin (Bernhal and Wellins, 2006); sales per worker, productivity, labor efficiency (Cappelli and Neumark, 2001) are few to mention. Whereasin Ethiopia, training and development is the least practiced human resource element especially in most private owned organizations (Gebeyehu, 2013). Yet there is lack of adequate studies on the practice, benefits, and limitations of training practices in the private business sectors.

Effectiveness of the organization from the training expenditure is a measure of how well training achieves its intended objectives, For example, to improve job performance, the effectiveness of the organization from the training expenditure measures to what extent the trainings improve the job performance in the organizations after the training. Generally, we can say that training does not deliver the expected value to the organizations when trainees do not transfer the skills learned to their workplace. In other words, training effectiveness occurs when trainees not only have the ability but are willing to transfer the skill learned to improve their job (ChatterjeeandBhaskar, 2001).

Since the need for training and development is no question, organizations have to conduct it effectively and efficiently. NibInternationalBank S.C /NIB/ does not have its own training and development unit to upgrade the skills and knowledge of employees. The company uses different consultancy companies in particular to undertake its training and development practice. The important issue here is whether or not the need is assessed, an objective is established, appropriate methods are selected, the program is well implemented and close evaluation and follow up is carried both during and after the program (Dessler, 2009). Generally, this paper main focus is to assess the practice of employee training and management development in NibInternational Bank.

## **1.2 Back Ground of the Organization**

Nib International Bank S.CO was established on 26 May 1999 under license no. LBB/007/99 in accordance with the Commercial Code of Ethiopia and the Proclamation for Licensing and Supervision of Banking Business Proclamation no. 84/1994 with the paid up Capital of birr 27.6 million and authorized capital of Birr 150 million by 717 Shareholders. The Bank commenced the operation in 28 October 1999 by 27 employees. Currently, the authorized and paid up capital reached to Birr 2.0 billion and 1.2 billion respectively. Shareholders and employees number increased to 3,925 and 2,529 respectively. The bank has 167 branches spread throughout the county.

**Vision:**To become an Icon of Excellence and the leading commercial bank in Ethiopia.

**Mission:**To provide customer focused, efficient and effective full-fledged commercial banking services by deploying qualified, honest, motivated staff and state-of-the art technology and thereby optimize stakeholders interest.

### **1.3 Statement of the Problem**

In today changing global context, both individual and collective skills are the most important assets for organizations and determine their productivity competitiveness and ability to adapt and to be proactive when faced with an uncertain environment. Thus training is a key strategy for generating skills in people, since it enables them to both learn and unlearn skills in other words to acquire new skills and change inappropriate skills (Pineda, 2010).

The absence of well-established training policy, inadequate needs assessment, inappropriate training objectives, trying outdated training methods, lack of close supervision and follow up are some of the major problems that most organizations in 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. (DejeneAdugna, 2010).

There are several practices of employee training in NIB and the main objective of this research is to verify if such practices are practiced in a systematic and planned way, based on the training needs and policies of the organization. Formal and informal interviews were conducted with employees of NIB to obtain preliminary information as regards to the study topic.

Further some employees expressed the following as Problems;

- there is a lack of attention for prior training need assessment and design
- Lack of proper Selection of training and development
- Difficulty in attending trainings because of high workload
- Lack of effective training evaluation after training programs is conducted

## **1.4 Research Questions**

This study intends to seek answer to the following basic question:

1. To what extent the training and development (T&D) program is guided by T&D policy in the NIB?
2. What are the methods used in identifying T&D needs and practice of NIB?
3. How T&D programs are implemented at NIB?
4. What are the methods used to conduct T&D in NIB?
5. What methods are used for evaluating the effectiveness of T&D?

## **1.5.Objectives of the study**

### **1.5.1 The General Objective**

General objective of the study is to assess training and development practices of Nib international bank.

### **1.5.2 Specific Objectives**

In addition to this general objective the study has the following specific objectives summarized hereunder:

- To assess whether NIB has well established training and development policy guide and strategy.
- To identify the methods used in analyzing T&D need assessment.
- To Evaluate overall training and development practice of NIB
- To determine how training and development program conducted and implemented at NIB.
- To analyze the evaluation mechanism at NIB.

## 1.6 Definition of Terms

- **Development:** is focus on up grading employee's ability and attitude for the future career and organization (McNamara, 2008)
- **Management:** is the process of working with and through others to achieve organizational objective in changing environment (Robert, 2014)
- **Policy:** principle, rules guidelines formulated or adopted by organization to reach its long term goal (Stephen and Mary,2014)
- **Training:** is depending on the enhancing of knowledge skill and attitude of employee for improving of his performance on the job (McNamara, 2008).

## 1.7 Significance of the Study

This study is important in many ways:

- It will provide possible suggestions for the weakness of the training and development procedure,
- It will help the bank re-assess its structure and the way of conducts training and development activities.
- Furthermore, it will help as a resource document and as a stepping stone for those researchers who want to make further study on the area afterwards.

## 1.8 Delimitation/Scope of the Study

The study focused on training, particularly on the assessment of employee training practice in Nib International Bank S.C.

The study was conducted in Nib International Bank S.C Head offices and some selected branch offices, which are located in Addis Ababa. The sample has been limited to employees` who are



working in NIB for the post of managerial and non-managerial staff. Due to time and financial resources constraints this study is limited to assessment of training and development practices only in head office and selected branch office of NIB in Addis Ababa city.

## **1.9 Organization of the Study Report**

The study is organized into five chapters. The first chapter is an introductory part of the study in which background of the study, background of the organization, statement of the problem, objective of the study, research question, definition term and limitation/scope of the study. The second chapter deals with related literature review of the study. The third chapter is about methodology of the study. Chapter four analyzes the data and presents the findings. The last chapter is the summary of findings, conclusions, limitations and recommendations.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2.1. Concept of Training**

Understanding the phenomenon of employee training and development requires understanding of all the changes that take place as a result of learning. As the generator of new knowledge, employee training and development is placed within a broader strategic context of human resources management, i.e. global organizational management, as a planned staff education and development, both individual and group, with the goal to benefit both the organization and employees. To preserve its obtained positions and Employee Training and Development and the Learning Organization increase competitive advantage, the organization needs to be able to create new knowledge, and not only to rely solely on utilization of the existing (Mo Hamza, 2004).

For the present day employees the wage by itself is not a sufficient incentive, but they also need investment into themselves in a sense of investing in their knowledge. Employees no longer do not work for money alone, nor can they be influenced by traditional attractive financial packages. Management training and development organization and management of training (Tejindersharma, 2010) and let us see some of the lateral meaning of training from different dictionary.

##### **2.1.1. Training**

A very important area of the Human Resource Management function is training and development for the effective use of human resources. Training is the acquisition of knowledge, skills and competencies as a result of the teaching of vocational or practical skills and knowledge that relate to specific useful competencies. In this study training is viewed as a means of not only fostering the growth of the individual employee but as an integrated part of organizational growth.

Ngirwa (2009), defined training as a “learning process in which employees acquire knowledge, skills, experience and attitudes that they need in order to perform their job better for the

achievements of their organizational goals”. This definition shows the bridge between job requirements and employee present specifications. Training can therefore be seen as a systematic process of increasing the knowledge and skills of the staff for doing a specified job by providing a learning experience.

Armstrong (2008), defined training as the planned and systematic modification of behavior through learning events, programs and instructions, which enable individuals to achieve the levels of knowledge, skill and competence needed to carry out their work effectively. This definition means that for any organization to succeed in achieving the objectives of its training program, the design and implementation must be planned, done systematically and tailored towards enhancing performance and productivity. Also training gives the employee or trainee the required skills, technical knowledge and competencies needed to perform his or her present job effectively or to prepare the employee to fit a higher job involving higher responsibilities.

Training not only develops the capabilities of the employee but sharpen their thinking ability and creativity in order to take better decision in time and in more productive manner (David, 2006). In effect therefore through training, the employee is able to take better decisions that culminate to the success of the organization. Also time is used judiciously when it comes to taking decisions by well-trained employee in an organization.

According to Chen et al. (2004), training programs may also help the employee to decrease their anxiety or frustration, originated by their work or job. Therefore employees who have acquired enough training are more likely to be satisfied with their job than those with less training. Rowden(2002), further suggests that training may also be an efficient tool for improving ones job satisfaction, as an employee with a better performance leads to appreciation by the top management, hence the employee feel more adjusted with his job.(Rowden and Conine, 2005), also agrees with this assertion as they see a well-trained employee as being more able to satisfy customers and shows a greater level of job satisfaction along with superior performance.

In summary training can be seen as a planned intervention aimed at enhancing the elements of individual job performance

### **2.1.2. Development**

Development is concerned with specific programs designed to prepare and groom a worker with particular education and training for higher responsibilities (Onasanya, 2005). (Beardwell and Helen, 2001) also view development as the process of becoming increasingly complex, more elaborate and differentiated by virtue of learning and maturation. It is more career than job oriented and is concerned with the longer-term development and potential of the individual. Development covers not only those activities, which improve job performance, but also those which bring about growth of the personality; helps individual in the progress towards maturity and actualization of their potential capacities so that they become not only good employees but better men and women.

As a result of the ever rapid changes in technology and ways of doing business, employees constantly need to be abreast with time to remain productive. Development therefore helps the employee to improve ability to handle a variety of assignments; improve performance at all levels in his or her present job; helps to sustain good performance throughout his or her carrier exploring his or her full potential. According to (Itika, 2008), development sees the employees as adaptable resources with a variety of skills and places within the organization and it is also concerned with giving the individual the right mix of skills, experiences and contacts to enable them to achieve their full potential.

In summary development is focus on up grading employee's ability and attitude for the future career and organization (McNamara, 2008).

## 2.2. Distinction between Training and Development

Even if mostly literatures are used training and development interchangeably it has its own difference in concept (Armstrong, 2006). These differences are stated below.

Table 2.2. Distinction between Training and Development

Training	Development
<ul style="list-style-type: none"> <li>• Training means learning skills and</li> <li>• Knowledge for doing a particular job.</li> <li>• It increases job skills.</li> <li>• The term training generally used to denote imparting specific skills among operative employees.</li> <li>• Training is concerned with maintaining and improving current job performance.</li> <li>• Thus, it has a short term perspective.</li> <li>• Training is job centered in nature.</li> <li>• The role of trainer or supervisor is veryimportant in training</li> </ul>	<ul style="list-style-type: none"> <li>• Development means the growth of an</li> <li>• Employee in all aspects. It shapes Attitudes.</li> <li>• Development is associated with the overall growth of management.</li> <li>• Management development seeks to develop competence and skills for future performance. Thus, it has a long term perspective.</li> <li>• Development is career oriented in nature.</li> <li>• • Self development</li> </ul>

## 2.3. Benefits of Training

Fostered by technological advances, training is essential for any human resource development exercise in organizations in the rapidly changing times of today. It is an essential, useful and productive activity for all human resources working in an organization, irrespective of the job positions that they hold. It benefits both employers and the employees, as will be discussed later. The basic purpose of training is to develop skills and efficiency. Every organization has to

introduce systematic training programs for its employees. This is because trained personnel are like valuable assets of an organization, who are responsible for its progress and stability. Training is important as it constitutes a vital part of managerial control (Casio and Wayne, 1978).

### **2.3.1. Benefits of Training to Employers**

The employers invest in training because they reap several benefits out of the exercise, which can be summed up as under:

#### **(i) Faster learning of new skills**

Training helps the employers to reduce the learning time of their employees and achieve higher standards of performance. The employees need not waste time in learning by observing others. If a formal training program exists in the organization, the qualified in structures will help the new employees to acquire the skills and knowledge to do particular jobs quickly.

#### **(ii) Increased productivity**

Training increases the skill of the new employee in while performing a particular job. An increased skill level usually helps in increasing both quantity and quality of output. Training can be of great help even to the existing employees. It helps them to increase their level of performance on their present job assignments and prepares them for future assignments.

#### **(iii) Standardization of procedures**

Training can help the standardization of operating procedures, which can be learnt by the employees. Standardization of work procedures makes high levels of performance rule rather than exception. Employees work intelligently and make fewer mistakes when they possess the required know-how and skills.

**(iv) Lesser need for supervision**

As a generalization, it can be stated safely that trained employees need lesser supervision. Training does not eliminate the need for supervision, but it reduces the need for detailed and constant supervision. A well-trained employee can be self-reliant in his/her work because she knows what to do and how to do. Under such situations, close supervision might not be required.

**(v) Economy of operations**

Trained personnel will be able to make better and economical use of the materials and the equipment and reduce wastage. Also, the trained employees reduce the rate of accidents and damage to machinery and equipment. Such reductions can contribute to increased cost savings and overall economy of operations.

**(vi) Higher morale**

The morale of employees is increased if they are given proper training. A good training program molds employees' attitudes towards or generational activities and generates better cooperation and greater loyalty. With the help of training, dissatisfactions, complaints, absenteeism and turnover can also be reduced among the employees. Thus, training helps in building an efficient and co-operative work force.

**(vii) Managerial Development**

The top management can identify the talent, who can be groomed for handling positions of responsibility in the organizations. Newer talent increases the productivity of the organizations. By providing opportunity for self-development, employees put in their best effort to contribute to the growth of the organization.

### **2.3.2. Benefits of Training to Employees**

The employees are the ultimate link in any organization, which carry out the operations. Training can help them in several ways, as mentioned below:

#### **(i) Increasing Confidence**

Training creates a feeling of confidence in the minds of employees, who feel comfortable while handling newer challenges. It gives a feeling of safety and security to them at the work place.

#### **(ii) New Skills**

Training develops skills, which serves as a valuable personal asset of a worker. It remains permanently with the worker himself.

#### **(iii) Career Advancement**

The managers can develop their skills to take up higher challenges and work in newer job dimensions. Such an exercise leads to the career development of the employees, who can move up the corporate hierarchy faster.

#### **(iv) Higher Earnings**

Higher earnings are a consequence of career development. A highly trained employee can command high salary in the job market and feel more contented.

#### **(v) Resilience to Change**

In the fast changing times of today, training develops adaptability among workers. The employees feel motivated to work under newer circumstances and they do not feel threatened or resist any change. Such adaptability is essential for survival and growth of an organization in the present times.



## **(vi) Increased Safety**

Trained workers handle the machines safely. They also know the use of various safety devices in the factory, thus, they are less prone to accidents. It can be concluded that in light of several benefits, training is an important activity, which should be taken very seriously by the employees as well as the employers.

## **2.4. The Training and 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. According to (Mondy and Noe, 1990) the steps in the human resource development process 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.

### **2.4.1. 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 McGhee and Thayer's three-category need analysis approach (Scarpello and Ledvinka, 1988),

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

#### **2.4.2. 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 is 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.

### **2.4.3. 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, 1984):

- 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.

### **2.4.4. 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 andVaughan, 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. 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 (ScarpelloandLedvinka, 1988). In most cases, training and development objectives areset for the trainees. These objectives define the performance that the trainee should be able to exhibit after training (Scarpello and Ledvinka, 1988). 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 withsuch 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.

## **2.6. Methods of Training and Development**

Training and development 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 (Haslinda and Mahyuddin, 2009).

The realization of organizational objectives depends to a greater extent on the quality of leadership provided by administrators/managers. To this effect, organizations need to improve supervisory, managerial, executive skills and non- managerial employees so that they may lead and motivate employees for the betterment of their organizations. The most common methods training and development are briefly discussed below (Haslinda and Mahyuddin, 2009).

### **A. Off-the-job Training**

This program takes place outside the managerial and non-manual employees work environment (Monday, et al., 2009). These can be course work at local colleges or other training establishments like that of the Ethiopian Management Institute which have been specially equipped and staffed for both managerial and vocational training. On the other hand, Regions that wants to develop the skill of their accountants and lawyers are sent to the Ethiopian Civil Service College (ECSC) for short-term off-the-job training. With a view to increase the capacities of their leaders, organizations send them to colleges or universities or get them enrolled in seminars, workshops, conferences and other programs conducted by training institutions. There are different types of off-the job training programs. The most common ones are briefly discussed below.

1. Lecture method of training
2. Case study
3. Conference
4. Role play
5. Management Games
6. In basket Exercise

### **1. Lecture**

The lecture method is applied in both training and development. In a lecture, the material to be taught is presented by a subject-matter expert to a group of recipients. It is the most widely accepted method and also economical because a large number of people can be trained using one instructor. However, participants do not share each other experiences. hence the learning is confined to what the lecturer has to say (Chatterjee, 1995).

This method can be backed by a number of media such as slide, overhead projector, videotape, closed-circuit television, motion picture, etc.

### **2. The Case Study Method**

In the case method, the trainee is given a well-developed description of a situation, instructed to identify the problem, analyze the situation, and devise a solution for the identified problem (Scarpello and Ledvinka, 1988). When cases are similar to work-related situations, trainees can develop decision-making and problems-solving skills, as well as increase their abilities in judgment.

### **3. Conference**

A conference is a group meeting conducted according to an organized plan in which the members seek to develop knowledge and understanding by obtaining a considerable amount of oral participation (Ahuja, 1988). The objectives of the conference method are:

- to share idea and experience and pool information among participants
- to solve problem common to a group
- to get acceptance of new idea and policy

To increase tolerance and understanding (EMI).

#### **4. Role Playing**

It is a method, which involves the spontaneous acting of realistic situation by two or more participants. The participants are provided the role script or "write up their own role plays, which can make them totally relevant, and realistic (Scarpello and Ledvinka, 1988). In the role play method issue and problem that emerged during the enactment are examined, so that both the role players and the observers understand the underlying principles that were demonstrated and their organizational implications (Chatterjee,1995).

Moreover, the following are some of the major advantages of role playing:

1. Practice in trying out new behaviors.
2. Immediate feedback from other participants and the instructor
3. A high degree of transfer of learning to future job behavior (Scarpello and Ledvinka, 1988).

#### **5. Management Games**

This method is used to develop the decision-making skill of managers or to transmit information about how a real organization operates. The game allows two competing management groups to make decisions about product/service, people, technology and other variables. The decisions taken are computed to determine each group's performance. This simulation exercise is used to help the participants understand "the integration of several interacting decisions, the ability to experiment with decisions, the provision of feedback experiences on decisions, and the requirement that decisions be made with inadequate data, which usually simulated reality" (Glueck, 1978).

## **6. In basket Exercise**

In-basket method is mainly used to develop decision making ability. It is a method in which participant act out the role of a manager in an organization. Then after, he/she is given various materials, such as reports, memos, letters, and other documents, which contain important and routine matters. As a manager, the participant is required to examine the materials in the in-basket and take action. In the in-basket exercise the participant is "analyzed and critiqued on the number of decisions made in the time period allotted, the quality of decisions, and the priorities chosen for making them (Glueck, 1978).

## **B. On-the-job training**

On-the-job training is conducted on the actual job to develop the skills of managerial and non-managerial employees (Monday, 2009). The employee is placed into the real work situation and shown the job and the tricks of the trade by experienced worker or the supervisor. According to (Olaniyan and Ojo, 2008) on-the-job training includes several steps:

1. The trainee receives an overview of the job, its purpose, and its desired outcomes, with an emphasis on the relevance of the training;
2. The trainer demonstrates the job to give the employee a model to copy;
3. The employee is allowed to imitate the trainer's example. Demonstrations by the trainer and practice by the trainee are repeated until the job is mastered;
4. The employee performs the job without supervision;

There are different types of on-the job training methods. The most common ones are briefly discussed below (Saiyadain, 1995).

- ✓ Coaching
- ✓ Job rotation
- ✓ Apprenticeship

Generally, each training and development methods have its own advantage and disadvantage.



Among these the following are the most common:

Advantages of on-the job methods:

- It is directly in the context of job;
- Trainees are highly motivated;
- It is free from artificial classroom situations;
- On the job training is much less costlier than off the job training as it eliminate expenses such as cost of travel, facilities, accommodation etc.;
- As training takes place in trainees actual work area, the application of training is much more direct and trainees can understand immediately.

Disadvantages of on-the-job methods

- Trainer may not be experienced enough to train;
- It is not systematically organized;
- Poorly conducted programs may create safety hazards such as dangerous chemicals;
- As trainees get to work on actual machines that means there may be a potential damage to expensive equipment;
- Work environment may be a full of distractions that may interrupt training.

Advantages of off- the- job methods

- Large number of trainees can be trained at one time. For example in lecture method;
- Trainers are usually experienced enough to train;
- It is systematically organized;
- Efficiently created programs may add lot of value;
- Trainer can use wide variety of instructional training methods.

Disadvantages of off-the-job methods

- Expensive than on –the- job training method as requires use of training facilities, cost of travel , accommodation, and employee time off during training etc.;
- It is not directly in the context of job;

- It is more artificial in nature.

## **2.7. 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.
- The implementation process of training and development is also contains:
  - Selection of participants;
  - Staff scheduling;
  - Conducting or facilitating training and development.

## **2.8. 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 trained. As Balogun(2011) 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 for investment in training and development program is that to help employees 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, Balogun (2011) 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.

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 measures how trainees react to a program (Ahmad and Din, 2009). It provides useful information to allow assist with modifying the training 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 (Noe, 2011). It measures the changes in trainee's attitudes, knowledge, and skills. These changes are measured by using methods such as testing and self-assessments.

### **3. Job behaviors**

Job behavior evaluation is concerned with measuring the extent to which participant has applied his/her learning back on the job. It helps to assess whether job performance changes as a result of

training (Eseryel, 2002). Did the learning transfer to the job? How has the development activity improved individual performance, for example specialist knowledge or professional approach?

#### **4. 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. In sum, training and development to be useful to the organization, employee and management concerned should (Bhargava, 2010):

- 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.

#### **2.8.1. Process of Training and Development Evaluation**

**1. Before Training:** The learner's skills and knowledge are assessed before the training program. During the start of training, candidates generally perceive it as a waste of resources because at most of the times candidates are unaware of the objectives and learning outcomes of the program. Once aware, they are asked to give their opinions on the methods used and whether those methods confirm to the candidates preferences and learning style (Ahmad and Din, 2009).

**2. During Training:** It is the phase at which instruction is started. This phase usually consist of short tests at regular intervals (Balogun, 2011).

**3. After Training:** It is the phase when learner's skills and knowledge are assessed again to measure the effectiveness of the training. This phase is designed to determine whether training has had the desired effect at individual department and organizational levels. There are various evaluation techniques for this phase (Balogun, 2011).

### **Evaluation methods for training and Development program**

Evaluating training program is not a one-time process rather it is an ongoing through the entire stages of the training program. In agreement to this, Clark (2000) explains that evaluation of the training program is performed during the assessment, design, and implementation phases. Some of the evaluation methods as follow.

**Company record:**-Either existing records or those devised for the evaluation used to measure production turnover grievances, absenteeism, and soon.

**Observation techniques:**-Interviewing, field observation, and other methods to evaluate skills, ability, communication, and productivity.

**Critical incidents:**-using crucial incidents that occur on the job.

**Rating:**-Judgments of ability, performance, or ratings of satisfaction with various factors.

**Questionnaires:**-A variety of types to measure. (Ivancevich, 1989).

In nib international bank, questionnaires are mostly employed.

### **2.8.2. Factors to be Consider in Training and Development**

The operation of a successful program requires that due consideration given to a number of factors (Haslinda and Mahyuddin, 2009):

1. Planning the program;
2. Organization of training program;
3. Selection of the trainees and trainers;
4. Adherence to rules or principles of training.

### **1. Planning the program**

Along with a good organization, a careful planning is the most important prerequisite of training. When such aspects as where, who, how, what, and when are preplanned in a training program, the result will be fewer mistakes and better trainees when the program gets under way (Noe, 2011).

### **2. Organization of training**

A training program has a much better chance of being effective if it is well organized (Abdullah, 2009). To begin with; first, one person or unit in the organization should be made responsible for training. In a small company, a line executive will have to be given this responsibility. In larger organizations the personnel manager or a training director should be assigned the task of planning, organizing, and evaluating the program. Second, a training program must be sold to the top level of the organization to be most effective. Unless the interest and prestige of the administrative levels are behind it, a training program will be accepted with reluctance by the lower levels.

### **3. Selection of trainees and trainers**

Another basic factor in training is to select trainable employees. In as much as, training costs, money, expenditures are warranted only for those from whom the greatest returns will be received. The selection and training of trainers is also significant and it is an excellent opportunity for supervisors who become skilled in training methods (Abdullah, 2009).

### **4. Rules of training**

It is desirable here to note some rules that should be followed if a training program is to be effective. To begin with in planning a program, it is wise to determine how frequently instruction should be given, types of materials, and visual and audio devices upon the training process

(Haslinda and Mahyuddin, 2009).

### **2.8.3. Effective Training and Development**

Effective training will indicate not only finding out whether the training was well done but also asking what it achieved and whether it was worthwhile for the organization to be sponsoring it.

Therefore, to ensure the training is effective, the human resource and training literatures stress that the organizations need to adopt a systematic approach to training which often include identifying needs, delivery and evaluation. Inarguably, a careful implementation of each element of training and development process (need assessment up to evaluation) is needed to make it effective.

From the employee perspective, training is unlikely to be effective unless it is related to high level of motivation, better ability to perform their job, and hopefully also makes them feel positive toward their work (Balogun, 2011).

Action on the following lines needs to be initiated to make training practice effective (Noe, 2011):

- Ensure that the management commits itself to allocate major resources and adequate time to training. This is what high-performing organizations do;
- Ensure that training contributes to competitive strategies of the firm. Different strategies need different employee skills for implementation. Let training help employees' at all levels acquire the needed skills;
- Ensure that a comprehensive and systematic approach to training exists, and training and retraining are done at all levels on a continuous and ongoing basis;
- Make learning one of the fundamental values of the company. Let this philosophy percolate down to all employees in the organization;

- Ensure that there is proper linkage among organizational, operational and individual training needs;
- Create a system to evaluate the effectiveness of training.

#### **2.8.4. Consequences in the Absence of Training and Development**

Failure to conduct employee training and development can contribute to (Neitzel, 2006):

- Constraints on business development;
- Higher labor turnover;
- Increased overtime working;

Pressure on job-evaluation schemes, grading structures, payment system and career structure;

- Higher training costs;
- Additional retention costs in the form of flexible working time, job sharing, part time working, shift working.

### **2.9. T & D Policy, Objective and Procedure of NIB**

The present time is the age of change. In all the spheres of organizational activity, there is a very rapid change. Technology has become the most important harbinger of the change process. In order to remain competitive, people have to learn new skills and keep themselves updated. This calls for a constant training. The process of change has influenced even the process of training itself. Earlier the people were acquiring training through apprenticeship and vocational courses, which are not sufficient in the modern era of industrialization (Dr. Tejinder Sharma, 1997).

So when we come to nib international bank situation the works done in the department is that giving training to the employees. As I have asked the training head of the department and I have seen from the questioner I have collected most of the time the company is giving on-the-job training and here are some of the activities they do first they assess the need for training through sending questioners and a list of training titles and the branch managers will respond that questioner by felling it with a potential candid at and the department will make ready the training and give the training to its employees this is how they give the training .According to the



departments head the company don't have a training institute so the bank higher other consultation companies to do their job for the companies and most frequently then there are two consultant companies which are giving training these are Shalom training and consultancy institute, Zion corporate management institute, Ethiopian institute of finance studies. But they haven't sent any one abroad for education since now. Every year they give training quarterly and the training period is from 3 days to 6 month but most frequent ones are from 5-15 days.

## **Training Policy**

Nib International Bank S.C recognizes its human capital as a strategic resource and strives to equip with the necessary knowledge, skill, and attitude so that they perform their jobs with a maximum attainable effort, moral and confidence towards achieving the utmost satisfaction of key stakeholders.

## **Training Objectives**

The bank shall encourage, sponsor and develop appropriate training scheme in order to:

1. Carry out induction training program for new entrants and to promote a sense of belongingness of employees` to the bank.

## **Training Procedure**

- The bank has procedure of training program in accordance with the training need assessment, Training design and material development, training participant's registration, pre-training Preparations, training delivery, training evaluation, certification, training coordination, Training records, trainers, trainer`s fee, training material development and revitalization and training facility. Higher rates of pay, overtime premiums and supplements;
- Higher recruitment costs, including advertising, time and incentives;
- Greater pressure and stress on staffs;

## **2.10. Empirical Review of the Study**

(K. Karthikeyan, R.Karthi, 2010) who has researched in the title training in Indian banking Sector try to investigate the following points. Employee training is becoming a necessity to every organization now a day. Employees are delegated different roles and responsibilities in the banks. Training enables them to carry out these roles and responsibilities efficiently and also learn new things, which will prepare them to take up higher responsibilities in the future. In this study the researcher studies the existing practices of the various aspects of training program and its effectiveness in selected public and private sector banks in Tiruchirappalli District, South India.

This is mainly to assess the present status of the employee effectiveness in discharging the roles and responsibilities in tune with the objectives of the bank. The aim is to assess the effectiveness of the various facets of training i.e. employee's attitude towards training inputs; quality of training programs; training inputs and application of training inputs to the actual job.

### **The main Objectives of the researcher were**

- 1). to analyze the effectiveness of Training in selected banks in Tiruchirappalli
- 2). Try to see training and development practice on Indian in bank

Finally the researcher comes to the following Conclusion which is Human Resource Management is meant "to integrate all personal activities with each other and strategically with organizational objectives". Essentially, it first serves the organizational interest and in that context, "It's an Investment rather than a cost to the organization". The utilization of all other resources directly depends on efficient utilization of human resources. Every organization needs to have well-trained and experienced people to perform the activities that have to be done.

As jobs have become more complex in the banking sector, the importance of employee training has increased. In a rapidly changing society, employee training is not only an activity that is desirable but also an activity that an organization must commit resources to, if it is to maintain a viable and knowledgeable workforce. Owing to the changing banking environment, HR

department should care for appropriate response in equipping people who have to perform in the new environment.

In this study, when effectiveness of training increases it directly has a positive influence on growth & result of the banks. So training is really effective in all the banks that are taken for this study. In the banking sector, employee's behavior plays a vital role in improving the productivity of an organization. By incorporating personality development programs such as role play, group discussion and business games the superior and subordinate relationship can be strengthened. Banks should take necessary steps in such a way that employees should feel training is essential to enhance the productivity and customer satisfaction to meet the present business challenges in India.

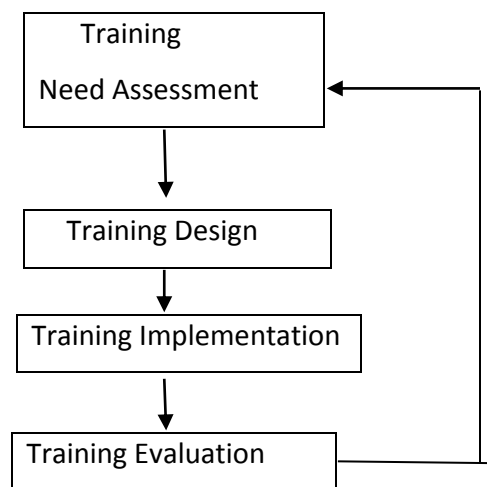
The other and the second scholar is Training and Development in Banking Sector – Research Articles by Jessica (November, 2012) try to find out the following issues University of The Punjab, Quaid-e-Azam Campus, Lhr., Pakistan. Abstract Banking sector of Pakistan is characterized by the high competition and in order to survive in the market place, employers have understood the need for ongoing training and development to equip their employee to better cope up with the demands of the dynamic environment today. This study seek to determine the impact of this training and development on practice used for and job involvement along with what training methods are widely used in the banking sector of Pakistan.

The primary data for this study was collected through a structured questionnaire that was tailored with the help of literature. The questionnaire comprised of 37 items, categorized into 5 sections, which are general training & development and practice. Survey was carried out on public and private banks of Pakistan (Punjab region). With the support of SPSS, Co-relation and regression analysis was conducted to generate results. And found that training and development has a positive association with both motivation and job involvement of the employees of banks in Pakistan. Moreover, job instructional training and informal learning are widely used techniques to impart the knowledge towards the employees in banking sector. These findings suggest that by boosting the training and development activities within the banking sector the employees could be motivated and get attached with their work.

Finally after all the above discussion this research is trying to see some of the training and development programs in nib international bank and as we see all of the scholars agree in one idea that is the of training and development have positive impact and benefit employee. This paper will try to assess the activity the overall activities in the company.

## 2.11 Conceptual Framework

Based on the literature review and the empirical study the following framework has been designed;



**Figure 2.11: Conceptual Frameworks**

Source: Researcher's own framework

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1 Research Design**

Research design refers to a set of methods and procedures that describes research variables. Research can be classified as descriptive, explanatory and predictive research (Saunders, Lewis and Thornhill, 2007). This research is used descriptive type of research since it attempts to assess and describe practice of training and development of NIB.

The function of research design is to provide for the collection of relevant information with minimal expenditure of effort, time and money. Descriptive research applied to the study for describing the existing situation and it is followed by finding gap with the standards that are supposed to be implemented. This includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present.

The descriptive type of research design help to portray accurately the characteristics of a particular individual, situation or a group(Creswell, 2003) so that, in this study the descriptive research design employed to describe the employee training and development practice. The primary aim of this study is to describe the employee training and development practice. To achieve this objective, the researcher is used descriptive type of research design.

#### **3.2 Research Approach**

Researchers applied two types of research approaches, namely qualitative and quantitative approach (Saunders et.al, 2007). Most researchers argued that the best method to use for a study depends on the purpose of the research, researcher data and the accompanying research questions. The mixed research method is considered to be very efficient in answering research questions compared to the qualitative and quantitative approach. Qualitative research helpsto explore and understand the meaning individuals or groups ascribe to a social or human problem” (Creswell, 2009).The advantage of using mixed methods is that it enables triangulation the data and result collected by questionnaire (Greener, 2008; Saunders et.al, 2007).

In this regard, the researcher is used mixed research approach; hence, the researcher collect quantitative data through self-developed questions as well as qualitative data through interview. Moreover, primary qualitative data also collected using the semi-structured interview. The questionnaire also included open-ended questions.

### **3.3 Population and Sampling Techniques**

#### **3.3.1 Population**

As this study assesses the training and development practice in Nib International Bank s.c (NIB), the employees of the NIB have been taken as a population. The study's focuses were emphasizing employees` who are working in head office and branches of NIB international bank s.c which are located in Addis Ababa. Based on this, the survey was conducted on 463 staffs of head office 58 staffs of Addis Ababa branch Offices (i.e. data from NIB 2016 employee list). Therefore, the population of this research will be 514 staffs. The major reason that the study focus only in Addis is to effectively manage the research on timely basis and also the training process application in the targeted population are same with others. As the questioner responded showed, the study populations were to be 225 employees` who are working in head office and branches of Nib International Bank s.c for the post of managerial and non-managerial. Those were 40 employees` from managerial and 185 employees non-managerial from twenty one departments which are located in Addis Ababa.

#### **3.3.2 Sampling Techniques**

There are two basic sampling techniques; which are probability and non-probability sampling. When sample units are selected on the basis of personal judgment the sampling method is non-probability sampling (Adams et al., 2007).

Non-probability sampling: Non-probability sampling is a sampling procedure which does not afford any basis for estimating the probability that each item in the population has of being included in the sample. Non-probability sampling is also known by different names such as deliberate sampling, purposive sampling and judgment sampling. In this type of sampling, items

in the sample are selected deliberately by the researcher; the choice concerning the items remains supreme. In other words, under non-probability sampling the organizers of the inquiry purposefully choose the particular units of the universe for constituting a sample on the basis that the small mass that they so select out of a huge one will be typical or representative (Kothari, 2004).

In choosing the research participants, it could be said that, in this study, purposive or judgmental sampling techniques was applied in determining the participants that best enabled the researcher to answer the research questions and to meet the research objectives. Purposive sampling was the most appropriate sampling techniques for this study, since the research questions and objectives require selecting particular respondents who were considered to be informed and who had the required information needed to answer the research questions. Determining sample size varies for various types of research designs and there are several approaches in practice. A general rule, one can say that the sample must be of an optimum size i.e., it should neither be excessively large nor too small (Kothari, 2004).

### 3.4 Sample Size

From the source population of NIB international bank the appropriate sample for questionnaire administration were determined by Yamane's (1967) formula of sampling technique. Accordingly, once the population size is determined at 95% confidence level which is 5% standard error (e), the sample size is calculated by using below formula:

Where: 
$$n = \frac{N}{1 + N(e)^2}$$

- e = marginal standard error, 5%
- N = population of the sample (514)
- n = sample size

$$n = \frac{514}{1 + 514 (0.05)^2} = 224.9 \approx \underline{\underline{225}}$$

Sample size ratio: number of staffs and Sample ratio for the sample frame:

Table 3.4.2 sample size ratio

<b>Location</b>	<b>Number of Staff</b>	<b>Sample Proportion</b>
Head Office	456	$456/514 * 225 = 200$
Piazza Branch	18	$18/514 * 225 = 8$
WolloSefer Branch	21	$21/514 * 225 = 9$
Lideta Branch	19	$19/514 * 225 = 8$
<b>Total</b>	<b>514</b>	<b>225</b>

Source: own survey, 2017

### 3.5 Source of Data

Both primary and secondary sources of data were applied for the sake of finding relevant statistics and analytical evidences to meet the proper research findings. Primary sources of data required for this research had been collected through interviews, questionnaires and the secondary sources of data were collected through the bank`s manual, sites and journals and various related books.

Questionnaire were distributed to the respondents by open and close ended type of question and a Likert -type scale in which the respondent answered how strongly they agree or disagree with the statement.

### 3.6 Instruments of Data Collection

Data`s which were gathered for this research helped to obtain detailed information about the training practice of the bank. Instruments of data collection

The primary data is gathered with the help of questionnaire developed by the researcher and by interviewing employees who work in 21 departments and higher level managers.



The questionnaire method as instrument of data collection was used because it provides wider coverage to the sample and will also facilitate collection of a large amount of data. And as a measurement tool, a 5 point Likert scale was utilized.

The secondary data is taken from varied reports of the organization, internet and varied organizational manuals such as Employee Handbook and Management Policy and Procedure Manual, annual report and records.

### **3.7 Procedure for Data Collection**

The distributed questionnaire was collected within a week after the distribution. The questionnaire had two sections. The first section is about the biographical information about the employees, and the second section focuses on the variability of the training process.

The interview was conducted with Senior Managers and HR Manager focusing on the overall training and development practices of NIB.

Random Sampling technique is installed in order to select the number of sample respondents and reached a total number of 225 respondents using the following formula, Created by Yamane

(1967). 
$$n = \frac{N}{1 + N(e)^2}$$

### **3.8 Methods of Data Analysis**

Researcher generate information by analyze data after its collection. Data analysis usually involves reducing the accumulated data to a manageable size, developing summaries, looking for patterns, and applying statistical techniques. Scaled responses in questionnaires and experimental instruments often require the analyst to derive various functions, as well as to explore relationships among variables. (Cooper and Schindler, 2003).The research designs to follow a mixed method. Hence, both qualitative and quantitative analyses used. Data collected using questionnaire and analyzed through descriptive statistics based on summarized comparisons using percentages, frequency distribution; the results were presented using tables. Whereas, data collected from the interview were interpreted qualitatively. And both the interview and

questioner analyzed together for the same content questioners. Accordingly, the summarized data analyze in brief and the theoretical frame work of the study to arrive at a meaningful conclusion.

### **3.9 Ethical Consideration**

Each discipline should have its own ethical guidelines regarding the treatment of human research participants (Vanderstoep and Johnston, 2009). Research ethics deals with how we treat those who participate in our studies and how we handle the data after collected. The researcher is keep privacy (i.e. leave any personal questions), anonymity (i.e. protecting the identity of specific individual from being known) and confidentiality (i.e. keeps the information in secret) (Saunders et.al, 2007). Besides, the questionnaire is distributed to voluntary participant, it also have clear introductory and instruction part regarding to the purpose of the research.

### **3.10 Validity and Reliability**

According to Adams et al., (2007) internal validity is used to assure the research validity. To threat the internal validity of this research, questionnaires were distribute within same period of time and collect with short reasonable period of time not more than two weeks, and reasonable sample had taken from the population and questioners randomly distribute to participant, except for the managers and supervisors who judgmentally selected.

Questions are designed to be understood and interpreted the same way by all respondents; having this the researcher tried to avoid ambiguous terms from the questionnaires and make self-understood questions

In addition to this, the researcher receive comment from the advisor and other expertise on the questionnaire and overall research methodology. Furthermore, sample questionnaire were forwarded by select staffs, advisor and experts so that the researcher get feedback on the questionnaire way of preparation, wording, coherence and any other valuable comment so that researcher incorporate any important comments and finalize the questionnaire.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION**

The purpose of this research is to assess the practice of training and development practice of Nib International Bank, identify the practical gaps and provide possible solutions. This chapter presents the main part of the study. Collected data using qualitative and quantitative method was tabulated and analyzed using descriptive tools.

In order to conduct this research a total of 225 questionnaires were distributed for staffs and 182 questionnaires are collected, and the remaining 43 questionnaires was not returned and from the returned questionnaire 16 of them was not properly filled and excluded from the analysis by the researcher. Hence, the analysis has been done on 166(73.8%) of questionnaires.

2. Let employees` know various policies and procedures and other useful information of the bank to improve performance.
3. Keep all staff members abreast with new technologies and specialized developments.

#### **4.1. Demographic Statistics**

Tables 4.1 present the demographic information of respondents work experience, education qualification and gender. This information is very important to see the respondent background in the field and to build confidence on the collected data.

**Table 4.1: Demographic information of respondents**

Criteria		Frequency	Percent	Valid Percent	Cumulative Percent
Year of Experience	Less than 3 years	21	12.7	12.7	12.7
	4 to 6 years	59	35.5	35.5	48.2
	7 to 10 years	61	36.7	36.7	84.9
	Above 10 years	25	15.1	15.1	100.0
	Total	166	100.0	100.0	
Educational Qualification	High School Certificate	-	-	-	-
	Diploma	23	13.9	13.9	13.9
	Bachelor	117	70.5	70.5	84.3
	Master's Degree and above	26	15.7	15.7	100.0
	Total	166	100.0	100.0	
Gender	Female	72	43.4	43.4	43.4
	Male	94	56.6	56.6	100.0
	Total	166	100.0	100.0	
Age Group	< 25	21	12.65	12.65	12.65
	25-35	93	56.02	56.02	68.67
	36-40	35	21.08	21.08	89.76
	41-50	10	6.02	6.02	95.78
	51-60	5	3.01	3.01	98.80
	61 and above	2	1.2	1.2	100.0
	Total	166	100.0	100.0	

Source: own survey, 2017

Regarding the respondent work experience in the company, the results in Table 4.1 shows that 12.7% of the respondents have less than three years, 35.5% of them are between four to six years, 36.7% of them are between seven to ten years and the rest 15.1% of respondents have over ten years' experience in the company. This result indicates that majority of the respondents have long years of work experience in the company which indicates that they have better understanding in general the company working culture and specifically training and development practices.

The respondents were asked to indicate their educational qualification and the results are presented in Table 4.1 above.

The results shows that none of them are high school certificate and only 13.9% of the respondents have Diploma. The rest 70.5% and 15.1% of the respondents have BA Degree and MA & above level, respectively. With this result, the researcher concludes that infer that the respondents can better understand the questions and provide relevant and accurate information needed for the study.

Gender is the other demographic factor which result summary indicates that 43.4% of respondents are female while the remaining 56.6% of them are male.

With Regard to their age, majority of the respondents (56.02%) are between the ages of 25 – 35. 21.08% of the respondents are between the ages of 36 – 40, 12.65% are below 25 years of age and 6.02% are between the ages of 41 – 50. The rest of the respondents, 3.01% and 1.2% are between the ages of 51 – 60 and 61 and above, respectively, this shows that the bank employees are well aged and matured enough to make responsibility.

## **4.2. Analysis of Data Related to the Study**

The researcher analyzed the data gathered through close ended questionnaires with the aid of statistical tools i.e. descriptive statistics. In addition to this, the existing practice and qualitative information was gathered through secondary data and interview to see the practice and complete the study.

### **4.2.1. Analysis of Questions Related to Availability and Awareness of Employees about the Banks strategic plan**

Strategic plan is a process and thus has inputs, activities, outputs and outcomes. This process, like all processes, has constraints. It may be formal or informal and is typically iterative, with feedback loops throughout the process. It provides inputs for strategic thinking, which guides the actual strategic formation. It is document used to communicate with the organization the organizational goal, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise.(Erica Olsen, 2012).The data that are found

from employees` and HRD managers presented in the following tables and made analysis to better understand the collected data.

*Table 4.2.1: Response summary related with strategic plan and Awareness of Employees about Strategic Plan*

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
The organization has a clearly defined strategic plan							23	14%	143	86%	4.86
I am aware of the organizational strategic plan			15	9%	34	20%	63	38%	54	33%	3.94
The organization has a clearly designed training plan	10	13%	14	17%	37	21%	49	25%	56	23%	3.77
The organization has written training policy.	28	17%	46	28%	27	16%	37	22%	28	17%	2.95
The training policy is well communicated to the employees	34	20%	57	34%	37	22%	22	13%	16	10%	2.57

Source: own survey, 2017

Regarding the question in table 4.2.1, regarding the availability of well-defined strategic plan, most of the respondents, which is 24% and 86% of them have replied agree and strongly agree respectively on the availability of clearly defined strategic plan at organization level. In similar way, assessment of staff awareness show that around 71% of staffs have awareness on the strategic plan and 9% have not aware and 20% are neutral. The statistical mean also indicate the highest mean value of 4.86 and 3.94 for availability of well-defined strategic plan and staff awareness, respectively. This indicates that the company have clearly defined strategic plan as well as most of the staffs have awareness on overall company strategic plan, and this is one of the important issue to talk overall company issues. But, the company requires communicating and creating awareness of their staffs to have one view regarding organization objectives.

According to the survey result about availability of clearly designed training plan (table 4.2.1), cumulative of 48% of respondents agree on the availability of training plan at company level at statistical mean value of 3.77. Whereas, the remaining respondents, which account 30% and 21%

are expressed their disagreement and neutral, respectively. In cumulative the total 52% which is disagree and neutral is significant and it indicates as there is problem on availability of clearly designed training plan. In addition to survey question, the researcher tried to see training plan documents and get additional information through interview, and of course, there are training plan, but it is not complete and clear as well as not classified when and how the training will arranged.

For survey question on availability of written training policy, the respondent's (table 4.2.1), most of the respondents which are 39% have agreed. And the remaining 16% is neutral and 45 disagree, while the researcher also assessed the training policy of the company and confirm as it is available.

On the other hand, the researcher request another question to triangulate the availability of the policy by requesting policy communication (4.2.1) and the responds show that 54% are disagree which means the policy is not communicated and 22% are neutral regarding policy communication. The statistics mean value of training policy availability and its communication is 2.95 and 2.57, respectively, which is low and show most of respondents give low response. The researcher also try to check the availability training policy and its communication through interview and review company working documents; although, there is training policy, the company not work to communicate and create awareness through it staffs; the survey response also clearly indicate the same result.

#### **4.2.2 Analysis of Needs Assessment Related Questions**

Determining Training Needs or Training needs analysis has a pivotal role in identifying the required skill or perform specific tasks by analyzing the actual and the required performance. Many authors have given their explanation about the importance of training need assessment (TNA). Anderson (2000) is point that the needs assessment is the starting point in the training process. It is the phase in which an organizations needs are identified, forming the foundation of an effective training effort.

For question regarding the bank's need assessment, HRD managers replied the training need assessment made through interview and by distributing questionnaires and it is designed once in

a year before the training is conducted in order to determine the type of training by considering system and technology changes, Forecast of human resource needs, periodic staff performance evaluation, exit interview, suggestion and proposals of line executives, customer suggestion, etc.inaccordance with the five scale(the likert scale),respondents answers to be coded as strongly disagree,Disagree, neutral, agree and strongly agree and presented in the following table.

*Table 4.2.2: Response summary related to Training and Development Needs Assessment*

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
Training need assessment process was participatory.	57	34%	39	23%	38	23%	17	10%	15	9%	2.36
Training need assessment is mostly conducted by professionals	52	31%	69	42%	28	17%	17	10%			2.06
There are clear process and template to provide training need from end users	36	22%	47	28%	29	17%	28	17%	26	16%	2.77

Source: own survey, 2017

Respondents were asked either they participated on the training need assessment to see the level of participation, and as the summary shows in table 4.2.2, majority of the respondents which is 34% strongly disagree or also 23% disagree while only 19% agreed. And 23% are neither agree nor disagree. The statistical mean also tell low mean value. As the response from the interview reveals, mostly need assessment is collected from only managers and it did not request from staffs.

Based on the respondent's (table 4.2.2), 42% and 31% have respectively indicated their disagreement and strong disagreement on profession of human resource /HR/ staffs who conduct training need assessment. The statistical mean also the attitude of staffs on the profession of HR staffs who conduct need assessment are low at mean value of 2.06. Only 10% of respondents agree on this regard. It is also justified based on the interview discussion, they are not taken special training and most of training related complains also causes from need assessment result.



Therefore, this result indicates that the company shall work on its HR staffs those are assigned on training related activities.

As it has seen the process and template for collection of training need on above table 4.2.2, even if 33% of the respondents agree, 50% and 17% have expressed their disagreement and neutral, respectively. The lower statistical mean value (2.77) also indicates that the company either doesn't have clear process and template to collect training need or not communicate and create awareness on the staffs. Further investigation from interview revealed that there is a process but it lacks some points and the way to collect need from users. The researcher also tried to review the template and it lacks some major points; furthermore, sometimes managers simply send their need through email.

#### **4.2.3 Analysis of methods used to determine Training Need in NIB**

There are different method of training need assessment and identify training need. Among others, Mejia, Balkin and Cardy (2012) said that the overall purpose of the needs assessment is to determine if training is needed, and if so, to provide information required to design the training program. By keeping this in mind the responses presented as follows.

Table 4.2.3: Response summary Related to Methods is used to determine Training Needs of your Organization

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
Need assessment questionnaires	59	36%	70	42%	37	22%					1.87
Personal face-to-face interviews with employees	62	37%	104	63%							1.63
Seeking input from line managers							94	57%	72	43%	4.43
Performance appraisal information or results	84	51%	82	49%							1.49
Analysis of Job difficulties	58	35%	66	40%	21	13%	21	13%			2.03
Department plans	60	36%	38	23%	17	10%	51	31%			2.36
Exit interviews	61	37%	45	27%	60	36%					1.99

Source: own survey, 2017

As the findings shows on table 4.2.3, from the list of methods to identify knowledge gap and training need, the researcher included above seven method of need identification in the survey. And the survey result revealed that NIB mainly (100%) apply input from line manager, 13% of respondents confirm job difficulties analysis and 31% department plan that being used by the company at small mean value of 2.03 and 2.36, respectively. The researcher further investigates through interview that seldom NIB tried to use face to face interview with line managers. But, almost all respondents are disagree on the implementation listed need identification method which is questionnaires, employees' interview, performance appraisal and exit interviews.

#### 4.2.4. Analysis the extent of NIB that use the major indicators to assess training needs

According to Mathis and Jackson (2011) is to review the jobs involved and the tasks performed in those jobs. This can be done either by comparing the requirements of jobs with the KSAs of employees, training needs can be identified or to survey employees and have them anonymously evaluate the skill levels of their peers and estimate the skill levels necessary to be successful. Salas et al. (2012) also pointed out that with a particular training target in mind, this component

of TNA specifies the critical work functions of a job and outlines the task requirements as well as the competencies (i.e., KSAs) needed to complete these tasks. By keeping this in mind the responses presented as follows.

*Table 4.2.4: Response summary related with major indicators of training need assessment*

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
Lack of knowledge and/or skill	53	32%	45	27%	29	17%	39	23%			2.33
Poor performance/ performance gap	34	20%	49	30%	23	14%	60	36%			2.66
Introduction of new work methods	0	0%	0	0%	16	10%	41	25%	109	66%	4.56
High turnover	31	19%	46	28%	59	36%	20	12%	10	6%	2.59
Employee's assignment new or transfer to other					11	7%	39	23%	116	70%	4.63
High absenteeism	62	37%	56	34%	48	29%					1.92

Source: own survey, 2017

As the findings shows on table 4.2.4, Knowledge and/or skill gap is one of the major training gap indicator which is asked in the survey question, and from the total respondents only 23% of them are agreed on NIB provide training based on knowledge and/or skill gap report, while cumulative of 59% of the respondents are express their attitude that NIB not use knowledge and/or skill gap reports.

The survey result regarding the use of poor Performance as training need indicators, 36% of the respondents are showing as the company use performance gap to assess the training need, but the remaining large portion of respondents which is 30% and 20% of them are disagree and strongly disagree on this regards. Whereas, most of scholars emphasis that poor performance might be cause from knowledge/skill gap and this will be basic indicator for training need.

Regarding the training need indicators related with new work introduction, NIB mainly use new training demand when new work method introduced in the company. Having this, the survey

result show that 25% of the respondents are agree as training given when a company introduce new work method or systems. It is also further justified through interview; almost training is given for all concerned staffs before the new work method or working system formally implemented.

The other survey question to assess the training need indicator is staff turnover; respondents were asked at what level the company use staff turnover as training need indicators and the survey result show that only 18% of respondents are agree, and 47% respondents are not agree and 36% of them are neutral. Overall statistical man value (2.59) also indicates that the company does not related turnover information with training gap identification. The researcher, further check through interview why they don't relate turnover information with training gap identification and the respondent explain that the exit interview strategy and question do not included in detail to request the reason of staff resigned from the company. In addition, there is no trend that information exchanging between HR training officer and other HR staffs; this is the basic reason for not-applying resigning information for training need assessment.

Respondents were asked their opinion whether their training need is requested for their new assignment; accordingly, 23% and 70% of the respondents have replied agree and strongly agree respectively as training facilitated for new their assignment.

The survey result regarding the use of absenteeism rate related with training need identification, 56%% and 37% of the respondents are show their attitude on disagree and strongly disagree, respectively while 29% of respondents are neither agree nor disagree. In order to deeply check the practice NIB to take action based on absenteeism rate against training need (i.e. since training related problem will be source of demotivation and poor performance and has conscience of absenteeism), the researcher address through interview. Accordingly, the company has clear policy on absenteeism, but there is no trend or practice that request why mostly absent from their job and make analysis for further decision.

#### **4.2.5. Analysis of Training Practice against Organization Objectives**

The strategic plan of an organization clearly indicate and have each basic objective of the company. According to Olaniyan and Lucas (2008) an objective is specific outcome that training

or the development objective practice is set for trainee should be able to exhibit after training and in additional four objective individual, organizational functional and socials stated by (Pallavi, 2013). As a result of this any training shall be aligned with company overall objective and support operational activities. Based on this, the researcher raises basic three questions to assess NIB training and development practice related with company objectives and present below summary table.

*Table 4.2.5: Response summary related with training practice against organization objectives*

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
NIB formulates SMART training objectives	20	12%	64	39%	44	27%	27	16%	11	7%	2.67
I believe the organization achieve its objective with current training and development	18	11%	43	26%	36	22%	46	28%	23	14%	3.08
The training materials and teaching aids are complete and helpful to achieve intended objective	17	10%	42	25%	34	20%	42	25%	31	19%	3.17

Source: own survey, 2017

Concerning formulations of smart training objectives, only 17%% of respondents in cumulative express their agreement, while 64% and 12% of the respondents have replied disagree and strongly disagree, respectively. Further investigation through interview question has been done, and the response is almost similar because the company has not formal training assessment process and training plan. Except, the staff who newly assigned or transfer to new work method, the company not implement training and development practice with clear and smart training objectives aligned with strategic plan.

According to the respondents feedback (table 4.2.5), 14% and 28% are agree and strongly agree, respectively on the current training and development practice help the company to achieve organizational objectives, while 26% and 11% of them replied disagree and strongly disagree, respectively. The researcher further investigates through interview on the achievement of

organization objective. And, the respondent explain that as there are some training areas which is not successfully implemented in the first round and still performance gap also frequently observed. But, the interview respondents are not sure from which that performance gap is seen either from only training gap and/or other factors. On the other hand, the interviewee respondents confidently explain that all the system related training is successfully implemented and organization also achieve its objective from the system related activities. The reason of successfully implementation of system training is that the company purchase as a package and training is part of the contract.

Regarding completeness of training material and others teaching aid, almost sum of 44% of respondents are agree and 35% of respondents are disagree on the training material other teaching aid completeness. But, the remaining 20% of respondents not show their attitude nether agree nor disagree. The interview respondents also justified that this problem also mostly seen other than system related training and they explain that some training materials are seems not complete since the trainer might be summarized the content and fill the remaining during lecture. But, other training aids (i.e. stationary, computer lab and even refreshment) are mostly fulfilled even if sometimes trainee not satisfied on the refreshment and lunch).

#### **4.2.6. Analysis of Training Outcome Assessment**

The realization of organizational objectives depends to a greater extent on the quality of leadership provided by administrators/managers. To this effect, organizations need to improve supervisory, managerial, executive skills and non- managerial employees so that they may lead and motivate employees for the betterment of their organizations (Haslinda and Mahyuddin, 2009).

About benefit of employees` training, HRD Managers replied when an employee trained she/he does their work effectively and employees` provide best service to the customers on a perfectible way and then the company will have best profit and it can be a competitive company in the industry. By keeping this in mind the response indicated as follows.

Table 4.2.6: Response summary related with Outcome Assessment

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
Enhancing my knowledge					20	12%	87	52%	59	36%	4.23
Changing my attitude					47	28%	56	34%	63	38%	4.1
Improving on-the-job performance					11	7%	92	55%	63	38%	4.31
Increasing my satisfaction on the job					25	15%	77	46%	64	39%	4.23
Increasing my productivity					21	13%	87	52%	58	35%	4.22
Increasing my commitment and motivation	6	4%	32	19%	26	16%	64	39%	38	23%	3.58
Supports me in achieving the organization's strategic goal.					30	18%	57	34%	79	48%	4.3

Source: own survey, 2017

Table 4.2.6, shows regarding the outcomes of the training that almost all respondents have agreed and strongly agree on the achievement of most of expected training output. As it is shown in above table 4.2.6 the statistical mean value of all out put factors are above 4.1 which are almost all respondents have positive attitude for the enhancement of their knowledge, changing attitude, improve job performance, support them to satisfaction by their job, believe on their productivity as well as the believe as the organization itself achieve the strategic objective. Exceptionally, some of the survey respondents are disagree on the increment of their commitment and motivating due to training. Regarding to this, the information obtain through interview shows that employee commitment and motivation is built by not only by the training but also other organization activities i.e. motivation scheme, job environment and other issues. Therefore, the organization shall balance all employee motivational factors since it directly or indirectly affect the result of the training.

#### 4.2.7 Analysis of Training Participant Selection and Evaluation Assessment

About the basis for selecting employees` to be participated in training, HRD managers replied regarding to the in-house training or local external training, HRD and benefits division request

departments/Branch to nominate candidates for a training program. Departments/Branches forward list of nominates for the program. Candidates for overseas training are selected based on the requirements of the training institution or the bank`s need by HRD and Administration department. Upon securing the president`s approval, the HRD and benefit division process the necessary formalities of overseas training. Foreign training need and budget shall be approved by the board and executed by the management. By keeping this in mind the responses presented as follows.

*Table 4.2.7: Response summary related with Training Participant Selection and Evaluation Assessment*

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
The bank has clear criteria for selecting employees to attend training and development program.	28	17%	40	24%	34	20%	35	21%	29	17%	2.98
Training opportunities are usually given to the right employees rather than based on the relationship they have with the management	21	13%	48	29%	25	15%	37	22%	35	21%	3.1

Source: own survey, 2017

Based on the survey result on table 4.2.7, the criteria for the selection of training program, only 21% and 17% have replied agree and strongly agree respectively on the transparent trainee selection; whereas majority of the respondents, i.e. 24% and 17% have replied disagree and strongly disagree respectively. And also interview results indicate that there are some gaps on trainee selection. The current practice of NIB is that HR training officers simply send type of training and number of trainee requires to line managers and then the line manager will send the trainee based on his own assumption and no clear and transparent process as well as other staffs not participated during selection.



For the survey question that trainee has equal opportunity and the right employees is selected without affiliation and relationship with managers or influential bodies, 22% and 21% of the respondents are agree and strongly agree on the equal opportunities of trainee selection; while 29% and 13% of them are disagree and strongly disagree on this regard and the remaining 15% of them are neither of the two. As the response summary indicate that around half of the respondents are not agree on the selection of trainee through giving opportunity. The researcher also tries to address this issue through interview, and confirm that there are some rumors and even complain is send to HR on the selection of some training. This is big challenge and problem on most of the organization and it affect not only the company objective that achieve from the training but also affect employees' moral, motivation and respect to overall the company.

#### **4.2.8 Analysis the level of agreement on Evaluation at the end of Training**

Training represents an expensive investment that organizations make in their human resources and therefore, it is important for organizations to evaluate the effectiveness of their training effort. Training evaluation involves the collection of information on whether trainees were satisfied with the program, learned the material, and were able to apply the skills back on the job (Bernardin, 2010). Having this, the researcher tried to assess level of evaluation using below survey questions and interview.

Table 4.2.8: Response summary related with level of agreement on evaluation at the end of Training

Criteria	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	N	%	N	%	N	%	N	%	N	%	
There is a practice of assessing at the end of every training program							113	68%	53	32%	4.32
Training outcome is evaluated by trainee self-assessment through interview	33	20%	51	31%	12	7%	40	24%	30	18%	2.89
Training outcome is evaluated by trainee self-assessment through Questionnaire							20	12%	146	88%	4.88
Training evaluated through Observation during Training		0%	40	24%	23	14%	55	33%	48	29%	3.67
Training evaluated through performance: efficiency and effectiveness after being trained	28	17%	51	31%	25	15%	40	24%	22	13%	2.85

Source: own survey, 2017

As it is presented in above table 4.2.8 about the practice of assessing training output at the end of every training program, almost hundred percent survey respondents agree as the company assess at the end of every training. But, the researcher also tried to discuss on practice of review each trainee response and take correction accordingly. In this regard, the company has huge gap on the consumption of the feedback and do further investigation on the evaluation results. Hence, the researcher sees it as problem on the training section. As it is known, evaluation is not only for the purpose of fulfill the process but the major reason is to collect feedback and fill and/or correct any issue or problems raised.

As the survey result shown in table 4.2.8 the company has trend of using training outcome evaluation through interview even if around half of the respondents i.e. 31% and 20% are disagree and strongly disagree, while 42% of them are agree as there are interview after the end of the training. Further assessment of the research through interviews result indicate that NIB has

the process of conducting an interview during and end of the training session, but it lacks consistency and since interview is time taken almost few trainees are only invited for the training. This is the basic reason that the survey result indicate low statistical mean value (2.89) because others trainees might not have information either self-assessment interview conducted or not.

Regarding self-assessment questionnaire that NIB practice to evaluate training outcome, almost all respondents are agree. Self-assessment questionnaire is the other method of training outcome evaluation which is most organization applied since it is easy and can collect from all participants even if it is time taking to compile. In addition, the interview respondents also said that most questionnaires is collected from the trainee is not compiled on time and not used for further evaluation of trainer and other training related issues. One respondent also said that it is just doing for paperwork purpose since it is not being used during his stay in the company.

Observation is the other method of training evaluation; this method aids in adjusting the training during an event and provides another perspective on learner participation and changes. As it is presented in above table 4.9, 33% and 29% of the respondents have express their agreement and strongly agree respectively, while the remaining 24% is disagree and 14% of them are neither of the two. As per the interview respondents, there is a practice of visiting/ observing trainees and collect feedback especially when new system or working method is introduced, but it is not consistent and not applied to all training given in the company

Regarding the evaluation method after training being delivered through staff's performance on efficiency and effectiveness which comes on their jobs, the survey result shows that 24% and 13% of respondents agree and strongly agree respectively, while 31% and 17% of respondents disagree and strongly disagree respectively. In general the survey result of statistical mean is low at 2.85 meaning the highest number of respondents not agree as the company not use performance evaluation method after delivery of the training.

Further data has been collected through interview is that the company has performance evaluation method and use the result with internal promotion, but not related and further evaluated the poor performance with training issues.

## **CHAPTER FIVE**

### **SUMMURY OF FINDINGS, CONCLUTIONSAND RECOMMENDATION**

This chapter presents the summary of research findings and conclusion drawn from the analysis and finally recommendation given based on the finding results.

#### **5.1. Summary of Findings**

This study tried to assess the training and development practice and implementation Nib International bank.

NIB has well defined strategic plan and the staffs also aware of it. Although there is written training plan, it did not prepared through participation of staffs or feedback not collected from staffs, lacks some clarity as well as the company has not been communicated and create awareness to the staffs.

The analyses result of need assessment revealed that the low mean score values for participation of staffs on training need assessment, professionalism of the staffs who conduct assessment as well as on the availability of clear process and template to collect training need from end user.

The methods which the company applied to identify and determine training need, seeking input from line managers has the largest mean score (4.4); analysis of job difficulties and department plan have score moderately low mean score while need assessment questionnaires, face-to-face interview and exit interview have score very low mean value. Finding of interview question also indicate that face to face interview also applied at low rate with line managers.

The data about the use of major training needs/gap indicators showed that the company uses introduction of new work methods and transfer staffs as training need indicator. The result indicates the company has not been not used absenteeism as training need indicators.

Although the company has training policy and objectives which designed to achieve company strategic objectives which is seen on above, large percent of respondents don't agrees on the smartness of training objectives. On the other hand, slightly high number of respondents are

agree on the achievement of company objective with current training practice, and also more that 50% of respondents are agree on the completeness and helpfulness of training materials and teaching aids. While not few respondents that believes as the company couldn't achieve with current training practice as well as there is a problem on training materials and teaching aids.

Finding of the assessment reveal that almost all respondents agreed and score high mean value on the outcomes which is achieved from the training which is listed on the research questions, except 'training increase my commitment and motivation' which is moderately high mean score because it affects by different factors other than knowledge and skill gap.

The analysis shows that moderately high mean score which is the company has not clear criteria for the selection of employees for given training which score low mean value. And, interview. Similarly, the survey result indicates that there is a problem on giving of equal opportunities to all employees. Managers simply select trainees based on their own criteria without HR Training team interference as well as employee participation. And, it is also a major gap which is raised during interview discussion.

Finding of research assessment indicate high mean score value of the practice of assessing training program at the end of every round. As per survey response summary, NIB mainly uses self-assessment questionnaire after end of the training and observation during training time at mean score value of 4.88 and 3.67. In addition, interview and assessment of performance evaluation based on the training also the other means of training evaluation, but the company don't frequently use these to evaluation method.

## 5.2. Conclusions

Based on the findings presented, the researcher draws the following conclusions:

- The training team shall be efficient and managed by dedicated staffs, but in NIB staffs who assigned for training activities also carried other HR's issues and they are busy and could not properly conduct responsibilities related with training.
- The company doesn't intensively use basic training gap identification methods either in combination or separately like questionnaires, job difficulties, based on department plan as well as interview or discussion with selected teams.
- Mainly introduction of new work methods and transfer staffs are the two common training need/gap indicators which is being used by the company, but there are low practice on use of other gap indicators like lack of knowledge &/or skill assessment, poor performance, turnover rate and absenteeism.
- Training might not be the major factor to increase employee commitment and motivation but non-transparent trainee selection and other improper training related management will be major factor to reduce employee commitment on their assignment and cause to demotivation.
- There is no clear criteria for trainee selection; trainee selection is depends on managers his/her own criteria without employee participation.
- Besides non availability of clear process and template training need, staffs don't participated on trainingneed assessment and assessment is done by non-professional staffs.
- The company has good practice of assessing training program after end of every training session as well as observation during training. But, the company mainly uses questionnaire and observation to assess training program, and does not use interview and performance assessment before and after training. In addition, the company

lacks consistency on observation assessment and implements feedback collected through questionnaires.

### **5.3. Recommendations**

- The company shall review existing training team structure and reorganize at supervisor or section level to manage the training and development activities of the company. As a result of this the company will be able to specialize and efficiently manage training related activities by assigning the right person to the right position. By assigning potential person for the position (level of management).
- Training and development team shall be professional and enhance their capacity through different short term certification and training. Training helps the employers to reduce the learning time of their employees and achieve higher standards of performance. The employees need not waste time in learning by observing others. If a formal training program exists in the organization, the qualified in structures will help the new employees to acquire the skills and knowledge to do particular jobs quickly. When a bank uses those educated and youngest employees` on effective and efficient manner both the employees` and organization can maximize their future career and benefit. When a company creates a great understanding to its employees` about organization strategic goal on the initial, everyone in the company can develop through this thinking and can be able to play goodly to achieve organizational goal.
- Trainees shall be selected on the basis of clear and well-defined criteria. This enables to select the right employee(s), increase transparency and minimize demotivation factor which comes from training related issues. By giving training opportunities to the right employees depending on their performance, skill, knowledge rather than based on the relationship they have with the management. Selection of trainee should be on the basis of job profile of trainee and objective of the organization.

- There should be clear process and template to collect training need assessment and assessment shall be done by professional person.
- Employees shall be participating on training need assessment so that they will get the chance to fill their gaps and fill belongingness as well as they will take training with full interest.
- Instead of simply requesting managers what training they need, the company shall be use basic scientific training gap identification methods especially based on employees performance assessment, knowledge gap assessment, company strategic plan as well as investigation of the employee turnover and absenteeism.
- The company shall continue existing good practice of assessing/evaluation training program after end of every training session as well as observation during training. But, the company should be applying other evaluation methods especially focus on the performance of the employee after they being take the training.
- Furthermore, the company should be consistent on training program assessment during and after delivery of the training as well as there should be follow up method to implement the feedback or comment collected using any of the method. The bank should implement effective training follow up mechanism towards evaluation of delivered trainings, in addition to measurement of training extents towards increasing employees „performance. And here we must understand that the follow up not only made by HRD department rather other managers also should made follow up on the effect of training and they must communicate to the concerned body with in the specified period of time then the bank`s management can make sound decision to better performance.

#### **5.4. Suggestion for Further Study**

This study is focused on only NIB training and development practice assessment, but the researcher recommend to study including other banks to identify which factors from training gap indicator, from need assessment methods, training evaluation method, employee selection



methods and other relevant factors will impact the achievement of training objective and support overall organization strategic plan.

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# APPENDICES

# **APPENDICES I: Survey Questionnaire**

**St. Mary`s University School of Graduate Studies**

**MBA Research on assessment of Training and Development practices:**

**The case of NIB International Bank**

**Department of MBA in general management**

## **Questionnaire to be completed by employees**

Dear Respondents,

I am currently conducting a study entitled “Training and Development practice the case of NIB international bank”, for the partial fulfillment of MA degree in general management. The purpose of this questionnaire is therefore, to gather data concerning employees training and development practices carried out by the bank. So, your genuine response is vital for the success of the study.

The study is purely academic and will not have any effect on your personal matters. For the purpose of confidentiality, you are not expected to write your name. Therefore, you are cordially requested to carefully read each question item and/or statement and give your response based on the instruction given.

Thank you for your cooperation.

BethelhemMesele (0913316859)

### **Part one: Demographic Information**

1. Length of service in the Organization (Please put check (√) mark for your response)

Less than 3 years

4-6 years

7- 10 years

Above10 years

2. Educational qualification (Please put check (√) mark for your response)

High school certificate

College diploma

University degree

Master degree and above

3. Gender (Please put check (✓) mark for your response)

Male

Female

4. Age Group

>25

46-50

26-35

51-60

36-45

61 and above

### Part Two: Opinion Survey on Training and Development

*For below questions, please indicate your position by putting check /✓ mark under each evaluation statement:*

<i>Strongly Disagree</i>	<i>Disagree</i>	<i>Neutral</i>	<i>Agree</i>	<i>Strongly Agree</i>
<i>SDA</i>	<i>DSA</i>	<i>Neutral</i>	<i>Agree</i>	<i>SA</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>

### 3.1 Awareness of Employees about the Banks strategic plan

Instruction: Indicate your level of agreement with the following statement inserting the relevant number in each box (1= strongly disagree; 2= disagree; 3= fairly agree; 4= agree and 5= strongly agree).

S. No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	The organization has a clearly defined strategic plan.	1	2	3	4	5
2	I am aware of the organizational strategic plan.	1	2	3	4	5
3	The organization has a clearly designed training plan.	1	2	3	4	5
4	The organization has written training policy.	1	2	3	4	5
5	The training policy is well communicated to the employees.	1	2	3	4	5

### 3.2 Training and Development Needs Assessment Related Questions

Express your level of agreement with the following statements focusing on needs assessment practice.

S.No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	Training need assessment is conducted every certain period	1	2	3	4	5
2	Training need assessment process was participatory.	1	2	3	4	5
3	Training need assessment is mostly conducted by professionals	1	2	3	4	5
4	There are clear process and template to collect training need from end users	1	2	3	4	5

**3.3 Which of the following methods is used to determine training needs of your Organization?**

S.No.	Parameter	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	Need assessment questionnaires.	1	2	3	4	5
2	Personal face-to-face interviews with employees.	1	2	3	4	5
3	Seeking input from line managers.	1	2	3	4	5
4	Performance appraisal information or results.	1	2	3	4	5
5	Analysis of Job difficulties.	1	2	3	4	5
6	Department plans.	1	2	3	4	5
7	Exit interviews.	1	2	3	4	5

**3.4 To what extent does your organization use the following indicators to assess your training needs?**

S.No.	Parameter	Alternative Responses				
		very small extent (1)	To small extent(2)	considerable extent (3)	great extent(4)	very great extent(5)
1	Lack of knowledge and/or skill	1	2	3	4	5
3	Poor performance	1	2	3	4	5
4	Introduction of new work methods	1	2	3	4	5
5	High turnover	1	2	3	4	5
6	Employee's assignment new or transfer to other.	1	2	3	4	5
7	High absenteeism	1	2	3	4	5



### 3.5 Training Practice against Organization Objective

Express your level of agreement with the following statement focusing on the availability of clear training objective and design.

S.No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	NIB formulates SMART training objectives.	1	2	3	4	5
2	I believe the organization achieve its objective with current training and development	1	2	3	4	5
3	The training materials and teaching aids are complete and helpful to achieve intended objective	1	2	3	4	5

### 3.6 Training Outcome Assessment

Do the training programs help you achieve the following outcomes in your organization?

S.No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	Enhancing my knowledge.	1	2	3	4	5
2	Changing my attitude.	1	2	3	4	5
3	Improving on-the-job performance.	1	2	3	4	5
4	Increasing my satisfaction on the job.	1	2	3	4	5
5	Increasing my productivity.	1	2	3	4	5
6	Increasing my commitment and motivation.	1	2	3	4	5
7	Supports me in achieving the organization's strategic goal.	1	2	3	4	5

### 3.7 Training Participant Selection and Evaluation Assessment

Express your level of agreement Training Participant Selection

S.No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	The bank has clear criteria for selecting employees to attend training and development program.	1	2	3	4	5
2	Training opportunities are usually given to the right employees rather than based on the relationship they have with the management.	1	2	3	4	5

### 3.8 Express your level of agreement on Evaluation at the end of Training.

S.No.	Statement	Alternative Responses				
		SDA (1)	DSA (2)	Neutral (3)	Agree (4)	SA (5)
1	There is a practice of assessing at the end of every training program	1	2	3	4	5
2	Training outcome is evaluated by trainee self-assessment through interview	1	2	3	4	5
3	Training outcome is evaluated by trainee self-assessment through Questionnaire	1	2	3	4	5
4	Training evaluated through Observation during Training	1	2	3	4	5
5	Training evaluated through performance: efficiency and effectiveness after being trained	1	2	3	4	5

**3.9 If any suggestions for the improvement of the bank training and development program,**

Please, specify: -----

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## **APPENDICES II: Interview Questionnaire**

### **INTERVIEW QUESTIONS FOR MANAGEMENT MEMBERS OF THE BANK**

#### **Objective**

The objective of the study in general and this questionnaire in particular is to assess the human resource training and development practices in Nib International Bank which will help the organization in alleviating major problems related to the study to this end data collection is essential to conduct the research and so as to come up with a reliable result. Thus, your honest and genuine response will help the research a lot in gathering reliable data. The data you provide will be used only for research purpose and be kept highly confidential.

1. Does Nib International bank have a written training and development policy and strategy?
2. How do you select an employee for a particular training?
3. How do you feel about the TNA conducted by the bank?
4. What method (s) of training is often used by the organization?
5. Is there a practice of training evaluation? If so, how are training and development programs of the organization evaluated?



## **DECLARATION**

I declare that the thesis work entitled “Assessment of Training and Development practice: A case Study on Nib International Bank” is my original work, prepared under the guidance of GoitomAbreham (Ass.profesor). All sources of material used for this work have beenduly acknowledged.

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**Name**

**St. Mary’s University, Addis Ababa July, 2017**



## **ENDORSEMENT**

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

Advisor

Signature

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St. Mary's University, Addis Ababa

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July, 2017