**ST MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

# ASSESSMENT OF HUMAN RESOURCE DEVELOPMENT PRACTICES A CASE STUDY OF ETHIOPIAN ELECTRIC POWER CORPORATION

**BY**

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**ADDIS ABABA,**
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**ST. MARY'S UNIVERSITY COLLEGE**
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# DECLARATION

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


_____     _____

Name                                    Signature                          Date

# 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

**St. Mary's University Addis Ababa                        June, 2017**

# ACKNOWLEDGEMENTS

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# List of Acronyms

HR        Human Resource

HRM     Human Resource Management

HRD      Human Resource Development

T& D    Training and Development

ES         Employees' Satisfaction

EEP       Ethiopian Electric Power

# *Abstract*

*Human Resource Development (HRD) is a planned and systematic approach to development of employees for both organizations' and employees' benefit. Thus, this research is designed to assess employees' satisfaction with HRD practices in Ethiopian Electric Power Corporation(EEPC). HRD results into several positive individual organizational outcomes HRD needs investment in training development education programs developing and effective HRD system's difficult tasks since it needs to align both company & employees need Both secondary and primary data were used in the research. A survey questionnaire with five point Likert scale is a main tool for gathering data with human resource development practices of the corporation. 81participants in the Head office operational and management employees were participated in filling the questionnaires. An interview was also made with officials of training and development team of the Corporation. The findings of the study indicated that respondents perceived the HRD practices of the corporation as unfairly focused on some work units only. Respondents also indicated their dissatisfaction with the promotional opportunities and the knowledge to gain from the work they do for the Corporation. Moreover, majority of respondents indicated that they don't think that the Corporation is the best place to develop themselves. In general beyond meeting the Corporation's HR need, the HRD practices should focus on individuals and satisfying their needs for career growth and development. HRD is not all about providing training rather it should aimed at matching the organizational need for HR with the individual needs for career growth and development. Secondly, HRD practices must necessarily focus on individuals since all the strength of Teams and the organization must first embed into individual employees.*

# CHAPTER ONE
# INTRODUCTION

## 1.1 Background of the Study

Human Resource Development (HRD) is an organized learning experience aimed at matching the organizational need for human resource with the individual need for career growth and development. It is a system and process involving organized series of learning activities designed to produce behavioral changes in human resource in such a way that they acquire desired level of competence for present or future role. At firms' level; training and education are the main areas of human resource development practices. Emphasis on human resource development result in several positive individual and organizational outcomes such as higher performance, high quality individual and organization problem solving, enhancing career plans and employability, sustainable competitive advantage, higher organizational commitment and enhancing organizational retention. To accomplish this undertaking, organizations will need to invest resources to enhance employees' knowledge, skills and competencies.

HRD system to be effective and resulted in employee satisfaction eventually retention, it must be perceived positively by employees. Employees' satisfaction pertaining to provision of training and development, opportunities for growth and development within the organization andmanagement's supervision and guidance are very important for successful HRD practices. Simply providing training and development programs is not the key to better performance and employees' satisfaction. Organizations need to look into the needs of the employees' and ensure that HRD practices are aligned with both company and individual goals. It has been suggested that the level of employees' satisfaction with the HRD practices are among the most important criteria to consider when assessing the HRD practices. Ethiopian Electric Power Corportion (EEPC) has Human Resource Training and Development department which is responsible for managing the corporation's HRD practices and administering its training and development institution. Moreover, the Corporation also sends abroad some of its selected staffs, particularly, technical staffs for short term training. However, much of the corporation's HRD practices focused only in very limited areas. In general, this project tries to asses HRD practices in Ethiopian Electric Power Corporation (EEPC)

## 1.2 Statement of the Problem

Organizations can rarely secure people who are, at the time of employment, total masters of their unique requirements. In most cases, there may be gap between employees' knowledge, skills and attitude and what the job demand. The gap must be filled through human resource development programs. As a result, personnel training, development and education are the major ways that firms attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demand. The changes in production system and method have significance impact on production skills requirements.

Thus, employees face the need to constantly upgrade their skills and develop an attitude that permits them to adopt change. Moreover, employees' are demanding professional and career development opportunities within their organization which in turn require considering the needs of employees in training, development and education programs. Thus, providing an effective human resource development program is required to enhance both firms' competitiveness and employee satisfaction.

However, in developing countries most organizations tend to give less emphasis for employees' needs in HRD programs Inadequate need assessment, outdated training and development methods, limited educational opportunities, unequal access to training opportunities, insufficient opportunity to learn skills/knowledge that will improve employees chance of promotion, inadequate opportunities for career growth and poor supervisors guidance for employees' development are some of the areas which results dissatisfaction with HRD practices. These problems later on lead the organizations to lack of optimal man-task relationship, resistances of employees in taking future assignments, decrease in productivity, increase in operational error, and decrease in employee morale and commitment and increase in employee turnover.

However, ineffective HRD practice can bring many problems such as reduced employees' enthusiastic to learn and apply new skills, decreased employee productivity, low morale, and higher employee turnover (Fiona Edgar, 2005). Developing an effective HRD practice is a difficult task since it demands to look into the needs of the employees and ensure that the practices are aligned with both company and employees need. (Fiona Edgar, 2005). Therefore, problems in human resource development system arise when the training and development

practices fail to accommodate employees' needs. So if an organization wants to enhance employees' satisfaction and retain its' employees; it should concern with improving the skills, knowledge, attitudes and behavior of employees in organizational settings for the benefit of both employees and the organization.

According to preliminary survey conducted by the researcher, employee turnover is one of the problems that Ethiopian Electric Power Corporation (EEPC) has facing. Among other factors employees' dissatisfaction with HRD practices is one factor which could result in employee turnover. According to one of the HR department personnel of EEPC, comparing with other governmental owned organizations like ETC; EEPC has highest employee turn-over especially in non-technical staffs. According to the person, much of the Corporation's HRD practices focused in very limited areas like generation construction, generation operation and distribution work units.So, this research is interested in to address assessment of human resource development practices in Ethiopian Electric Power Corporation. the researcher would like to address the following basic research questions.

## 1.3 Research questions

In light of the above discussion, the study answers the following questions.

1) What is the current status of the employee awareness towards the concepts of human resource development in Ethiopian Electric Power?
2) Whatisthe human resource development practices provided in Ethiopian Electric Power?
3) What is the relationship between human resource development practices and employees' satisfaction in Ethiopian Electric Power?
4) What constraints/challenges employees of Ethiopian Electric Power are facing in getting the corporation's human resource development practices?

## 1.4 Objectives of the study

### 1.4.1. General objective

This study is designed to addressassessment of human resource development practices in Ethiopian Electric Power Corporation.

### 1.4.2. The specific objectives of the study are

➢ To assess human resource development practices in Ethiopian Electric Power corporation

➢ To assess the current human resource development practices provided by Ethiopian Electric Power Corporation to the employee.

➢ To assess the challengeHRD practicesand recommend the strategies to enhance itscontribution;

## 1.5 Significance of the study

The result of this project will be significance in various respects. Firstly, the study will draw some conclusions and identify employees' complaint areas in human resource development practices of the Corporation. Thus, it will give signal to the human resource management of the corporation to take remedial action. Secondly, it will help as a source of reference and a stepping stone for those researchers who want to make further study on the area afterwards. Thirdly, it gives the researcher the opportunity to gain deep knowledge in contemporary practice of human resource development. Above all, this study will be helpful to be a springboard for other researchers who areinterested to advance it further.

## 1.6. Scope and Limitation of the Study

Ethiopian Electric Power head office was selected by the researcher for the following reasons. Currently the researcher is residing in head office. Therefore, the researcher has become familiarized with the employees and prominent employee who could make accessible information not very challenging. As an insider, the researcher was very familiar with the activities undertaken in the head office, HRD is characterized by a view that HRD is to amorphous the amorphous nature of HRD make very difficult to clearly determine the scope& boundaries for HRD

There were external variables that prevent the smooth implementation of the project in addition tothe limitations of the research design itself. For instance, lack of access to the right secondarydata in the Corporation and poor cooperation of respondents in filling the questionnaires hasseriously limit the outcome of the research.

## 1.7 Organization of the study

The thesis is organized in to five chapters. The first chapter presents information about the introductory part including back ground of the study, general overview of the study area, statement of the problem, objective of the study and research questions, justification and significance of the study, scope and limitation of the study. The second chapter includes Related Literatures Review. The third chapter explains the methodology of the study. The fourth chapter focuses on the Data Presentation and Analysis of the findings and the fifth chapter forwards the summary and conclusion as well as recommending points.

# CAPTER TWO

# REVIEW OF RELATED LITERATURE

## 2.1. Definitions and Concepts of Human Resource Development

The study of HRD indicates that views on what constitutes HRD vary considerably. Traditionally, various terms were used such as training, development and education. The more contemporary terms are Human Resource Development (HRD) and Human Capital

Development. According to Mondy and Noe (1990), human resource development is: "planned and continuous process of helping employees to become better at their tasks, knowledge andexperiences through training, education and development programs."

From Mondy and Noe's definition we can understand that HRD is planned and continuous effort of organizations to enhance employees' task performance, knowledge and experiences. Therefore, HRD is primarily designed to benefit both organizations and employees through: improving employees' task performance and supporting employees' knowledge and experience development. The other concept that we infer from the definition is that HRD is done through three methods: training, education and other development programs.

According to Harrison (2000) as cited in Michael Armstrong (2006), human resource development: "Involves introducing, directing and guiding processes in such a way that all individuals and teams are equipped with the skills, knowledge and competences they require to undertake current and future tasks required by an organization."

Harrison's definition shows that; HRD requires an effective leadership for introducing, directing and guiding individuals and teams. This implies that for an effectiveness of HRD process the role of employees' immediate supervisors is indispensable. It is also clear that HRD is a process which encompasses all individuals and teams for improving the skills, knowledge and competences. In addition to this, the definition implicated that HRD is primarily designed to satisfy current and future tasks requirement of an organization.

As described by MichaleM.Harris (2008), HRD is "organized learning activities arranged within an organization in order to improve performance and/or personal growth for the purpose of improving the job, the individual, and/or the organization." Evidence from this definition shows the following three main points: (1). HRD includes the areas of: training and development, promotion and professional growth and organization development. (2). HRD improve employees' both job performance and personal growth and (3). HRD is process improving personal growth within the organization.

From the definitions that we have seen so far we can understand that the driving force of HRD is built on the assumption that employees cannot be treated as commodities to be hired and discarded depending on short-range whims of the organization. They are to be nurtured

anddeveloped with their unlimited potential for both employees and organizations benefits. More importantly, good people can fix the poor policies, procedure, and rules, but it is never the other way round.

Evidences from most HRD theorists and practitioners including T.V. Rao as cited in C.B. Gupta (2001), recognized HRD in the organization context is a process by which the employees of an organization are helped, in a continuous and planned way to:

> ➢ Acquire or sharpen capabilities required to perform various functions associated withtheir present or expected future roles;
>
> ➢ Develop their general capabilities as individuals and discover and exploit their own innerpotentials for their own and/or organizational development purposes; and
>
> ➢ Develop an organizational culture in which supervisor-subordinate relationships,teamwork and collaboration among sub-units are strong and contribute to the professional wellbeing, motivation and pride of employees.

From the study conducted on current literatures of HRD shows that scope and nature of HRD is characterized by a view that HRD is too amorphous a concept. The amorphous nature of HRD makes very difficult to clearly determine the scope of HRD. Yet, if HRD has a role to play in helping organizations develop, then there is a need for HRD professionals in an organization to accept that HRD itself is a continuously evolving, adaptive concept; and they need to embrace change and ambiguity in order to help individuals, groups and organizations (Mankin, David P.2001).

## 2.2. Purposes of Human Resource Development System

The combination of the four focus of HRD (Individuals, Dyades (employee-boss), Team, and Organization) with four agents of HRD (Employee, Immediate boss, HR department, and

Organizations) gives the HRD systems (Michael Armstrong, 2006). According to him, the fundamental purpose of HRD system is to enhance resource capability in accordance with the belief that the human capital of an organization is a major source of competitive advantage. It is therefore about ensuring that the right quality people are available to meet present and future needs. This is achieved by producing a coherent and comprehensive framework for developing people. Furthermore, Armstrong has mentioned specific purpose of HRD as: to

developintellectual capital and promote organizational, team and individual learning by creating alearning culture – an environment in which employees are encouraged to learn and develop and in which knowledge is managed systematically.

Most theorists suggest that the general purpose of HRD system is to develop the individual employee by providing training and development activities, thus enhancing personal development, work processes and organizational performance to achieve organizational effectiveness. Indeed, the central role of HRD was to benefit individuals, groups and organizations. However, development and change have to be embedded within an individual before progressing into teams and organizations. Armstrong stressed that change in an organization always involves changing the individual and is first focused on individual development.

In addition to the view of Armstrong, C.B. Gupta (2001) has mentioned the following as the main purpose of HRD systems:

> ➢ To develop the capabilities of each employee as an individual.
> ➢ To develop the capabilities of each individual in relation to his or her present role.
> ➢ To develop the capabilities of each employee in relation to his or her expected futurerole(s).
> ➢ To develop the dyadic relationship between each employee and his or her supervisor.
> ➢ To develop the team spirit and functioning in every organizational unit (department,group, etc.)
> ➢ To develop collaboration among different units of the organization.
> ➢ To develop the organization's overall health and self-renewing capabilities which, inturn, increase the enabling capabilities of individuals, dyads, teams, and the entire organization?

Evidences from Gupta (2001) show that in order to achieve the above mentioned objectives of HRD system, human resource management functions need to work in coordinated and integrated manner.

## 2.2.1 Functions of Human Resource Development System

According to MichaleM.Harris (2008), human resource development system has the followingsix major functions:

1) **Analyzing the Role:** One of the main aspects of HRM is to analyze the role in terms of responsibilities or key functions/ performance areas of the role, and the competencies required to perform the role effectively.

2) **Matching the Role and the Person:** Once the organization is clear about the dimensions of the roles or the jobs, it tries to get the best people for these jobs. After people are recruited they are put in different places. Placement is useful for giving varied experiences to people being recruited. Another aspect of matching role and person is reflected in potential appraisal, finding out who has potential to match the requirement of the job. Obviously, the next step is promotion of people by placing them in appropriate roles for which the organization is searching people.

3) **Developing the Persons in the Role:** Individuals develop not only through training, but in fact more through effective supervision, by helping them to understand their strengths so that they can leverage them for better performance. Similarly, they are helped to find out in what they have to be more effective in their jobs. In this regard performance coaching or counseling and mentoring are very important.

4) **Developing the Role for the Person**: Developing the role makes the role worth doing for the person. Very little attention has been given to role, although job rotation is being practiced in most of the organizations, and some organizations have also tried out job enrichment based on Herzberg's concept of motivators.

5) **Developing Equitability**: Satisfaction level of employees depends to a great extent on their perceived justice being done to them without any discretion, as reflected in practices like management of compensation, rewards and various amenities. People have high performance and develop competencies only if these are rewarded by the organization. Reward does not mean financial reward only; many rewards may be non-financial also. Equitability can also be developed by standardizing administrative procedures, so that people do not have any feelings that decisions are subjective

6) **Developing Self-renewing Capability**: An organization should be concerned not only with its growth, but also with its health. It needs to diagnose its problems from time-to-time and take steps to develop new competencies to cope with the various problems and challenges itwould be

facing. This can be done through action research that is concerned with development of competencies through effective teams to diagnose the problems and initiate the process of collaborative work to deal with such problems.

## 2.2.2 A Balanced Approach for Human Resource Development System

According to research conducted in USA on the effect of HRD program on employee engagement and performance, as cited by MichaleM.Harris (2008), the impact of training-based HRD program found significantly less than Relational and Experience- based HRD program. As result, a balanced approach for HRD has emerged recently in the field of HRD.

A balanced approach is required to maximize the impact of development on engagement and performance. This is illustrated in the following Figure.

## 2.3. Components of Human Resource Development

## 2.3.1 Individual Learning and Development

The concept of human resource development should necessarily cover the individualdevelopment to facilitate and enhance teams and organization developments. As the above modelalso clearly shows, the major focus of HRD is on individuals. In this sub section, the maincomponents of individual learning and development i.e. self-directed learning, coaching andmentoring techniques will be discussed.

## 2.3.1.1 Self-Directed Learning

Self-directed or self-managed learning involves encouraging individuals to take responsibility fortheir own learning needs, either to improve performance in their present job or to develop theirpotential and satisfy their career aspirations (MichaleM.Harris, 2008). It can be based on aprocess of recording achievement and action planning that involves individuals reviewing whatthey have learnt, what they have achieved, what their goals are, how they are going to achievethose goals and what new learning they need to acquire (MichaleM.Harris, 2008). The learningprogram can be 'self-paced' in the sense that learners can decide for themselves up to a point therate at which they work and are encouraged to measure their own progress and adjust theprogram accordingly (MichaleM.Harris, 2008).

Michale M. Harris' explanation for Self-directed learning is based on the principle that peoplelearn and retain more if they find things out for themselves. But they still need to be given guidance on what to look for and help in finding it. Therefore, in self-directed learning, learners have to be encouraged to define; with whatever help they may require, and what they need to know to perform their job effectively. Furthermore, learners need to be provided with guidance on where they can get the material or information that will help them to learn and how to make good use of it. Learns also need support from their manager and the organization with the provision of coaching, mentoring and learning facilities, including e-learning.

**Workplace learning:** One of the ways that employees can learn within an organization is the learning around the workplace. Learning can takes place in the workplace, as explained by MichaleM.Harris (2008), this takes three forms:

1. The workshop as a site for learning. In this case, learning and working are spatially separated with some form of structured learning activity occurring off or near the job. This may be in a company training center or a 'training island' on the shop floor where the production process is reproduced for trainees.

2. The workplace as a learning environment. In this approach, the workplace itself becomes an environment for learning. Various on-the-job training activities take place, which are structured to different degrees.

3. Learning and working are inextricably mixed. In this case, learning is informal. It becomes an everyday part of the job and is built into routine tasks. Workers develop skills, knowledge and understanding through dealing with the challenges posed by the work. This can be described as continuous learning. As MichaleM.Harris put it: 'Learning is not something that requires time out from being engaged in productive activity; learning is the heart of productive activity.

## 2.3.1.2 Coaching

The Industrial Society (1999) as cited in Haslinda and Abdullah (2009)**,**defines coaching as: 'The art of facilitating the enhanced performance, learning and development of others.' It takes the form of a personal (usually one-to-one) on-the-job approach to helping people develop their skills and levels of competence. As Armstrong (2006) referred Hirsh and Carter (2002), state that coaching is aimed at the rapid improvement of skills, behavior and performance, usually for the

present job. A structured and purposeful dialogue is at the heart of coaching. The coach usesfeedback and brings an objective perspective.

The need for coaching may arise from formal or informal performance reviews but opportunities for coaching will emerge during normal day-to-day activities. Coaching as part of the normalprocess of management consists of (Michael Armstrong, 2006):

➢ Making people aware of how well they are performing by, for example, asking themquestions to establish the extent to which they have thought through what they are doing;

➢ Controlled delegation – ensuring that individuals not only know what is expected of thembut also understand what they need to know and be able to do to complete the tasksatisfactorily; this gives managers an opportunity to provide guidance at the outset – guidance at a later stage may be seen as interference;

➢ Using whatever situations may arise as opportunities to promote learning;

➢ Encouraging people to look at higher-level problems and how they would tackle them.

Coaching will be most effective when the coach understands that his or her role is to help people to learn and individuals are motivated to learn. Employees should be aware that their present level of knowledge or skill or their behavior needs to be improved if they are going to perform their work satisfactorily. Individuals should be given guidance on what they should be learning and feedback on how they are doing and, because learning is an active not a passive process, they should be actively involved with their coach who should be constructive, building on strengths and experience.

### 2.3.1.3 Mentoring

Mentoring is the process of using specially selected and trained individuals to provide guidance, pragmatic advice and continuing support, which will help the person or persons allocated to them to learn and develop. It has been defined by Clutterbuck (2004) as: 'Off-line help from one person to another in making significant transitions in knowledge, work or thinking.' Hirsh and Carter (2002) suggest that mentors prepare individuals to perform better in the future and groom them for higher and greater things, i.e. career advancement.

From the above two definitions we can understand that Mentoring can viewed as a method ofhelping people to learn, as distinct from coaching, which is a relatively directive means of increasing people's competence. It involves learning on the job, which must always be the best way of acquiring the particular skills and knowledge the job holder needs. Mentoring also complements formal training by providing those who benefit from it with individual guidance from experienced managers who are 'wise in the ways of the organization'.

As explained by MichaleM.Harris (2008), Mentors provide employees with:
  ➢ Advice in drawing up self-development programs;
  ➢ General help with learning programs;
  ➢ Guidance on how to acquire the necessary knowledge and skills to do a new job;
  ➢ Advice on dealing with any administrative, technical or people problems individualsmeet, especially in the early stages of their careers;
  ➢ Information on 'the way things are done around here' – the corporate culture and itsmanifestations in the shape of core values and organizational behavior (managementstyle);
  ➢ Help in tackling projects – not by doing it for them, but by pointing them in the rightdirection: helping people to help themselves;
  ➢ A parental figure with whom individuals can discuss their aspirations and concerns andwho will lend a sympathetic ear to their problems.

There are no standard mentoring procedures, although it is essential to select mentors who are likely to adopt the right non-directive but supportive help to the person or persons they are dealing with. They must then be carefully briefed and trained in their role.

### 2.3.2 Training

Training is the use of systematic and planned instruction activities to promote learning. The approach can be summarized in the phrase 'learner-based training'. It involves the use of formal processes to impart knowledge and help people to acquire the skills necessary for them to perform their jobs satisfactorily. It is described as one of several responses an organization can undertake to promote learning.

As Reynolds (2004) points out, training has a complementary role to play in accelerating learning: 'It should be reserved for situations that justify a more directed, expert-led

approachrather than viewing it as a comprehensive and all-pervasive people development solution.' He also commented that the conventional training model has a tendency to 'emphasize subject specific knowledge, rather than trying to build core learning abilities'.

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

> ➢ It establishes a sound relationship between the worker and his/her job.
> ➢ It upgrades skills and prevents obsolescence.
> ➢ To keep pace with changing technology training.
> ➢ It develops healthy, constructive attitudes.
> ➢ Influencing employee attitudes to achieve support for organizational activities and toobtain better cooperation and greater loyalty.
> ➢ It prepares employees for future assignments.
> ➢ It increases productivity.
> ➢ To promote efficient and cost-effective ways of performing jobs
> ➢ It minimizes operational errors.
> ➢ Unnecessary repetition, wastage and spoilage of materials are brought down.
> ➢ With better knowledge and skills, the employee approaches his/her job with greaterconfidence and sureness. It also improves the morale of the employees.
> ➢ It improves employee's satisfaction with their job.
> ➢ Training is a powerful tool that breeds in the employee a sense of pride as well as ofbelonging.
> ➢ Moreover, training can improve the relationship between the employees and theirimmediate supervisor.

### 2.3.3 Management Development

Management development is concerned with improving managers' performance in their presentroles and preparing them for greater responsibilities in the future. It has been described byMumford and Gold (2004) as 'an attempt to improve managerial effectiveness through a learningprocess'. In other words, Glueck (1978) defined management development as the process bywhich managers gain the experience, skills, and attitudes to become or remain successful leaderin their enterprises. Among other things, making the organization a better environment to

work isthe responsibility of a manager. To effectively discharge this and other managerialresponsibilities organizations must provide an opportunity for managers to improve theirknowledge and skills through management development program.

Management development contributes to organizations success by helping the organization togrow the managers it requires to meet its present and future needs. It improves managers'performance, gives them development opportunities, and provides for management succession.According to Michael Armstrong (2006), with an effective management developmentprogram: development processes may be anticipatory (so that managers can contribute tolong-term objectives), reactive (intended to resolve or preempt performance difficulties) ormotivational (geared to individual career aspirations).

As pointed out by Michael Armstrong (2006), the particular aims of management developmentare to:

- ➢ Ensure that managers understand what is expected of them; agreeing with themobjectives against which their performance will be measured and the level of competencerequired in their roles;
- ➢ Improve the performance of managers in their present roles as a means of preparingthem for greater responsibilities;
- ➢ Identify managers with potential, encouraging them to prepare and implement personaldevelopment plans and ensuring that they receive the required development, training andexperience;
- ➢ Provide for management succession, creating a system to keep this under review.

**Management Development Process:** As discussed by Michael Armstrong (2006), the threeessential management development activities are:
- ➢ Analysis of present and future management needs;
- ➢ Assessment of existing and potential skills and effectiveness of managers against thoseneeds;
- ➢ Developing strategies and plans to meet those needs.

A systematic approach to management development is necessary because the increasinglyonerous demands made on line managers mean that they require a wider range of developedskills than ever before. Tamkinet al (2003) suggest that managers need the ability to:

> ➢ Empower and Develop People – understand and practice the process of deliveringthrough the capability of others;
>
> ➢ Manage People and Performance – managers increasingly need to maintain moralewhilst also maximizing performance;
>
> ➢ Work across boundaries, engaging with others, working as a member of a team, thinkingdifferently about problems and their solutions;
>
> ➢ Develop relationships and a focus on the customer, building partnerships with bothinternal and external customers;
>
> ➢ Balance technical and generic skills – the technical aspects of management and themanagement of human relationships

**Management Development Elements:** It has been suggested by Mumford (1993) that threeelements have to be combined to produce an effective management development system:

> ➢ Self-Development – a recognition that individuals can learn and that the initiative fordevelopment often rests with the individual;
>
> ➢ Organization-Derived Development – the development of the systems of formaldevelopment which belongs to personnel and management development specialists;
>
> ➢ Boss-Derived Development – those actions undertaken by a senior manager with others,most frequently around real problems at work.

## 2.3.4. Organizational Learning

Organizational learning theory examines how in an organization context individual and team learning can be translated into an organizational resource and is therefore linked to processes of knowledge management. Organizational learning is concerned with the development of new knowledge or insights that have the potential to influence behavior (Mabey and Salaman, 1995). It takes place within the wide institutional context of inter-organizational relationships (Geppert, 1996), and 'refers broadly to an organization's acquisition of understanding, know-how, techniques and practices of any kind and by any means' (Argyris and Schon, 1996).

Organizational learning has been defined by Marsick (1994) as a process of 'coordinated systems change, with mechanisms built in for individuals and groups to access, build and use organizational memory, structure and culture to develop long term organizational capacity'. It is

emphasized by Harrison (2000) that organizational learning is not simply the sum of the learning of individuals and groups across the organization. She comments that: 'Many studies (see for example Argyris and Schon, 1996) have confirmed that without effective processes and systems linking individual and organizational learning, the one has no necessary counterpart with the other'.

Organizational learning theory is concerned with how learning takes place in organizations. It focuses on collective learning but takes into account the proposition made by Argyris (1992), as referred by Michael Armstrong (2006), that organizations do not perform the actions that produce the learning; it is individual members of the organization who behave in ways that lead to it, although organizations can create conditions which facilitate such learning. Most organizational learning theories recognize that the way in which this takes place is affected by the context of the organization and its culture.

The concept of a learning organization, which is often associated with that of organizational learning, has been defined by Scarborough and Carter (2000) as one 'that is able to discover what is effective by reframing its own experiences and learning from that process'. The notion of the learning organization is sometimes confused with the concept of organizational learning.

Organizational learning outcomes contribute to the development of a firm's resource basedcapability. This is in accordance with one of the basic principles of human resource management, namely that it is necessary to invest in people in order to develop the intellectual capital required by the organization and thus increase its stock of knowledge and skills. As stated by Ehrenberg and Smith (1994), human capital theory indicates that: 'The knowledge and skills a worker has – which comes from education and training, including the training that experience brings – generate productive capital'.

## 2.4 Empirical Literature

A study by Swarajya (2005), entitled with human resource development in selected public enterprise in India has dedicated the knowledge in and often neglected area human resource development in public sector enterprises. The researcher has assessed the efficiency of human resource development processes undertaken in the selected study areas. The study identified the

key problems occurred in the course of implementation of HRD programs and ascertained the attitudes of employees towards these programs. The study found that no much worthwhile work was done in the study areas for developing and upgrading the competencies, skills, knowledge, abilities, experience, welfare, motivation, career development of employees. Sundararajam (2009) has observed the emerging trends of human resource development practices on the basis of survey of employees working in few cooperative organizations the overall HRD climate as neither good nor bad. The study identified that the employees shown unfavorable attitude towards human resource development policies and practices. The researcher said that HRD climate should be improved in the competitive environment. As the overall conclusion indicated by the study human resource has not been properly implemented.

Kumar (2007) has carried out a comprehensive research in the changing pattern of human resource development practices under globalization in one of Indian organizations. The researcher conducted the study with the objectives of knowing and highlighting the practices of human resource management adopted by the organization to deal with the competitive situation. On the basis of data collected and situation observed the study has found the following human resource management practices in the study area these include training, orientation, compensation, working environment, performance appraisal and promotion. The HRD practices adopted are properly matched according to needs of present time. To scale up human resource development the researcher suggested human resource manager should have term approach and be proactive rather than reactive and give due emphasis for HR activates.

Saraswathi (2010) has undertaken a comprehensive comparative study on human resource development climate in few public organizations. The researcher evaluated the human resource development in terms of performance appraisal, motivation, training, potential appraisal, career planning, rewards and employees welfare in the study areas. After comprehensive study the researcher found that the good human resource development climate was prevalent in the organization, however, the extent of HRD climate prevailing in the organizations seem to be different.

Kayani (2008) has identified the challenges of human resource development to pace with globalization based on the following points: performance appraisal, induction in -service education, organizational difference, service stature difference. As the study stated, limited

performance appraisal, unclear human resource development strategies, organizations difference capability in induction in -service education and learning are major challenges. Major findings of the study revealed, that experience difference, organizational difference, working in unisex or co-education, service stature difference have a significant impact on human resource development climate.

Study has also conducted by Kebede and Sambasivam (2013), with the objective of investigating the strategic orientation, practices and managers" awareness towards the concepts of HRD in Ethiopia. In doing so, the researchers tried to analyze the data that have been collected in the study areas. The findings of the study revealed that the managers of organization as aware of career development as the component of human resource development. The study also signify that managers were equipped the concept of performance appraisal as one part of human resource development. The findings also stated that HRD plays a support strategic role and shaping the overall strategy of the organization.

# CHAPTER THREE

# Research Design and Methodology

## 3.1. Research design

The Study was to assesshuman resource development practices in Ethiopian Electric Power Corporation.The study will be employed qualitative and quantitative approaches to capture the in-depth and wider data and information for a thorough analysis and understanding of the role of human resource development practices in employees' satisfaction enhancement.

Qualitative approach wasinvolved methods such as Key Informant Interview (KII) while quantitative approach included survey questionnaires. The target population wasthe members of Managers/Operators, who are engaged in EEP of head office. The required data for the study was collected through primary and secondary sources by using different techniques.

## 3.2.Data sources and type

Quantitative and qualitative data was collect from different sources through various methods. Primary as well as secondary types of data were gathered for the analysis of the study. The importance of collecting and considering primary and secondary as well as qualitative and quantitative data was used to triangulate and supplement the diverse data generated from different sources which in return was used to make the data and the result of the research reliable.

In order to gather reliable information, both primary and secondary sources were employed. The data was collected primarily from first hand sources through interviews questionnaires and focus group discussions to achieve the objectives of the study. The secondary data sources was gathered from official statistical sources books, journals, internet sources, research findings of various scholars on the topic under investigation, and other publications.

## 3.3 Sample size determination and sampling technique

The researcher determined the sample size by considering; the nature of the research, sample size used in similar studies, the importance of decision and resource constraint. Random sampling technique is used in order to define the sample size to distribute the questionnaires. Purposive sampling was relevant to select HRD related professional and expertise (define the nature of the

sample size).The sampling technique of random sampling method was used to select respondents at the each level in each purposively HRD related professional and expertise Due to the homogeneous nature of the population and the size of the total employees found in each level of the organization, 306 head office employees and line management of sample respondents were selected as representative of the total population in each purposively selected head office. Therefore, 30% or 92 were considered to be representative of the study population.

## 3.5. Data Collection Methods

Data were the basic input to conduct meaningful research. In conducting theresearch the data that were going to be used both primary and secondary data.Among the different primary data collection methods questionnaires and personalinterviews wasthe main that have been most usually applied in this research paper. The questionnaire contains around ten open – ended which need furtherelaboration and suggestion by the respondent. Whereas, the remaining closed –ended questions about of human resource development practices in employees' satisfaction enhancement in Ethiopian Electric Power.

## 3.6. Procedure of data collection

With regard to the data collection procedure, the researcher will be employees of the EEP including those working in HRD department line manager and officer of head office to contact and provide general information about the study in completing the questionnaire. The participant were informed about the nature and implication of the study and how complete the questionnaire. .

## 3.7. Method of Data Analysis

For analysis of the data both quantitative and qualitative methods was employ. Quantitative data generated from the survey questionnaire were entered into SPSS version 20.0 and analyzed by using descriptive statistics. In this study, descriptive analysis was chosen because of its simplicity and clarity to draw inferences. Averages, percentages, frequency and tables were used for the analysis of the collected data. Inferential statistics were used to analyze the existing relationship between the two variables.

## 3.8. Validity and Reliability

To validate the study free from bias, the questionnaires were developed and forwarded for two subject matter experts in the organization and also my advisor to comment on the content as well the measurement incorporated were reliable and valid enhance reliability and validity. The researcher also utilized the Cronbach's Alpha model installed with the SPSS software application determined the value as 0.86, which is supported many statistical literatures

# CHAPTER FOUR

# DATA PRESENTATION, ANALYSIS AND INTERPRETATION

Based on the data gathered through questionnaire and interviews, this chapter will focus on presenting, analyzing and interpreting the data. 92 was distributed,out of the total sample size only 81 valid responses were collected which make the response rate 88% which is acceptable to make this study rigorous and generalizable.

## 4.1 Demographic Information of the Respondents

The first part of the questionnaire consists of the demographic information of the participants.  This part of the questionnaire requested a limited amount of information related to personal and professional characteristics of respondents. Accordingly, the following variables about the respondents were summarized and described in table 4.1 and figure 4.1 and 4.2. These variables includes: number of years the worker worked with the organization, number of years worked on the current job, age, sex, and the highest educational level achieved.

Table 4.1: Summary of respondent profile by age and gender

| Age | Gender | | | | Total |
|-----|--------|-----|--------|-----|-------|
| | Male | | Female | | |
| | Count | % | Count | % | |
| Under 25 | 3 | 3.70 | 0 | 0.00 | 3.70% (3) |
| 26-35 | 36 | 44.44 | 12 | 14.81 | 59.26% (48) |
| 36-55 | 27 | 33.33 | 3 | 3.70 | 37.04% (30) |
| 56-60 | 0 | 0.00 | 0 | 0.00 | 0% (0) |
| Total | 66 | 81.48 | 15 | 18.52 | 100% (81) |

Source: Computed from survey (2017)

About 81.48% of the respondents were male and the remaining 18.52% of the respondents were female. Regarding the age of the participants, the largest group (59.26%) was in 26-35 years age group. The second largest group (37.04 %) indicated their age were in the 36-55 age groups where as 3.70% indicate their age

were under 25 age groups. From this it is possible to infer that the workforce composition of the respondent are young and thus may require a strong HRD programs.

Figure 4.1: Service of the respondents in the Corporation



Source: Computed from survey (2017)

The above figure indicates that the majority (n=30, 79%) of the respondents indicated that they have been working in the Corporation greater than 12 years. However, 18 (22.2%) and 15 (18.5%) of respondents indicated tenure with the Corporation of between 9 and 12 years and 1-3 years respectively. On the other hand, only 12 (14.8%) and 6 (7.4%) individuals indicated that they had been working in the corporation between 6 to 9 years and between 3 to 6 years, respectively.

Figure 4.2: Educational profile of the respondents
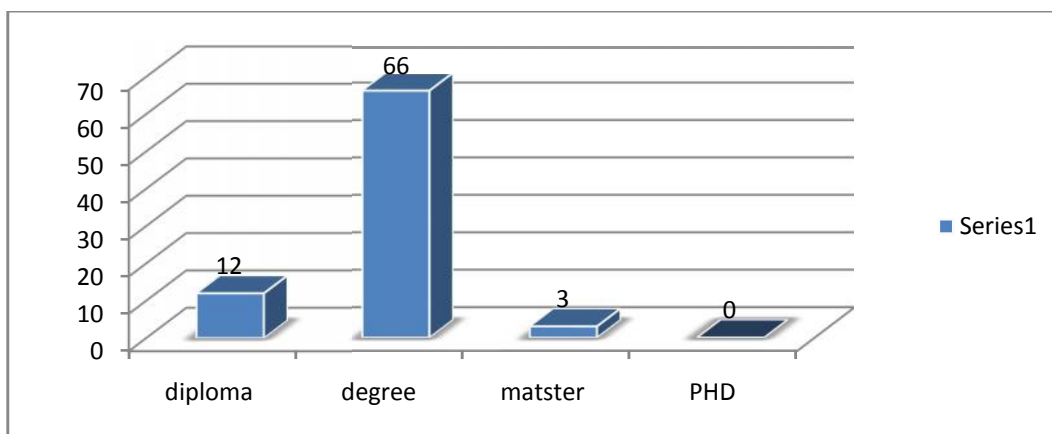


Source: Computed from survey (2017)

On the basis of educational qualification, the majority of the respondents are first degree holders

(n=66, 81.5%) where as 14.8% of the respondents are college diploma holders. Only 3 individuals are identified to have second degree and no respondent had the degree of masters or PhD.

Given the fact that the majority of the workforces are young (see Table 4.1) with college diploma

or BA/BSc Degree (see Figure 4.2), it is not doubtful that employees give high concern for their education and career development. This create burden on the EEP in satisfying employees' such demand and also give an option for EEP in enhancing employees' satisfaction through designing an effective HRD system that allow employees to be developed in their education and career. Therefore, to satisfy and retain employees', EEP must induce employees that the corporation is the best place to develop their education and career.

## 4.2 Employees' Satisfaction with Major Aspects of HRD Practices

In this section, employees' level of satisfaction regarding: EEP commitment in providing HRD practices training and development, career development, organizational development and performance appraisal were reviewed. Responses were measured on five point Likert scale with 1= Strongly Disagree; 2= Disagree; 3= Neutral; 4= Agree; and 5 = Strongly Agree. To make easy interpretation, the following ranges of values are assigned to each scale: 1-1.8 = Strongly Disagree; 1.81-2.6 = Disagree; 2.61- 3.4 = Neutral; 3.4 – 4.20 = Agree; and 4.21-5 = Strongly Agree.

### 4.2.1 Employees Awareness towards HRD Practices

Awareness of the respondents towards human resource development concepts was measured based on questionnaire provided to them which comprise: training and development, career development, and performance appraisal which are crucial for better performance of every organization. It is possible to say that employees have awareness of human resource development concepts if they recognize all sub-

constructs indicated below as part of human resource development. Having this lead, the statistical tools such as: mean and standard deviation were used to analyze the results for all sub-constructs stated in the following Table.

Table 4.2: Respondents' Awareness of HRD Practices

| Items | N | Mean | Std. Deviation |
|---|---|---|---|
| Training & Development | 81 | 4.31 | 0.698 |
| Career Development | 81 | 4.19 | 0.757 |
| Performance Appraisal | 81 | 3.98 | 0.739 |
| Average | 81 | 4.16 | 0.735 |

Source: Field Survey (2017)

The Table 4.2 above, shows that the awareness of the respondents towards HRD concepts. The scored mean value of the employees" awareness of human resource development from training and development standpoint as indicted in the table above was 4.31 with a standard deviation 0.698. This indicates that the respondents strongly agreed with a relative homogeneity in their responses. We can conclude that the employees of the EEP were aware of training and development as a component of human resource development and they have excellent understanding of human resource development from training and development point of view. The implication is whenever the employees have good understanding about training and development they may update themselves to enhance organizational performance.

As it is also evidenced in the Table 4.2 above, the scored mean value of the second sub-construct, i.e. employees" awareness of human resource development from career development viewpoint was 4.19, indicating that the respondents" agreed on and feel all right with the case described and the sub-construct's standard deviation was 0.757. The results of this analysis proved that respondents of EEP were aware of career development as a component of human resource development. From this it is possible to deduce that the respondents have very good understanding and knowledge about career development from human resource development point of view that could result both individual and organizational improvement. This has also an

implication to EEP to link their plans with career development. It is this very sub system of HRD, which greatly contributes towards individual and organizational goal integration.

Table 4.2 above, displays that the scored mean value for the third fourth sub-construct i.e. measuring employees" awareness of human resource development concept from performance appraisal perspective was 3.98 with a standard deviation of 0.739, which signifies that the respondents agreed on rating with a relatively high homogeneity in their responses. The scored mean value of this sub-construct points out that the respondents were well equipped with the concept of performance appraisal as part of man power development. Most employees of EEP understood that periodic evaluation of employees" performance as part of human resources development; however, some haven't still understood it well. Thus, high proportions of employees of EEP were able to relate the performance appraisal system with the outcomes and objectives of human resource development. With this lead, one can conclude that employees were aware of performance appraisal as a component of human resource development in this study. The implication of employees' understanding performance appraisal is that it may have practical significance for appraisers, appraises, HRD planners and as a whole.

As it is shown in the Table 4.2 above, the scored mean value of the major construct i.e. employees" awareness of HRD concepts in was 4.16 which is the average scored mean value of each sub-construct means. The scored mean value shows that the respondents were well equipped with the concepts of HRD i.e. training and development, career development and performance appraisal and the standard deviation was 0.735. The standard deviation was relatively low indicating that the relative homogeneity of the respondents in their responses. Based on this finding one can deduce that employees have good awareness of human resource development from its components perspective. This could make HRD conducive for both enhancement of the capacity of employees and achievement of organizational goals.

The information gathered through interviews and focus group discussions with key informants and focus group participants concerning their understanding about human

resource development concepts confirmed that as they have good awareness and understanding. This implies that they were clear with training and development, career development; and performance appraisal concepts from HRD point of view. Generally, based on the findings one can infer that the respondents were acquainted with and have better understanding of human resource development practices that could enable them better functioning of their respective work responsibilities.

## 4.2.2 Employees' Satisfaction with Employees Training and Development

To understand employees' level of satisfaction regarding EEP commitment to employees training; at first employees were asked whether they have been given training for the last one year or not and two statements to indicate their agreement with the statements; the statements and their responses are summarized in figure 4.3 and table 4.3 below.

Figure 4.3: Provision of Training for the last one year
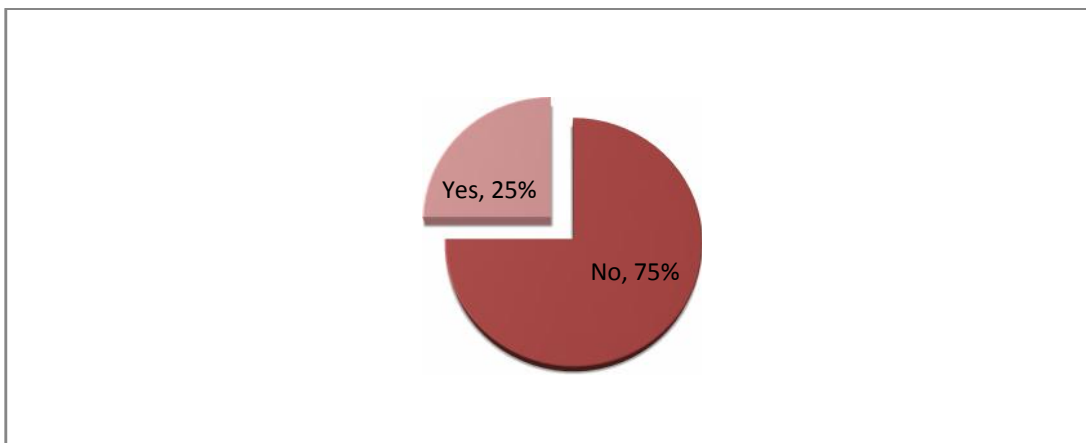


Source: Computed from field survey (2017)

As we can notice from the above figure, three- fourth (n=61, 75%) of the respondent were not given any training and the remaining one-fourth (n=20, 25%) had taken training with in the last one years. According to the interview conducted with the head of training and development team, it is one of EEP policies to provide a minimum of 10 hour skills upgrading or refreshing training per person and per year.

Thus, it is possible to say that the corporation's training provision is by far below from its own training and development policy.

Table 4.3: Summary of Employees' Attitude towards EEP Commitment to Employee Training

|  | The Corporation does a good job of providing the training I need to improve my job performance. | | My organization has active programs to upgrade employees' skills. | |
|---|---|---|---|---|
|  | **Count** | **%** | **Count** | **%** |
| Strongly Disagree | 3 | 4.17 | 3 | 4.17 |
| Disagree | 12 | 14.58 | 3 | 4.17 |
| Neutral | 14 | 16.67 | 12 | 14.58 |
| Agree | 30 | 37.5 | 32 | 39.58 |
| Strongly Agree | 22 | 27.08 | 31 | 37.5 |
| Total | 81 | 100 | 81 | 100 |

Source: Computed from field survey (2017)

Table 4.4: Descriptive Statistics of Items that measure employee's attitude towards EEP commitment for Employees Training

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| EEP does good job of provided training to improve my job performance. | 81 | 1 | 5 | 2.33 | 1.13 |
| My organization has active programs to upgrade employees' skills. | 81 | 1 | 5 | 1.19 | 1.04 |

Source: Computed from field survey (2017)

As illustrated in table 4.3; about 37.5% of the respondents disagree with the statement 'the corporation does a good job of providing training I need to improve my job performance' and at the same time 27 % of the respondents strongly disagree with the statement. Yet, only 4.7% and 14.17% of the respondents replied that they strongly agree and agree with the above statement respectively. Whereas 16.67% (n=14) of the respondent became indifferent with the statement. Furthermore, a mean value of 2.33 (see table 4.4) indicates an average response of disagreement among the respondents for the variable.

Similarly, majority of the respondents (39.58 %) disagree with the idea that the corporation has active programs to upgrade employees' skills while 37.5% of the respondents strongly disagree with the idea. 1.19 mean value of respondents also signifies that respondents were strongly disagree with the idea. From these we can infer that most the respondents are not satisfied with the Corporations' commitment in providing training and support employees need to do their job effectively. As everybody seeks satisfaction in his or her work being able to perform effectively and efficiently, it is likely to deter employees' satisfaction with their job.

Under those circumstances where organizations either do not have good ability for providing training such as good facilities or do not effectively utilize its ability; employees can develop negative perception towards the corporation's commitment for employee training. To see employees' perception towards the corporations facility for training, employees' were asked to rate their degree of agreement with the statement 'the corporation has good internal facility for training', and their response is summarized in figure 4.4 below:

Figure 4.4: Summary of employees' perception towards the Corporation's training facility
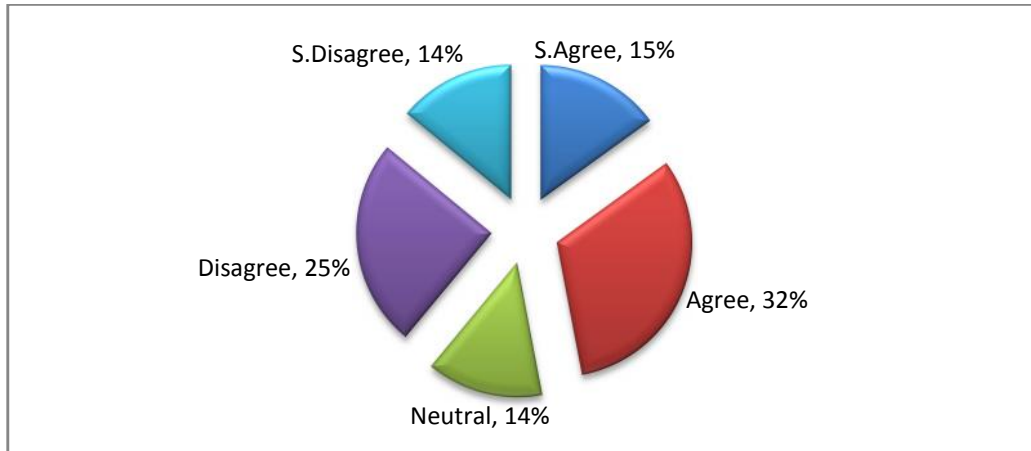


Source: Computed from field survey (2017)

Majority of the respondents 32% (n=26) agree with the statement 'Corporation has good internal facility for training' whereas only 14% of the respondents strongly disagree with the statement. This shows that employees' negative perception towards the corporation's commitment for training is not fully explained by poor internal facility of the corporation.

According to interview conducted with head of the corporation's Training and Development team; in identifying training needs, EEP uses organizational analysis where the need for a training program is identified by taking in to consideration of the corporation's short range and long range goals. Hence, skills and ability that can contribute to the achievement of organizational objectives are determined. Additionally, task/job analysis is used to determine the skills and knowledge that jobs demand. According to the head, personal analysis is not being used in determining training and development needs, even though most literatures recommend as it is a main tool for integrating the corporation's and employees' need for training.

It is natural that employees would like to have equal access to job-related training opportunities that would help them improve on their skills and enhance their development and growth. Denying employees of this would likely demoralize

employees who would like to go for training. Beside, employees would view this as unfair company's practices. With limited access to job-related training, employees may not be armed with the necessary skills to do a good job. Probably, frustration may set in affecting the morale and productivity of employees.

Table 4.5: Respondents' satisfaction with the fairness in training opportunities

|  | Training programs focus only in some work units of the corporation. | | Equal access to job-related training opportunities. | |
| --- | --- | --- | --- | --- |
|  | Count | % | Count | % |
| Strongly Disagree | 35 | 43.75 | 10 | 12.5 |
| Disagree | 20 | 25 | 12 | 14.58 |
| Neutral | 14 | 16.67 | 18 | 22.92 |
| Agree | 12 | 14.58 | 24 | 29.12 |
| Strongly Agree | 0 | 0 | 17 | 20.83 |
| Total | 81 | 100 | 81 | 100 |

Source: Computed from field survey (2017)

Table 4.6: Descriptive Statistics of items that measure Respondents' satisfaction with the fairness in training and development opportunities

|  | N | Minimum | Maximum | Mean | Std. Deviation |
| --- | --- | --- | --- | --- | --- |
| Training programs focus only in some work units | 81 | 1 | 5 | 3.97 | 1.10 |
| Equal access to job-related training | 81 | 1 | 5 | 2.57 | 1.23 |

As for respondents' satisfaction with the access for training opportunities the majority (43.75%, n=35) of the respondents strongly agree that EEPCo's training practices only focus on some work unities, on the contrary 14.58% of respondents reply negatively with the statement. What is more explain the respondents' satisfaction; a mean value of 3.97 (see table 4.6) indicates most of the respondents understand that training opportunities are limited only in some work units in the

corporation. From this it is possible to conclude that the corporation is not giving fair treatment in providing training to all its work units. This may create a feeling in employees as less worthy than other employees who are given high emphasis in the corporations training programs.

Concerning employees' satisfaction with equal access to job related training opportunities, the mean value of respondents' response is 2.57 with standard deviation of 1.23. This indicates that still employees' level of satisfaction is less than the average regarding the equal access for training opportunities. From this one can conclude that in the eyes of respondents the corporation is not doing justice in creating equal access to job related training programs for all employees.

## 4.2.3 Employees' Satisfaction with the opportunity of Career Development

Opportunities for career development would help reduce the negative impact of the ongoing war for talent. Moreover, it enable employees plan for the future and to be better equipped with the right skills to remain competitive. Providing employees with internal job opportunities is a means of demonstrating that they can realize their career goals inside rather than outside of the company.

As mentioned in the literature review part, opportunities for mobility within organization are one of the determinants of employees' satisfaction. Besides, it enhance employees' commitment to the organization; a factor which affects employees satisfaction. Thus, in addition to company nomination, employees have to be given the opportunity to apply and move to new positions as vacancies occur.

As for satisfaction with the promotional opportunities provided in the corporation, respondents were asked to express their level of agreement with the statement that says I am provided with adequate opportunities for promotion, and their response is summarized in figure 4.5 below:

Figure 4.5: Respondents' Satisfaction with Promotion Opportunities



**Mean = 2.16 & Std=1.11**

I am provided with adequate opportunities for promotion
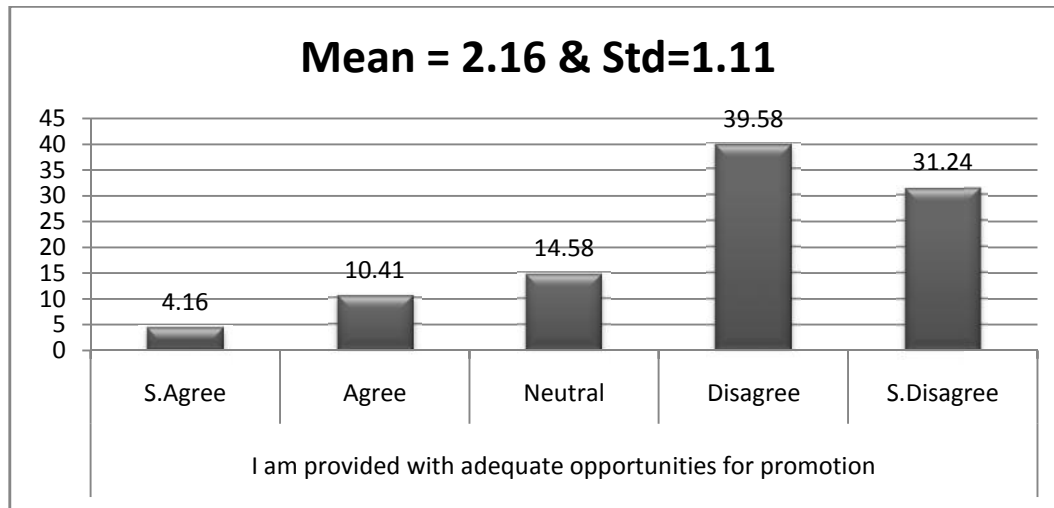
Source: Computed from field survey (2017)

As the above figure illustrate, it is only 14.57% of the respondents replied negatively (strongly agree or agree) with the statement 'I am provided with adequate opportunities for promotion in EEP. From the remaining respondents 70.82% respond positively (disagree and strongly disagree) and 14.58% of them are neutral with the promotional opportunities. On the whole mean value of 2.16 (see figure 4.5) signifies that respondents' reaction for the variable is in the range of disagreement. From this one can recognize that respondents' judge as they have limited internal job opportunities to realize their career goals inside the corporation. Consequently, this reduces employees' satisfaction and employees' commitment to the corporation.

## 4.2.4 Employees' Satisfaction with the practice Performance Appraisal

Mentoring presents tool that organizations can include as part of comprehensive suite of career development. Mentoring will help to ensure that employees have the appropriate resources and guidance to further their careers adequately. Organizations offer mentoring programs as an effective and low cost aid to employee development. Managers should also focus on helping employees progress in their career and encourage their professional development. Managers that support their subordinates'

professional development through ongoing feedback about performance are likely to stimulate employees' satisfaction.

Employees were asked to indicate their attitude towards the statements of 'my manager assists me to identify my training needs', 'my manager encourages me to improve my educational level' and 'my supervisor advices me how I can develop my career within the corporation', and their response is summarized in figure 4.7 below:

Table 4.7: Descriptive Statistics of items that measure Respondents' satisfaction with the Mentoring practices

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Identifying Training Needs | 81 | 1 | 5 | 2.67 | 1.01 |
| Encouragements for Educational Dev't | 81 | 1 | 5 | 2.01 | 1.19 |
| Advice for Career Dev't | 81 | 1 | 5 | 2.25 | 1.10 |

As regards to mentoring practices, the level of respondents' satisfaction in descending order is as follows: managers assist in identifying employees' training need (25%, mean= 2.67), supervisors' advice in developing employees' career with in the corporation (22.87%, mean= 2.25) and managers encouragements to improve educational level of employees' mean= 2.01). In general, majority of the respondents are not satisfied with the guidance, pragmatic advice and continuing support provided to enhance individual developments. Specifically, respondents' dissatisfaction is high regarding the supports and encouragements provided to improve their educational level.

Given the fact that most of the respondents are either diploma or first degree holders (see figure 4.1), employees' dissatisfaction can be reason-out with the decreasing support of the corporation to enhance educational level of employees as their educational level increased. According to interview conducted with head of human resource training and development, it has been long time since the corporation stops

sponsoring some master or higher level education (like MBA) except in some electrical engineering or utility management programs. According to the head, usually the corporation does not sponsor social science fields of studies for higher level studies; including first degree and second degree studies.

No matter employees' perception towards performance evaluation system, one of the factors that can enhance employees' satisfaction is existence of performance counseling. Performance counseling involves assisting the employees to understand his/her own performance, factors contributing to it, contribution of his/her own strength and weaknesses, and assisting employees to identify the extent to which he/she can influence the outcome of his/her work and thereby plan for improving competence and performance.

As of employees' satisfaction with the performance counseling practice, employees were asked to indicate their level of satisfaction for the statement 'The Corporation has good performance counseling practice which helps me to improve my performance' and their response is summarized in figure 4.7 below.

Figure 4.7: Summary of employees' satisfaction with performance counseling
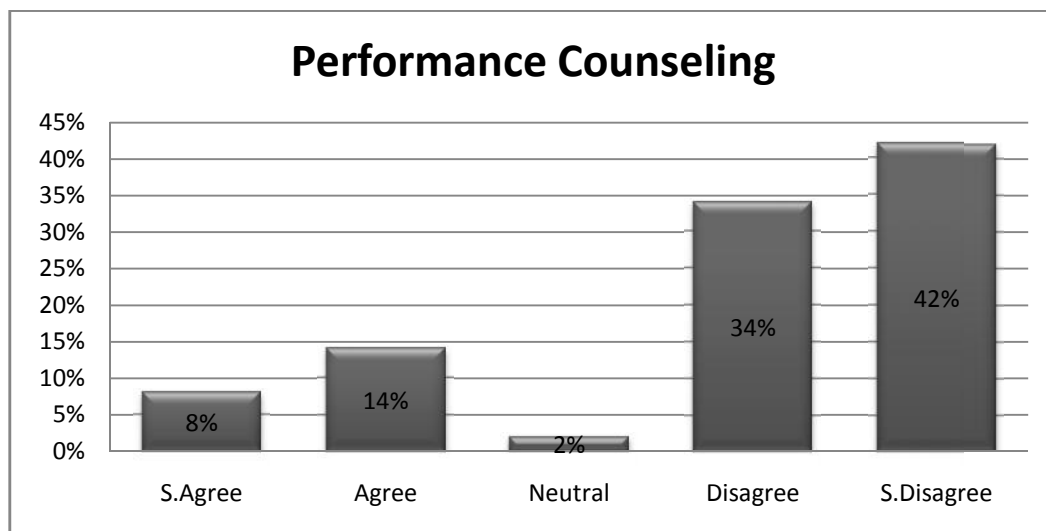


Source: Computed from field survey (2017)

As it is possible to see from the above figure, 42% of respondents strongly disagree with the idea that the corporation has good performance counseling and at the same time 34% of respondents disagree. However 22% respondents reply positively for the statement 'the Corporation has good performance counseling practice which helps me to improve my performance' and only 2% of them are indifferent with the statement. Thus, it is possible to say three- fourth of the respondents are dissatisfied with the existing performance counseling practices of the corporation. According to the interview conducted with human resource officials; employees have access to the results of performance evaluation and there is also procedures for handling employees complain with the result or the evaluation process. However, it is possible to conclude as there is no real performance counseling and guidance practice so far.

Figure 4.8: Summary of respondents' attitude towards the overall HRD practices



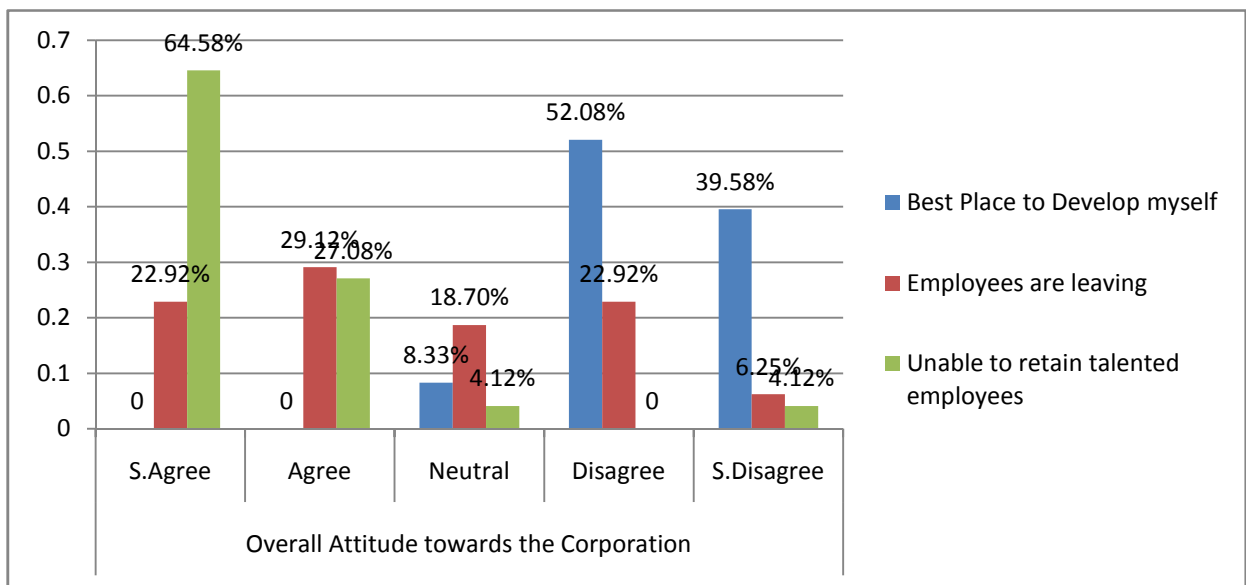Table 4.8: Descriptive Statistics of items that measure Respondents' overall attitude towards the corporation

|  | N | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| Best place to develop myself | 81 | 1 | 5 | 1.68 | 0.62 |
| Employees are leaving since the corporation is not good place develop employees | 81 | 1 | 5 | 3.39 | 1.05 |
| Unable to retain talented | 81 | 1 | 5 | 4.47 | 0.92 |

| employees | | | | | |
|---|---|---|---|---|---|

As it is clearly seen in the above figure 4.9 and table 4.8 majority of the respondent agree with the statements 'Employees are leaving the corporation since the corporation is not good place to develop employees' and the mean value of their response is 3.39 with standard deviation of 1.05. Majority (52.04%) of respondents reply positively with the statement, 29.17% of the respondents reply negatively and 18.75% of them are indifferent with the idea. Therefore, it is possible to claim that more than half of the respondents believe that some employees are leaving the corporation since the corporation is not good place for most of employees to develop their career.

Furthermore, more than 90% of respondents agree that the corporation is not competitive to retain experienced and educated employees. Specifically, 64.58% and 27.08% of respondents reply as they strongly agree and agree, respectively, with the statement 'My organization is unable to retain experienced and educated employees'. According to one of the principles of HRD, organizations should invest in people only to develop the intellectual capital required by the organization and thus increase its stock of knowledge and skills. Therefore, an organization that invests in people but not able to retain is not increase its stock of knowledge and skills. With the same logic, EEP is not increasing its stock of knowledge and skills since it is not able to retain its experienced employees. In general, the corporation is not in the right truck to achieve the primary objective of HRD i.e. building enough stock of knowledge and skills since it is not able to retain its employees.

## 4.3 Challenges of Human Resource Development

This section assesses and examines the major challenges or constraints that hindered human resource development practices in the sector bureaus. As it was revealed from the questionnaire, interview and focus group discussions and other secondary sources there were some challenges that encountered regional sector bureaus in the practice of human resource development indicated in Table 4.9 below.

Table 4.9: Challenges of HRD Practices

| Items | N | Mean | Std. Deviation |
|---|---|---|---|
| Aligning HRD to strategic priorities | 81 | 4.12 | 0.667 |
| Developing a positive work environment | 81 | 4.24 | 0.751 |
| Creating managerial and leadership capacity | 81 | 3.96 | 0.745 |
| Promoting positive work force attitudes | 81 | 4.27 | 0.736 |
| Accepting modern technological changes | 81 | 4.39 | 0.727 |
| Playing attention to professional development | 81 | 3.99 | 0.695 |
| In adequate training and development | 81 | 4.57 | 0.726 |
| Attracting and retaining qualified personnel | 81 | 4.75 | 0.717 |
| Average | 81 | 3.93 | 0.716 |

Source: Computed fromfield survey (2017)

As it can be clearly evidenced in the Table 4.9 above, different human resource development challenges are illustrated which include: aligning HRD strategic priorities, creating positive work environment, developing managerial leadership and capacity, promoting workforce attitude, accepting challenges of modern technological changes, paying attention to professional development, in adequate training and development and retaining qualified personnel and with the total average scored mean value of 3.93 showing that the respondents answered the statements given with agreement rating scale "agree" and the standard deviation was 0.716. From this one can understand that the sub-constructs indicated in the Table are key human resource development challenges of the EEP that need to be overcome. From this fact it is possible to conclude that in the corporation there were challenges that hindered and constrained the efficiency and effectiveness of human resource development practices.

In addition, the information gathered through interview, focus group discussion and as per HR annual report documents confirmed that the similar findings with the information obtained through questionnaire. In this regard, informants and discussants suggested that the challenges that encountered HRD in their respective working EEP. Both informants and focus group

participants have suggested some challenges or constraints that impede their respective corporation in the process of implementing human resource development. Some of these major challenges suggested were lack of sufficient budget for training and education, lack of accountability and transparency, lack of emphasis for professional development, accepting modern technological changes, creating an environment for attracting and retaining qualified personnel, insufficient managerial capacity building and lack of employees motivation were becoming great challenges for the effective practice of HRD in EEPC.

# CHAPTER FIVE
# CONCLUSIONS AND RECOMMENDATIONS

## 5.1 Conclusions

The following are the major conclusions of the study:

Employees in the EEP have had good awareness about HRD practices since they have good understanding of the components of HRD. Accordingly, they were familiar with training and development, career development, and performance appraisal which are HRD functions and they were able to relate them with HRD. However, few employees still did not understand these HRD concepts.

Respondents are not satisfied with the Corporation's commitment in providing training to do their job effectively. When employees have negative perception towards the corporation's commitment for HRD, as one might expect it makes employees to believe that the Corporation is not concerning for their development. Furthermore, it reduces employees' satisfaction and moral. For this reason, some employees possibly think that the organization is not the best place to develop them.

As most of my respondents were from outside engineering profession, three-fourth of respondents replied as they were not taken any training with in the last one year while the Corporation has minimum hour skill up-grading or refreshing training standards to be given per person per year. It indicates that the Corporation's training provision is by far below even from its own minimum hour standard. In addition to this alternative options for training such as job rotation, self-training and mentor-mentee system are very minimal in the Corporation. According to the interview data analysis, the Corporation is highly committed in providing Induction and Basic skill trainings, but not for extended trainings, Special group trainings and Leadership & Development programs. This make the Corporation's training practices not able to cut across different levels (in experience) of staffs. It has been shown in the analysis that respondents strongly agree that EEP training and development programs focus only on some work unities (mean=3.97). This implies that in the view of respondents the Corporation is not giving fair treatment in providing training to all its work units. This can cause a feeling in employees as less worthy than those employees who are been given emphasis in the Corporations training practices.

As far as employees' level of satisfaction with promotional opportunities provided in the Corporation, a mean value of 2.16 shows that respondents believe as they have limited internal job opportunities to realize their career goals inside the Corporation. Hence, it can reduce employees' satisfaction as well as employees' commitment to the Corporation. Analysis with open ended questions and interview also reviled that much of the Corporation's promotion is through appointments. Therefore, promotion opportunities are poorly related with employees' training record and performance. Mentoring can help managers to ensure that employees have the appropriate resources and guidance to further their development adequately. However, respondents are not positively reply with the mentoring practices, specifically: assistance in identifying employees' training needs, encouragements to improve their educational level and advices how they can develop their career within the Corporation.

Pertaining to Performance Counseling, there are no formal performance counseling and guidance practices in EEP. As result, employees are left alone to assist themselves in understanding: their own performance, factors contributing to it, contribution of their own strength and weaknesses and the extent which they can influence the performance. Obviously, this would makes very difficult to identify development needs of subordinates and to draw a systematic plan of action The following major findings reviled respondents' negative perception towards the overall HRD climate:

- ➢ The sharing of knowledge and information culture and team work sprit, majority of the respondents perceives the existing culture positively (mean values of 3.54 and 3.58 respectively). However, most (39.58%) of respondents are indifference with the statement 'In my organization people show little interest in each other's work'.
- ➢ The corporation's promotional practice is primarily based on experience and gives very little emphases for employees' performance. This creates an environment where no or little competition for performance among employees.
- ➢ With regard to the Corporation's practices in collecting information from employees for improvement and employees' participation in making suggestions; respondents replied negatively (mean values of 2.06 and 2.31, respectively).

The majority of the respondents believe that the corporation is not the best place to develop them (mean=1.06). More importantly, respondents also believe that employees are leaving the

Corporation since the Corporation is not good place to develop employees. To the end, as the findings revealed that designing comprehensive strategies, aligning HR with strategic priorities, lack of sufficient budget, lack of technology, accepting modern technological changes, limited emphasis to personal and professional development, promoting positive work environment, lack of positive workforce attitude, inadequate training, attracting and retaining qualified personnel and lack of good merit system were key challenges that hindered the practice of HRD in study areas.

## 5.2 Recommendations

In light of the above conclusions the following recommendations are forwarded:

➢ Beyond meeting the Corporation's HR need, the HRD practices should focus on individuals and satisfying their needs for career growth and development. At first place HRD is not all about providing training rather it should aimed at matching the organizational need for HR with the individual needs for career growth and development. Secondly, HRD practices must necessarily focus on individuals since all the strength of Teams and the organization must first embed into individual employees.

➢ Most importantly, HRD should be based on career development which helps the Corporation achieve its objectives and the employees achieve maximum self-development.

➢ The Corporation's training practices should incorporate not only induction, basic and counterpart trainings but also Specialized Trainings (based on Training Needs Assessment), Training for special groups, and Leadership and Development programs.

➢ Training programs and job performances should strongly connected with promotional opportunities of employees so that employees can clearly witness the contributions of training programs and their performance for personal development.

➢ In the long run, in order to raise employees' satisfaction and commitment; giving employees a sense of purpose in the workplace, granting employees opportunities to act upon their commitment, and offering practical support to learning are very important. In this regard EEP should

❖ Develop and share the vision – Trainings which focused exclusively on organizational mission, value and beliefs will lead to more employees with

shared common vision and greater levels of institutional trust among employees.

❖ Adopt a balanced approach for HRD practices where employees can supported to develop themselves in Training- based, Relation - based and Experience - based approach.

❖ Be created regular Monitoring- Appropriate mechanisms for continuous review of progress in the implementation of HRD.

❖ Provide employees with a supportive learning environment where learning capabilities can be discovered and applied, e.g. peer networks, supportive policies and systems, protected time for learning.

❖ Use coaching techniques to draw out the talents of others by encouraging employees to identify options and seek their own solutions to problems.

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# Appendix A

**St Mary's University**

**School of Graduates Studies**

**Department of Master Business Administration**

**Questionnaire to Be Filled By Employees**

**Dear Respondents,**

I would like to express my deepest appreciation for your generous time, honest and prompt responses.

# Objective

This questionnaire is designed to gather data assessment of human resource development practices in employees' satisfaction enhancement. The information will be used as primary data in my case study i am conducting as a partial fulfillment of master's degree in business administration at St Mary's university. The data you provide are believed to have a great value for the success of this research. I confirm you that all data will be used for academic purpose and analyzed anonymously through the authorization of the university. As a result, you are not exposed to any harm because of the information you provide. Finally, this research is to be evaluated in terms of its contribution to our insight about human resource development practices in employees' satisfaction enhancement in the study areas in particular and the country at large.

## General Instructions

- ➢ No need of writing your name
- ➢ In all cases where answer options are available please tick (  ) or circle in the box provided

## Part I: Demographic Information

1. **Gender:**

| Male | | Female | |
|------|--|--------|--|

2. **Age (years):**

| <25 | | 26-35 | | 36-55 | | 56-60 | |
|-----|--|-------|--|-------|--|-------|--|

**3. Education Level:**

| high school | | Certificate | | Diploma | |
|---|---|---|---|---|---|
| First Degree | | Second degree | | PHD | |

**4. Income level per month in (Ethiopia-birr):**

| Less than 1,000 | | 1,000-2,000 | | 2,000-3,000 | | 3,000-4,000 | |
|---|---|---|---|---|---|---|---|
| 4,000-5,000 | | 5,000-6,000 | | 6,000-7,000 | | Above 7,000 | |

**5. Work experience**

| Less than one year | | 1-3 years | | 3-6 years | |
|---|---|---|---|---|---|
| 6-9 years | | 9-12 years | | Above 12 years | |

**PART 2:** **Please mark circle on the box that closely represents your feelings and / or attitudes toward these following statements using the following scales:**

**1= strongly disagree, 2= disagree, 3= neutral, 4= agree, 5= strongly agree**

| **I** | **Awareness towards the concepts of HRD** | | | | | |
|---|---|---|---|---|---|---|
| **1** | I am aware of training and development from HRD point of view | 1 | 2 | 3 | 4 | 5 |
| **2** | I know career planning and development as crucial part of HRD | 1 | 2 | 3 | 4 | 5 |
| **3** | I familiar with performance appraisal from HRD point of view | 1 | 2 | 3 | 4 | 5 |
| **II** | **Training and Development** | 1 | 2 | 3 | 4 | 5 |
| **4** | The Corporation does a good job of providing the training I need to improve my job performance. | 1 | 2 | 3 | 4 | 5 |
| **5** | My organization has active programs to upgrade employees' skills. | 1 | 2 | 3 | 4 | 5 |
| **6** | The corporation has good internal facility for training | 1 | 2 | 3 | 4 | 5 |
| **7** | Training programs focus only in some work units of the corporation. | 1 | 2 | 3 | 4 | 5 |
| **8** | Equal access to job-related training opportunities. | 1 | 2 | 3 | 4 | 5 |
| **III** | **Career Advancement:** | | | | | |
| **9** | I am provided with adequate opportunities for promotion | 1 | 2 | 3 | 4 | 5 |
| **10** | I am not satisfied with promotion system. | 1 | 2 | 3 | 4 | 5 |

| IV | Performance appraisal | | | | | |
|---|---|---|---|---|---|---|
| 11 | My manager assists me to identify my training needs | 1 | 2 | 3 | 4 | 5 |
| 12 | My manager encourages me to improve my educational level | 1 | 2 | 3 | 4 | 5 |
| 13 | My supervisor advices me how I can develop my career within the corporation | 1 | 2 | 3 | 4 | 5 |
| 14 | The Corporation has good performance counseling practice which helps me to improve my performance | 1 | 2 | 3 | 4 | 5 |
| V | **Challenges of human resource development** | | | | | |
| 15 | Aligning HRD to strategic priorities | 1 | 2 | 3 | 4 | 5 |
| 16 | Developing a positive work environment | 1 | 2 | 3 | 4 | 5 |
| 17 | Creating managerial and leadership capacity | 1 | 2 | 3 | 4 | 5 |
| 18 | Promoting positive workforce attitudes towards HRD | 1 | 2 | 3 | 4 | 5 |
| 19 | Accepting the challenges of modern technological changes | 1 | 2 | 3 | 4 | 5 |
| 20 | Paying attention to professional development | 1 | 2 | 3 | 4 | 5 |
| 21 | In adequate training and development | 1 | 2 | 3 | 4 | 5 |
| 22 | Attracting and retaining qualified personnel | 1 | 2 | 3 | 4 | 5 |

**Part III. Additional Questions**

1. In your opinion, do you think that employees are being benefited from human resource development practices of the corporation?

_____

_____

2. Do you have given training for the last one year?

Yes     [     ]        No     [     ]

3. What are the challenges that you observe regarding human resource development practices of the corporation?

_____

_____

_____

4. Would you please suggest the solution for the challenges mentioned above?

_____

_____

# Thank you for completing the questionnaire!

# Appendix B

# Interview Questions

# Filled by Human Development Department of EEP

1. What is your understanding about the concepts of HRD?

2. How do you think the practice of HRD in terms of training and development, career development, organizational development and performance appraisal?

3. How HRD programs integrate both institutional and employees" needs?

4. How all employees are benefited from HRD programs?

5. Do you think the institution is a good place for growth and development of all employees?

6. To what extent do managers at all levels in the institution have appropriate skills in general Managerial principles, communications, group dynamics, and team building?

7. Do you think that the institution allots sufficient funds to carry out HRD programs effectively?

8. How do you evaluate HRD administration in terms of need assessment, design and identify objectives, implementation and evaluation?

9. What are challenges in practicing HRD in your institution?

10. What strategies can be used to overcome the challenges of HRD?

11. Is there any suggest related to HRD practices and challenges we have not covered that you consider as very important?