



**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
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**EFFECT OF TRAINING ON EMPLOYEES PERFORMANCE:  
THE CASE OF MOTOR AND ENGINEERING COMPANY OF ETHIOPIA  
/MOENCO/**

**BY  
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**DECEMBER, 2019  
ADDIS ABABA, ETHIOPIA**

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PERFORMANCE THE CASE MOTOR & ENGINEERING COMPANY OF  
ETHIOPIA /MOENCO/**

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## DECLARATION

I, Kidus Gebru, declare that this thesis is my original work, prepared under the guidance of Asst. Professor Goitom Abrham. 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 learning institution for the purpose of learning any degree.

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December, 2019

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**ENDORSEMENT**

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

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## **LIST OF ACRONYMS**

<b>MOENCO</b>	Motor and Engineering Company of Ethiopia
<b>TNA</b>	Training Need Assessment
<b>HR</b>	Human Resource
<b>SPSS</b>	Software Package for Social Science

## ABSTRACT

*The success of any organization depends very much on the quality of its human resource. Employee is a valuable asset of an organization. The survival of the organization depends upon its employee performance. Training plays a great deal in the achievement of new technical knowledge and skills in the different aspects of the organization. The main objective of this study attempts was to assess the effect of training on employee performance in using The Motor & Engineering Company of Ethiopia as a case study. Descriptive and explanatory research design were used on the study. Also the study used primary source of data. A quantitative research approach of the data collection was used and 123 questionnaires were distributed in which 114 were collected. The questionnaires data was analyzed using descriptive research method, correlations, and multiple linear regression analysis used by Statistical Package for Social Sciences (SPSS IBM version 23) data analysis tool. Accordingly, training process ( $r=.593^{**}$  with  $p<0.001$ ) and Training policy ( $r=.410^{**}$  with  $p<0.001$ ).The correlation analysis indicates all relationship between the independent variables (training process and training policy ) and dependent variable (employee performance) are positively and significantly correlated.Based on the findings of the study, the researcher recommend that in order to enhance employee performance the organization should continue its training program and implement training process also develop its own training policy so that it can build and strengthen employee's performance.*

**Key word:** Training Process, training policy and employee performance

## **CHAPTER ONE**

### **INTRODUCTION**

In this chapter, the introduction part including background of the study, background of the organization, statement of the problem, research question, objectives of the study, definition of terms, scope of the study, significance of the study and organization of the research study were treated.

#### **1.1 Background of the Study**

The world is changing rapidly in everyday life and in order to be able to catch up the paces, we have to make the best use of the personnel's abilities to become of successful in the businesses (Christina, 2009). Human efforts are very imperative to viably and proficiently utilize other assets of an organization for the fruitful realization of desired organizational objectives.

As we ahead the moment decade of the 21st century, change remains a perseveringsubject. In arrangeto survive and prosper, organizations within the private and the opensegments will ought toreact in a convenient and adaptable way to social, technological, economic and political change. This means ability to cope with the external and internal requirements will decide the organization's survival and growth. This implies that existing and new staff will need to acquire new knowledge, skills, attitudes and perspectives on a continual basis (Roger and Jim, 2009 : 369).

The survival of an organization entails having a sustainable competitive advantage. Human resource plays a pivotal role in organizations to achieve their strategic goals. For any organization or a country for that matter to sustain effective performance and economic growth it is vital that the contribution from the employees is fully optimized. Therefore, the manpower would be properly handled or taking care of by the company in regards to the improvement of employee performance with the support of training and development otherwise, the consequence mostly frustration of employee, tasks or duties will not accomplished as per the expectation of the company standard high employee turnover. (Thomas 2015).

Training has become a key focus for organizations in their quest to nurture an innovative, knowledgeable, flexible and high quality workforce that can compete forcefully in the global arena. Effective training programs help in constructing a more conducive learning environment

for the workforce and train them to cope with the upcoming challenges more easily and in time. Willard Nzeru, 2015. Organizations having good training programs they can meet their strategy and goals this leads to overall organization growth. According to Decenzo & Robbins (2010) training and development is the mechanism through which we can be able to equip the human resource with the necessary knowledge and skill so as to meet the current and future needs of an organization.

Training is a means of giving new or current employees the skills they need to perform at their various jobs, he sees training as the hall mark of good management and thus when managers ignore training, they are doing so to the great disadvantage of the organizations they are managing. They claim that training is considered as the organizations effort that are planned with the aim at helping employees to acquire job related competencies. (Ajibade & Ayinla , 2014).

The main object of every organization is to improve its performance but it can never be possible without the efficient performance of employees. In different sectors, a wide range of reforms that focus on training on the performance of employees has been implemented (Gleeson & Husbands, 2001). For the organization, training leads to improve profitability while cultivating more positive attitudes toward profit orientation. For the individuals, training improves job knowledge while also helping in identifying with the goals of the organization.

The Motor & Engineering Company of Ethiopia /MOENCO/ is one of the pioneer company and leading automobile importer in Ethiopia for the last decade. To become effective and efficient in the business, organizations should have competent, skilled and experienced employees. In order to compete in the changing environment MEONCO is participating on employee training program. But the training program is not meeting its purpose.

The purpose of this study was to examine the effect of training on employee performance using The Motor & Engineering Company of Ethiopia /MOENCO/ as a case study and to provide suggestions to the organizations as how they can make best use of training and development programs to create their employees perform well on their job.

## 1.2 Background of the Organization

MOENCO was established in 1959 and took sole distributorship of Toyota Franchise for Ethiopia in 1968. Since its establishment, MOENCO has grown in number of products it distributes; its manpower and branch networks throughout the country. Since its establishment 59 years ago, MOENCO has represents KOMATSU earth moving equipment, NEW HOLLAND Agricultural Machinery; MAHA vehicle inspection and Workshop equipment; TOYO Tyres; Batteries and many more products in the Ethiopian market.

MOENCO provides genuine parts and quality service throughout its 8 branches and 12 dealers.

Branch offices of MOENCO are located in Addis Ababa, Kaliti Machinery Branch, Mexico, Adama, Hawassa 1 and 2, Bahirdar 1 and 2, and Dire Dawa Branch.

Addis Ababa Branch operation has the below listed main functions.

- Customers service section (Reception, Customer Relation & Dispatch and Production).
- Service & Repair Section: responsible for regular service/maintenance and general works
- Body and Paint Section (Body Shop & Paint Shop)
- Quality Control: Responsible for quality assurance of customer vehicles serviced/repared
- Training Center: Engaged in Technical staffs' knowledge and skill development.

(<https://MOENCOethiopia.com/about/> , retrieved in June 2019)

MOENCO is an affiliate of Inchcape Company, a London based company which is one of the largest global distributor and retailer of automotive vehicles. Its vision is to become the most trusted automotive distributor and retailer, and is currently using the Ignite Strategy of which one of the five elements is giving exceptional customer experience. As an exclusive distributor of Toyota it is using Toyota Customer Service Philosophy, and other Toyota Policies and Processes.

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

The primary objective of business organizations is to achieve their mission thereby exceeding the expectation of their shareholders. In achieving the stated mission employees at all levels play a fundamental role. Organization gives training programs as part of their daily operations/ tasks to improve the capacities of their employees. It is a well-known fact that training enhances Skill Knowledge Attitude Competencies and in the end employee's performance and productivity in organizations (G.A Cole, 2002).

First of all the organization need a training policy that specifies what training means to the organization, who qualifies for training, how training should be conducted and so on. Policies are formulated to provide guides to action and to set limits to decision making that should be done in certain circumstances and how particular requirements and issues must be dealt with, Armstrong & Stephens (2005).

On the other hand According to Mahapatro (2010), a business firm should have a clearly defined strategy and set of objectives that direct and drive all the decisions made especially for training decisions. Firms that plan their training process are more successful than those that do not. Most business owners want to succeed, but do not engage in training design that promise to improve their chances of success.

Training programs have to be designed carefully if the planned goals are to be achieved and evaluated. In designing the training program, issues like analysis of training need assessment, training design, training implementation and training evaluation should be given serious attention for the training process to be effective and successful. Therefore, it should be mandatory by any organization to plan for such a training program for its employees to enhance their abilities and competencies that are needed at the workplace.

Employee training and development needs considerable attention and it should be designed carefully because it has an influence on the performance of employees in order to perform their duties and make meaningful contribution to the success of organizational goals and objectives.



MOENCO is the leading automobile importer and retailer in Ethiopia for last Sixty years. This is the result of its staff. One method of creating a competent staff in quality service delivery and efficiency is through training. MOENCO has been participating in training for a long period of time however employee training in the organization has not follow training process and poor practiced of training policy also poor support of management for training programs where observed.

Due to the presence of the above perceived problem this study empirically aimed to assess the effect of employee training and toward enhancement of employee performance in The Motor & Engineering Company of Ethiopia also this study contributes in minimizing this gap in the literature and thereby establishes the basis to empathetic of some aspects of human resource management in general and training in particular in Ethiopia

#### **1.4 Research Questions**

The study investigates the effects of training on employee performance in the Ethiopia Motor Engineering/MOENCO/ by posing the following questions:-

- What is the effect of training process on employee performance at MOENCO?
- What are the effects of training policy on employee performance at MOENCO?
- To what extent is the management of MOENCO committed to organize training programs to its staff?
- Is there any relationship between training and employee performance at MOENCO?

#### **1.5 Objectives of the Study**

##### **General objective**

The general objective of this study is to examine the effect of training on employees' performance at Ethiopian Motor Engineering/MOENCO/. Under the general objective, the study has the following specific objective. Assess

##### **Specific objective**

- To determine how effect of training process on employee performance at MOENCO

- To determine What are the effects of training policy on employee performance at MOENCO?
- To investigate to what extent the management of MOENCO is committed to organize training program to its staff.
- To relationship between training and employee performance at MOENCO

### **1.6 Scope of the Study**

The study gives emphasis on the effect of employee training on employee performance. Geographically, the study were focused on Ethiopia Motor Engineering Head office operating In Addis Ababa at after sales department Auto service section. Theoretically, this study mainly focuses on the employees.

The study focused on the training aspect of nature of training practice used, relationship between training practice and employee performance, and the case organizations by emphasizing on specific variables – training process(training needs assessment, training design, training implementation and training evaluation) , training policy and management commitment on training .

### **1.7 Significance of the Study**

The study deals with the practice of training on identifying its effect on employee performance. It would help the management of the MOENCO`s to concentrate on variables that have significant influence on not only employee`s performance but also company`s performance. The result of the study serve as an Input for the organizations to re-examine how much they were effective from the previous training expenditure that employed by the organizations towards improving the performance of the workforce to take corrective action for the future Therefore, this study has important implications, as it would help MOENCO to practice training in order to enhance their employee`s performance. Also the study is very important to scholars and researchers in other higher learning institutions for further study in this area. It can also help students as reference to conduct farther research in the area.

### **1.8 Definition of Terms**

**Training** refers to a planned effort by a company to facilitate employees learning of job-related competencies. The goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day-to-day activities (Raymond ANoe, 2010)

**Employee performance:** It is defined as the achievement of specific tasks measured against identified or predetermined standards of accuracy, completeness, cost and speed (Afshan, et al., 2012).

**Training Need assessment (TNA)-** TNA is the process of evaluating the organization, individual employees, and an employee tasks to determine what kinds of training, if any, are necessary. (Noe,HollenBeck, Gerhart, & Wright, 2008)

**Training Design-** is a process of developing a plan of instruction for each training program to be offered to meet training objective. (Goldstein & Ford, 2007).

**Training evaluation:** refers to the process of collecting the outcomes needed to determine vv whether training is effective or not (Noe, 2010).

**Policy** is a deliberate system of principles to guide decision and achieved rational outcome.

**Policy** is a statement of intent and is implemented as procedure or protocol. ( Wikipedia).

### **1.10 Organization of the study**

The study is organized into five chapters. The first chapter is the thesis general introduction part, providing readers with background, problem statement, research questions, hypothesis, objectives of the study, definition of terms, and scope of the study. In the second chapter literature review: introduction, defining of training, objective of training ,benefits of training, training methods, employee performance, the relationship between training and employees performance, measurements of training models. In the third chapter, explains the research methodology, including quantitative research, the paths of data collection. The fourth chapter is a about the research findings. Finally, chapter five includes the conclusion of this thesis and recommendations that can be made for the trainings of the case hotels and for staff training in extreme situations.

## CHAPTER TWO

### REVIEW OF RELATED LITERATURES

#### 2. Theoretical Literature Review

On this chapter it will discuss the training on employees' performance at work, as a case study of the motor engineering company of Ethiopia. The literature also investigation and highlights some more general surveillance that will be made in development of various literatures on the effect of training on employees' performance at their working areas. This chapter will provide the literature review on theoretical and empirical literature review. The focus is on the concept and effect of training on employees' performance.

#### 2.1 Concepts and Definitions

Human resource is the primary element of organization in comparison with other elements, such as capital, technology and financial as the human resource functions as other elements control. The term human resource refers to the knowledge, skills, creative abilities, talents aptitude, and values beliefs of an organization's workforce. The more important aspects of human resources are aptitude, values, attitudes and beliefs. But in a given situation, if these vital aspects are same, the other aspects of human resources like knowledge, skills, creative abilities and talents play an important role in deciding the efficiency and effectiveness of an organization's workforce. Thus, human resource development improves the utilization value of an organization. A growing organization must be in tune with the changing needs of the employees. This is done through an organized activity called training and developmental programs (Javed, 2014).

Training and development programs play a vital role in every organization. These programs improve Employee Performance at workplace, it updates Employee Knowledge and enhances their personal Skills and it helps in avoiding Managerial Obsolescence (Pallavi, 2013). With the use of these programs, it is easier for the management to evaluate the job performance and accordingly take decisions like employee Promotion, rewards, compensations, welfare facilities, etc. These training programs also help the managers in succession planning, employee retention and motivation. It creates Efficient and Effective employees in the Organization.

In this competitive world, organizations need well-adjusted, trained and experienced people to perform their activities. As jobs in today's dynamic organizations have become more complex, the importance of employee education has increased (DeCenzo, Robbins and Verhulst 2010). So, organizations invest huge amount on the human resource capital because the performance of human resource will ultimately increase the performance of the organization. The employees' performance depends on various factors. But, training is the most important factor in today's dynamic organizations.

In current years, training and development has emerged as a formal business function, a critical issue of strategy, and a recognized profession with wonderful theories and methodologies. More and extra organizations of all sizes have embraced "continual learning" & different elements of coaching and improvement as capability of promoting worker boom and acquiring a attractive knowledgeable work pressure.

Training and development has emerged as formal corporate function, integral element of corporate strategy, and is recognized as profession with distinct theories and methodologies as companies increasingly acknowledge the fundamental importance of employee growth and development, as well as the necessity of a highly skilled workforce, in order to improve the success and efficiency of their organizations (Bernatek, 2010).

Training and development is the most important tool of a business to develop commitment, effectiveness, efficiency and loyalty and to create a culture of cooperation among employees. Sometimes the top management and managerial level employees are found to be uncooperative towards HR training, whilst lower level employees lack the commitment to participate in training activities (Abdullah, H.2009)

Training and development have become the most important factor in the business world today, because training increases the efficiency and the effectiveness of both employees and the organization, (Raja, Furqan and Mohammed, 2011). Training is a systematic restructuring of behavior, attitude and skills through learning- education, instruction and planned experience. The cardinal purpose of training is to assist the organization achieves its short and long term objectives by adding value to its human capital. Training and development are not undertaken for the sake of training, but rather are designed to achieve some needs. Therefore, training and development are

need based in the sense that they are undertaken to fill some knowledge gap within an organization (Gunu et al., 2013).

Training and development describes the formal, ongoing efforts that are made within organizations to improve the performance and self-fulfillment of their employees through a variety of educational methods and programs. (Joseph, 2009) In the modern workplace, these efforts have taken on a broad range of applications from instruction in highly specific job skills to long-term professional development. In recent years, training and development has emerged as a formal business function, an integral element of strategy, and a recognized profession with distinct theories and methodologies. More and more companies of all sizes have embraced "continual learning" and other aspects of training and development as a means of promoting employee growth and acquiring a highly skilled work force.

In reality, the quality of employees and the persistent enhancement of their abilities and efficiency through preparing are presently broadly recognized as imperative variables in guaranteeing the long-term victory and productivity of little businesses and in expansion make a corporate culture that bolsters persistent learning

Therefore, Training and development in today's employment setting is far more appropriate than training alone since HR can exert their full potentials only when the learning process goes for beyond the simple routine (Pallavi, 2013).

Training should have an immediate and highly specific impact on work performance and should be grounded on the organization's requirements and unique corporate culture. It differs in this respect from education and employee development, which prepare the individual for life and work (Dubois & Rothwell, 2004). Training refers to a planned effort by a company to facilitate employees learning of job-related competencies. These competencies include knowledge, skills, or behaviors that are critical for successful job performance (Raymond A. Noe (2010).

## **2.2 Objectives of Training**

The objectives of training and development are formulated in line with the companies' goals and objectives. These objectives should state the desired behavior and the conditions under which it's to occur. In addition, sound objectives of any training program should indicate that at the end of

training whatever knowledge, skills and attitudes that have been identified as necessary for effective work performance should be achieved (Armstrong, 2006).

Training objective may be regarded as intent, expressed in the form of a statement, describing a proposed behavioral change in the learner (Chen et al ,2004). It specifies the tasks, procedures and techniques that the trainees should be able to carry out, the standards of performance required and the circumstance in which the work will be undertaken. Furthermore, Rao (1990) summarizes the personnel manager to formulates the objectives of training & development in keeping with the company's goals and objectives:

- 1) To prepare the employee both new and old to meet the present as well as the changing requirements of the job and the organization.
- 2) To prevent obsolescence.
- 3) To impart the new entrants the basic knowledge and skill they need for an intelligent performance of definite job.
- 4) To prepare employees for higher level tasks.
- 5) To prepare employees to function more effectively in their present positions by exposing them to the latest concepts, information and techniques and developing the skills they will need in their particular fields.
- 6) To build up a second line of competent officers and prepare them to occupy more responsible positions.
- 7) To broaden the minds of senior managers by providing them with opportunities for an interchange of experiences within and outside with a view to correcting the narrowness of outlook that may arise from .over specialization.
- 8) To develop the potentialities of people for the next level job.
- 9) To ensure smooth and efficient working of a department.
- 10) To ensure economic output of required quality.
- 11) To promote individual and collective morale, a sense of responsibility, co-operative attitudes and good relationships.

## **2.3 Benefits of training**

The best way to answer the question why organizations should train people is to answer the question what will happen if they are not well trained. Now a day, in the modern work place training becomes important if there are deficiencies that should be addressed through training, or if there are changes in the organization which have to be put in place by having well trained employees. Training is required if there is a change in technology, working conditions, products, inadequate performance, shortage of staff. (David A. De Cenzo et al, 2010).

Training has many advantages for the individual, the department and the organization because it is expected to provide a skilled pool of human resources, improvement of existing skills, an increase in knowledge and experience of employees, improve employees' motivation, job performance, customer service, and personal growth and opportunity for career development. (Itika, 2011).

Training need can be defined as the lack of knowledge, skill or ability and desire in any person, which prevents him from satisfactorily performing his job, or interferes with the full development of his potential in preparation for grater responsibilities. Robert L. et al. (2011), Also according to David (2009) a training need a key tool to minimized the gap between the present performance of an employee or group of employees, and the work performance. Training needs may be determined by finding out what is going on now and matching this against what should go on now or in the future.

There are so many benefits associated with training. According to Cole (2002) specifically he summarizes these benefits as below:

### **2.3.1 Increased Productivity**

Adequate training improves job performance skills which improves both the quality as well as quantity of the product due to increase in the level of performance (Elnaga,A. and Imran, A., 2013).

### **2.3.2 Improvement in Employee Morale**

Because of the improvement in needed skills, training programs build up confidence and satisfaction among employees. This in turn, develops enthusiasm and pride which are indicators of high morale (Elnaga, A. and Imran, A., 2013).



### **2.3.3 Availability for Future Personnel Needs of the Organization**

Good training programs develop the employees and prepare them for future managerial and executive positions. He also mentioned, when the need arises for personnel change, the internal sources can be utilized more effectively. This will ensure the organization's ability to sustain its effectiveness despite the possible loss of key personnel ( Elnaga, A. and Imran, A., 2013).

### **2.3.3 Improvement in Health and Safety**

Proper training can help prevent industrial accidents and create a safer work environment. Accidents are caused generally either by defects in machines and equipment or due to deficiencies in people who are not properly trained to handle and maintain such equipment (Armstrong, 2009). According to Thomas Owusu, (2012) skilled and knowledgeable workers are less inclined to accidents due to training in job skills and safety attitude.

### **2.3.4 Reduced Supervision**

A trained employee supervises himself he/she accepts responsibility and expects more freedom and autonomy and less supervision. This creates a spirit of participation and teamwork. Additionally, it can result in increase in span of supervision, thus reducing the costs associated with supervision (Elnaga,A. and Imran, A., 2013).

### **2.3.5 Personal Growth**

According to (Elnaga,A. and Imran, A. ( 2013), the training programs give the participants a wider awareness, a sense of self satisfaction and fulfillment, an enlightened philosophy and a value system that are the apex of personal growth.

### **2.3.6 Technological Transformation and Advancement**

Every organization in order to survive and to be effective should recognize the need for change also adopt the latest technology i.e., mechanization computerization and automation. Technology alone does not guarantee success unless it is supported by people possessing requisite skill, so organization should train the employees to enrich them in the areas of changing technology skills and knowledge from time to time (Elnaga, A. and Imran, A., 2013).

### **2.3.7 Organizational Stability**

Training programs foster the initiative and creativity of employees which increases a sense of belongingness, thus preventing manpower obsolescence. There is no greater organizational asset than that of trained and motivated personnel (Aronof and Lit win 2002).

## **2.4 Training Policy**

Policies are formulated to provide guides to action and to set limits to decision making; what should be done in certain circumstances and how particular requirements and issues must be dealt with policy (Armstrong & Stephens, 2005). Policies are therefore set up in such areas as marketing, finance, operations as well as human resource. In human resource, there could policies on training and development, recruitment and selection and salary administration and compensation; just to mention a few. Such organizational policies (human resource policies) are either formally expressed in manuals or informally as have grown from customs and traditional practices over the years. However to avoid ambiguity, it is very important that all major policy statements are formally expressed in manuals. This makes it possible and easier for managers, supervisors, union/association executives to familiarize themselves with relevant policies and how they should be interpreted. Again there is the need for senior management to communicate policies if they have not been written. The attend time taken that could be used on more pressing issues and the confusion that comes with oral traditions could be avoided with a formally expressed policies in a manual. Again it is the position of the researcher that, since employees come and go, while management and leadership of unions / associations also changes, there would be the strong need for policies to be more formally expressed in manuals for to avoid misinterpretation and to encourage consistency and fairness.

A policy document usually starts with a statement of broad objectives of management and its philosophy for the establishment of a mutuality of interest with its employees for great cooperation. Mullins (2007), lists the following as the essential components of a training and development policy.

## **2.4 Employees Performance**

Employee performance integration to overall organizational performance, the individual work plan (assignment) must be cascade down from the strategic plan of the organization. Since employees“

performance is critical for the attainment of organizational goals and objectives, it is important to deal with the peculiar nature of handling employees' performance. (Armstrong, 2009)

Performance as how well a person completes tasks and also the attitude with which he/she completes the tasks (Brown,2010). Job performance can be defined in terms of quantifiable outcomes of work behaviors such as amount of sales, numbers sold and also in terms of behavioral dimensions which may include work-related communication, decision making, problem solving among other skills. Alice Kasau (2014),

Since every organization cannot progress by one or two individual's effort, it is collective effort of all the members of the organization. Performance is a major multidimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000).

Performance of a business organization like automotive companies simply means the capability of the organization to achieve desired results or output more efficiently and effectively. Performance is related to measurable accomplishment or results that primarily address customer. Poor performance of employees in the automotive sector or any organizations is due to factors such as the quality of supervision and the lack of training and development of employees (Muhammad, 2009).

The aim of training is to maximize employees learning of new skill, knowledge, attitudes and behaviors to cope with the demand of dynamic business environments. These principles of employee training contribute to the overall organizational development which is a significant reason for organizations to encourage and promote this important human resource management functions (Hartel et al., 2007).

Therefore, employee performance is an important building block of an organization and factors which lay the foundation for high performance must be analyzed by the organizations. Since every organization cannot progress by one or two individual's effort, it is collective effort of all the members of the organization (Mwita, 2000).

The most important impact of training on employees and organization performance is improve the quality and quantity of organization's output, increase in the organization's profitability, safeguarding the organization stability, minimizing the risk, decrease the organization cost and

expenses, improving the management of the organization and establishing the organization as national and international entities. (Barzegar and Shahroz (2011)).

## **2.5 Effect Training Practices**

The training techniques used should be appropriate to the purpose of the course and to the characteristics of participants – their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to being taught (motivated to learn).

A combination of different methods should be used where appropriate. It is particularly important in management, supervisory and interpersonal skills training to provide ample time for participation and active learning through discussion, case studies and simulations. Lectures should form a minor part of the course (Armstrong, 2006). It is best to consider how training is to be evaluated before it begins.

There are four levels at which training can be evaluated (Greg, et al., 2009). The evaluation of training becomes, more rigorous and specific as the level of advance.

**1. Reaction-** It refers to reactions of trainees of the content and methods of training, to the trainer and to any other factors perceived as relevant. How well the trainees like the program? Did they think it worthwhile? Training reactions capture how the trainees feel about training. It can help to know what went well and what did not which can be useful for providing feedback to training designers and trainers. It can also be useful as overall measures of satisfaction with training courses. Reaction data should be interpreted cautiously and are properly better used to provide feedback to improve training that to make decisions about discontinuing training (Greg, et al., 2009).

**2. Learning-** the trainees to determine if they learned the principles, skills, and facts they were to learn. It is a change that occurs from experience. Learning can improve knowledge, skills, or attitudes, and each of these can be assessed (Greg, et al., 2009).

**3. Behavior-**It helps to know whether the trainee's behavior on the job changed because of the training program. In other words asks the question what changes in the job behavior have occurred as a result of the training. Did the learning transferred to the job? But behavior is more difficult to

measure than reaction and learning. Even if behaviors do change, the result that management desires may not be obtained (Greg, et al., 2009).

**4. Result-** employers evaluate results by measuring the effect of training an achievement of organizational objectives. Because results relatively concrete evidence that the training actually reduced cost, improved quality and quantity or produced other improvements for the organization profitability or survival in general this (Greg, et al., 2009).

## **2.6 Training Processes**

Effective training practices involve the use of a training design process. According to Mahapatro, (2010) a business firm should have a clearly defined strategy and set of objectives that direct and drive all the decisions made especially for training decisions. Firms that plan their training process are more successful than those that do not. Most business owners want to succeed, but do not engage in training design that promise to improve their chances of success. There are diverse models that appear the steps within the training process, though the contents are more or less the same. According to Kulkarin, (Kulkarin, 2013) the preparing handle includes four stages, to be specific:

1. Need assessment of training
2. Designing the training programs
3. Implementation of the training program
4. Evaluation of the training program

### **2.5.1 Need Assessment**

Need assessment is the first step in any training and development practice that deals with conducting a proper diagnosis of what needs to be trained, for whom, and within what type of organizational system (Salas et al., 2012). A Need: A “need” refers to the gap between what is and what could or should be within a particular context, leading to strategies aimed at eliminating

the gap between what is and should or could be. Dr Mo Hamza (2012). Need assessment refers to the process used to determine if training is necessary.

The primary step in building a training course is recognizing desires of target employees. There is assortment of strategies for conducting need assessment.

Assessing Organizational training needs is the diagnostic phase of a training plan. This assessment considers issues of employee and organizational performance to determine if training can help. Needs assessment measures the competencies of a company, a group, or an individual as they relate to what is required. It is necessary to find out what is happening and what should be happening before deciding if training will help, what kind is needed (Mathis & Jackson, 2011). Determining training needs typically involves generating answers to several questions.

According to Raymond A. Noe et al, (2010), needs assessment is a three-step process that consists of organizational analysis (e.g. Which organizational goals can be attained through personnel training?), task analysis (e.g. What must the trainee learn in order to perform the job effectively?, What will the training cover?), and person analysis (e.g., Which individuals need training and for what?).

#### **2.5.1.1 Organizational Analysis**

The primary way to diagnose training need is thought organizational analysis, which considers the organization as a system. An important part of the company's strategic human resource planning is identification of the knowledge, skill, and abilities that will be needed by employees in the futures as both job and organizational change (Raymond A. Noe et al, 2010). It helps to understand to understand the objectives, policy and function of the organization, the state of affairs of its business operation, work system processes, management system authority and responsibility relationship, performance results (Pont, 2003).

#### **2.5.1.2 Person Analysis**

The second way to diagnose training need analysis approach is person analysis. Here the concentration is on the individual employee and helps to identify who needs training. Person analysis involves (1) determining whether performance deficiencies result from a lack of knowledge, skill, or ability (a training issue) or from a motivational or work-design problem, (2)

identifying who needs training, and (3) determining employees' readiness for training (Raymond A. Noe et al , 2010). Training is often necessary when there is a discrepancy between a employee performance and the organization's expectations or standards.

### **2.5.1.2 Task analysis**

The third way of diagnosing training needs is task analysis. This approach refers the results in a description of work activities, including tasks performed by the employee and the knowledge, skills and abilities required to complete the tasks. A job is a specific position requiring the completion of certain tasks. In other word a task analysis involves identifying the task and the training that employees will require in terms knowledge (includes facts or procedures), skills (indicates competency in performing a task), and abilities (includes the physical and mental capacities to perform a task (Raymond A. Noe et al, 2010).

According to Mathis and Jackson, (2008) a task analysis involves four steps:-Select the job or jobs to be analyzed. Develop a preliminary list of tasks performed on the job by (a) interviewing and observing expert employees and their managers and (b) talking with others who have performed a task analysis. Validate (Authorize) or confirm the preliminary list of tasks. Once the tasks have been identified, it is important to identify the knowledge, skills, or abilities necessary to successfully perform each task .

### **2.5.2 Designing the training programs**

Once training needs have been distinguished utilizing the different investigation, and after that Training goals and needs must be built up. All of the assembled information is utilized to compile a whole investigation, which distinguishes the remove between where an organization is with its representative capabilities and where it has to be. To address the specific objectives, the training content must be meaningful and related the training objectives. According Noe et al.2010, motivation to learn is enhanced when training is related to helping learner such as related to current job tasks, problems, enhancing skills, or dealing with jobs or company changes. In addition the training context should be similar to the work environment (2010).

### **2.5.3 Implementation of the training program**

Once training needs have been identified using the various analysis, and then training objectives and priorities must be established. All of the gathered data is used to compile a gap analysis, which

identifies the distance between where an organization is with its employee capabilities and where it needs to be. Training design is the process of developing a plan of instruction for each training program to be offered to meet training objective (Goldstein & Ford, 2007).

The key activities involved in designing a training and development program are; setting objectives, selecting the trainer or vendor, developing lesson plan, selecting program methods and techniques, preparing materials and scheduling the program. In this process an organization may opt to buy or make the HRD program owner. In any case, prudent move should be made to optimize the use of the human resource in the organization from the program. Trainers should be selected either internally or externally, train- the trainer programs should be held, training methods for each training module should be selected, and training materials should be prepared. Participant oriented design should be prepared. In all means, training and developmental opportunities should be given on a performance opening and to whom they are badly needed. The most important issue to be inculcated in the design phase is that trainings and developments should have explicit objective before they are delivered (Randy et.al. p163). After the design stage is completed the next step will be implementation.

#### **2.5.4 Evaluation of the training program**

Examining the outcomes of a program helps in evaluating its effectiveness. These outcomes should be related to the program objectives, which help trainees understand the purpose of the program.

Once a company implements s training program, it must evaluate the program's success, even if it has produced desired result for other companies and even if similar programs have produced desires for it. (Garg, 2009) Objectives of training evaluation are:-

- To monitor the quality of training
- To provide feedback
- To appraise the overall effectiveness of the investment in training
- To assist the development of new methods of training
- To aid the individual evaluate his or her own learning experience.

Also According to Gary Dessler (1994), there are four basic categories of training outcomes or effects that can be measure.



First Evaluates trainees' reaction to the program. It captures how the trainees feel about training.

The second one is learning. It helps the trainees to determine if they learned the principles, skills, and facts they were to learn.

The third is behavior. It helps to know whether the trainee's behavior on the job changed because of the training program.

Lastly, result which measures effectiveness of the program in terms of business objectives. Evaluation is an attempt to obtain information (feedback) on the effects of training programs, and to assess the value of the training in the light of that information available. We answer the question: How far has the training has achieved its purpose? This is not any easy task because it requires effort, resources, and skills to separate the effects of training on the job performance from other potential environment factors. (Itika, 2011)

Training is an organized activity for increasing the knowledge and skills of the people for a definite purpose. It involves systematic procedures for transferring technical knowhow to the employees so as to increase their knowledge and skills for doing specific jobs with proficiency (Mahapatro, 2010).

Training of employees will aid in the productivity, profitability or survival of businesses in the present competitive business environment (Javed, 2014). There are two broad types of training available to the businesses: on-the-job and off-the-job techniques. On-the-job training is delivered to employees while they perform their regular jobs. In this way, they do not lose time while they are learning. On-the-job techniques include orientations, job instruction training, apprenticeships, internships and assistantships, job rotation and coaching. Off-the-job techniques include lectures, television conferences or discussions, case studies, role playing, simulation, group exercise, and laboratory training (Raymond A. Noe 2010).

## **2.6 Factors that Contribute to Improve Employee Performance**

The first thing to remember is that employee performance does not occur in vacuum. We have to take systems perspectives and look those factors that contribute for enhancement of employee performance. Some of these factors are information, resources, incentive, knowledge, capacity, motivation and training and development. In fact, there is an increasing awareness in organizations that the investment in training could improve organizational performance in terms of increased

productivity, enhanced quality and market share, reduced turnover, absence and conflict (Armstrong, 2006).

It is the above mentioned contradictory ideas and problems that lead the researcher to choose this interesting topic to study. It is also believed that the outcome of the research will benefit those who would like to study further in the area of the effect that training and development have on employee performance.

According to Amisano (2009), employee performance may be related to numerous factors within the workplace, such as overall job satisfaction, knowledge, and management. But there is a definite relationship between training and performance, as training programs can address numerous problems that relate to poor performance. Knowledge training programs increase an employee's job knowledge. An increase in job knowledge means that the employee will feel more comfortable doing his/her job and will perform at a high level.

**Satisfaction** Job satisfaction can come from feeling comfortable within the organization, job proficiency and even from the knowledge that an employee can work hard and get promoted. Training programs can contribute to all of these factors and lead to more satisfied employees who perform at exceptional levels. **Innovation** Training employees about the organization, where each employee fits in the organization and how the organization fits into its overall industry creates innovation. In other words, employees who have a knowledge framework, delivered through training, are creative in solving problems, both in the short and long term (Stewart and Brown, 2009). **Career Orientation** When training programs are offered as a method to progress in one's career, they also have an effect on how an employee performs. Employees who know they have a future with the organization are more likely to be high performers. **Goal Orientation** Effective training targets the gap between what is expected and what is currently being done. This human performance orientation, especially if delivered through training, makes an aware of her/his goals and how they will reach them (Langer, N. and Mehra, A., 2010).

## **2.6 The Relationship between Training and Employees Performance**

Most of the previous studies provide the evidence that there is a strong positive relationship between human resource management practices and organizational performance (Purcell et al., 2003). Performance can be defined as the achievement of specified task measured against

predetermined or identified standards of accuracy, completeness, cost and speed (Cooke, 2000). Good performance means how well employees performed on the assigned tasks. In every organization there are some expectations from the employees with respect to their performance. And when they perform up to the set standards and meet organizational expectations they are believed good performers while poor performance can be occurred as a result of inadequate job training and both customers and employers will become unsatisfied but trained employees will better satisfy the needs of their customers and employers (Kenney, 1992).

It is also believed that to achieve the organizational goals employee performance is important that depends on a variety of factors but training receives high importance as it improves the skills, capabilities, confidence and competencies (Naveed, et al., 2014). Training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior (Benedicta and Appiah, 2010).

It is obvious that training plays an important role in the development of organization, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top. According to the study of Alazar (2012), the absence of proper job training will affect a person's expertise. This will probably affect their motivation, and quite likely their opportunity to progress. Conversely, the absence of opportunity to develop may have a negative impact on their motivation, and thus their desire to learn or apply themselves. There is a positive relationship between training and employee performance.

Employee commitment has become increasingly important in many organizations as indicated by (Meyer, et al., 1993) in their study. The construct „employee commitment“ is however complex and commitment cannot be seen as a single, homogenous entity, which means the same to all employees. It is multifaceted and can impact on an organization in a number of ways. It changes over times as employee circumstances and needs change. Commitment is defined as purely psychological- it is a measure of the extent to which an employee has formed a strong psychological attachment to an organization (Meyer, et al., 1993).

According to the study of (Neely, et al., 1995), effectiveness was referred as the extent to which customer requirements are met and to efficiency as a measure of how economically the firm“s resources are utilized when providing a given level of customer satisfaction. The employee

performance is going to be more effective if he is trained in good manner and the affective commitment will lead to more emotional type of attachment which is going to improve the work efficiency and helps the organization in succeeding competitive edge in the market because of the training employees stick to the same organization which helps him to develop as commitment more of norm type to help organization (Meyer and Allen, 1990, P.1).

Rautalinko & Lisper (2004) claim that successful and effective job trainings largely impact the productivity of employees during their present job. If an employee feels well-trained, they automatically commit to the organization. The same result was achieved in other study by (Bartlett, 2001) i.e. organizations that are able to create an environment where training is supported and valued by employees will be able to achieve greater commitment outcomes

Generally, it can be debated that the influence of training program on employee outcomes such as motivation, job satisfaction and organizational commitment, did not received much attention so far. Rare work was done to test whether firms can affect their workers attitude, through proper training interventions.

According to Lang (1992) training should be planned in such a way that it results in organizational commitment. On the other hand Gaertner and Nollen (1989) proposed that employees' commitment is a result of some human resource practices, that is, succession planning and promotions, career development and training opportunities. All these practices, when achieved results in greater employee performance. Moreover, Meyer and Smith (2000), investigate the link between human resource management practices and organizational commitment, so as to discover the causes of effective employee performance. As stated by Ohabunwa (1999), when employees are well trained organization can delegate responsibility and authority to them with full confidence of ensuring organizational success.

## **2.6 Empirical Literature Review**

A number of researches have been conducted regarding the effect of training on employee performance. The findings of the studies show that training has a positive effect on employee performance.

According to an empirical research conducted by Sultana et al., (2012) studied the “training practices that are taking place in Pakistan’s telecommunication sector”. The impact of these training practices on employee performance has analyzed. On his study he stressed on planned and systematic training design and its implementation, customized exclusively for performance enhancement and productivity improvement, in order to successfully attaining the training programs objectives.

The research explores that if companies spend their resources in precise and accurate category of employee training it may develop employee performance along with their skills and competencies. Moreover, training is visualized as a helpful way of deal with the changes cultivated through technological advancement and innovation; market rivalry, organizational configuration and most prominently it performs a vital role in enhancing employee performance.

In addition Elnaga and Imran (2013) studied the impact of training on employee performance and offer recommendations in order to enhance the performance of the employees via effective training courses. Authors resembled the employee with the blood stream of business. The success and failure of company is highly dependent upon its employee performance.

Therefore, top level management must realize the significance of investment for training and development in order to enhance the performance of the employee. The research is comprises of qualitative research approach. It analyzes the literature aspects and the several case studies discussing the importance of training to enhance employee performance. Moreover, the analysis of theoretical framework was also the part of research in which models regarding employee development, training and development, several programs of training and development, impact of these programs on employee performance were considered. Furthermore, a review of recent scenarios and researches on these relationships were analyzed.

Conducted by Abdirahman Omer (2017) also conducted study to determine the effect of training and development on employees’ job performance at Awash International Bank S.C branches that are found in Addis Ababa. Based on the findings of this research, training design and implementation and training evaluation are found to have significant and positive relationship on employees’ job performance which indicates that studying the effect of the above two variables on employees’ job performance requires further analysis rather than studying training as a whole.

## 2.7 Conceptual Framework

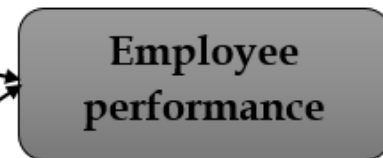
The conceptual framework shows the association of Training and development and employees' performance. In this study employees performance is dependent variable while the training process and training policy are the independent variable.

*Figure 1: Conceptual Framework Model*

### Independent Variable



### Dependent variable



**Source:** Developed based on the objective and literatures reviewed

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

This chapter of the research deals with the research methodologies that were used in collecting data for the study. It contains the research design, sources of data, population and sampling technique, data gathering instruments, procedures for methods and data analysis.

#### **3.1 Research Design and Approach**

The general objective of this study is to examine the influence of training on Employee's performance in The Motor & Engineering Company of Ethiopia. In order to capture the logical structure of the study, the researcher has used both descriptive and explanatory research design. Descriptive research design helps to portray accurately the characteristics of a particular individual, situation or a group. The descriptive survey research design is appropriate choice, because it is a cross sectional study and the study aimed at measuring the attitude of the employees at one time meaning that it won't continue studying stability of the data over time from their company (Creswell, 2003). Also descriptive research permits to investigate the issue of study through looking into the problem by exploring the views of different sets of respondents, as well as by exploring different literatures related with the study (Geoffrey et al., 2005). An explanatory designs try to establish cause-and-effect relationships. The primary purpose of explanatory research design is to determine how events occur and which ones may influence particular outcomes (Dawson & Bob 2006). Therefore, this study used both descriptive and explanatory method in order to explain the effect of training on employees' performance in The Motor & Engineering Company of Ethiopia.

The research approaches to be used are quantitative and qualitative research approach based on questionnaires respectively to provide a better understanding of research problems. This research approach analysis doing to the most extent will quantitative data a means for testing objective theories by examining the relationship among variables (Creswell 2009, p.4). Therefore, the study will be use mixed approach.

## **3.2 Population, Sample Size and Sampling Technique**

### **3.2.1 Research Population**

The target population of this study is employees which is 123 of The Motor & Engineering Company of Ethiopia working at head office operating in Addis Ababa at after sales department Auto service section. According to MOENCO Human Resource department information, entire the company, there are 123 employees working at in Addis Ababa at after sales department Auto service section.

### **3.2.2 Sample Size and Sampling Techniques**

The study will be done in The Motor & Engineering Company of Ethiopia (MOENCO) located in Addis Ababa. The total population will be 123 employees. Due to the limited size of the population census survey was appointed.

Census method refers to the complete enumeration of the universe. A universe may be a place a group of people or a specific locality through which we collect the data. The census method is suitable only in the following cases:-

- Where higher degree of accuracy is required.
- Where there is enough availability of finance.
- Where the universe is not vast.
- Where there is enough time to collect data.

Data collection through census method gives opportunity to the investigator to have an exhaustive study about a problem. The researcher gathers a lot of knowledge through this method and higher degree of accuracy in data.

#### **3.2.1.1 Sampling size**

As the researcher tried to explain a census method were appointed which 123 employees working at Addis Ababa branch at after sales department Auto service section. Therefore questionnaires were distribute to 123 employees.



### **3.3 Data Source and Tools of Data Collection**

For the purpose of this study in order to obtain relevant information primary data collection method were used. The primary sources of data was collected through questionnaires from The Motor & Engineering Company of Ethiopia corporation head office after sales department auto service section. The reason for the selection of questionnaire is that it helps in procuring extensive data at reasonable cost. It can be used economically to collect data form a large number of respondents and help respondents to fill the questionnaire at their convenient time without the interviewer bias and also it is best to get response in a relatively short time.

### **3.4 Procedures of Data Collection**

The designed questionnaire were pilot tested and then amended before administering it to all employees. The purpose of the pilot test is to refine the questionnaire that enabled the researcher to see the validity and the likely reliability of the instrument (Saunders, Lewis & Thornhill 2009). The distributed questionnaire will be collected within a week after the distribution. The questionnaire will have two sections. The first section is about the biographical information about the employees, and the second section focuses on training and performance issues. The interview was conducted with Managers focusing on the overall training practices of The Motor & Engineering Company of Ethiopia.

### **3.5 Methods of Data Analysis**

The data were collected through the questionnaire will be analyzed through descriptive analysis with the help of the Software Package for Social Science (SPSS) and will be present with the help of tables, frequency and percentage. The findings will be discussed in relation to the research questions and the literature reviewed. In addition to this, the information gathered through interview will be applied to elaborate major factors related to training practices of the organization and the results are presented in the form of a summary and narration.

### 3.6 Reliability and Validity of Measures/ Instruments

#### 3.5.1 Validity

Validity is the strength of the conclusions, inferences or propositions. It involves the degree to which you are measuring what you are supposed to, more simply, the accuracy of your measurement (Kothari, 2004). Validity is used to make more accurate and meaningful results. Generally in the study the researcher tried to assure validity. The first thing that will be done the adopted the questionnaire from previous other studies and some questions will be improved according the objective of this study. Pilot test was conducted on research Questionnaires before distribution. Questionnaires was distributed and collected by the researcher in person.

#### 3.5.2 Reliability

Reliability refers to the extent to which the data collection techniques will yield consistent findings. Internal consistency reliability is a measure of consistency between different items of the same construct.( Kotair ,2004). Cronbach's alpha is a reliability measure designed by Lee Cronbach in 1951. Cronbachs alpha is a coefficient of reliability. It is commonly used as a measure of the internal consistency or reliability of a psychometric test score for a sample of examinees. For testing the reliability of the data instrument, Cronbach's Alpha was calculated to test the reliability of the research instrument. Ideally, the Cronbach's alpha coefficient of a scale should be above 0.70.

*Table 1: Reliability Statistics*

<b>Variables</b>	<b>Cronbach's Alpha</b>	<b>No. of Items</b>
Entire questionnaire	0.92	39
Training Process	0.86	20
Training policy	0.72	5

### 3.6 Ethical Considerations

The ethical issues for this research is mainly related to all the data collected from the MOENCO, official letter from the college will be asking for a permission to access for data from MOENCO.

Participant's willingness to respond genuinely for provided questioners will be communicated and after data collection Participants' response confidentiality and anonymity will guaranteed,

confidentiality about the information obtained from the MOENCO will guaranteed according to the MOENCO rule. As much as possible ethical language was used in the questioners constructed and distributed to the respondents.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND INTERPRETATION**

#### **4.1 Introduction**

This section of the study deals with presentation, analysis and interpretation/discussion of the data gathered through questionnaire. The findings have been stated as per the result obtained from respondents through different tests. Statistical Package for Social Sciences (SPSS IBM version 23) was used to measure descriptive statistics like frequencies and mean were used to analyze the data also correlation and regression analysis.

#### **4.2 Response Rate**

The survey questionnaires were distributed to the identified employees of The Motor & Engineering Company of Ethiopia. Out of the 123 distributed questionnaires all the 114 questionnaires were returned completely filled in which nine of them were not returned which makes it a response rate of 92.6%. According to Mugenda and Mugenda (2003), a response rate of over 50% is recommended. There is not any missing data from the employees.

#### **4.3 Demographic Characteristics Of The Respondents**

The first part of the questionnaire consists of five Variable about demographic information of the respondents. It covers the personal data of respondents such as: Gender, Age, educational background, and year of service and the following subsequent tables indicate the total demographic characteristics of the respondent.

Table 1: Demographic Characteristics Of The Respondents

Variable	Category	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	99	86.1	13.9	13.9
	Female	16	13.9	86.1	100.0
	<b>Total</b>	<b>115</b>	<b>100</b>	<b>100</b>	
Age Category	18-25	47	40.9	40.9	40.9
	26-35	57	49.6	49.6	90.4
	36-45	9	7.8	7.8	98.3
	46-55	2	1.7	1.7	100.0
	Above 56	0	0	0	
	<b>Total</b>	<b>115</b>	<b>100</b>	<b>100</b>	
Educational Level	Diploma	79	68.7	68.7	68.7
	Degree	32	27.8	27.8	96.5
	Masters	4	3.5	3.5	100.0
	<b>Total</b>	<b>115</b>	<b>100</b>	<b>100</b>	
Year of Service	1-5 Years	45	39.1	39.1	39.1
	6 -10 Years	48	41.7	41.7	80.9
	11- 15 Years	13	11.3	11.3	92.2
	16-20 Years	6	5.2	5.2	97.4
	Above 20	3	2.6	2.6	100.0
	<b>Total</b>	<b>115</b>	<b>100</b>	<b>100</b>	

Source: Own survey, 2019

### Gender of the Respondents

As shown in table 1 above, 99 of the respondents were male which represent 86.1% of the total respondents, while the 16 were females which are 13.9% of the total respondents. Due to this, dominance of employees worked in the company are male over female was observed.

### Age of respondents

Based on the data obtained from the table 1, 51 respondents were between 26-35 years representing 44.3% formed the majority. The next largest number of respondents were between the ages of 18-25 years were 34 in number representing 29.6 %. The third group of respondents were under the

age category of 36-45 years were 24, which represent 20.9% employees from the total respondents. The remaining group 6 (5.2 %) were under the age categories of 46-55 years respectively. From the data, it is clear that most of the employees of the MOENCO are young and experienced, it is a great opportunity for the organization to perform better and need to give attention for training Program.

### **Educational Qualification of respondent**

Concerning educational level of respondents, among the respondents, the majority 77(67%) of the respondents' educational level is diploma. The next percent 33(28.7%) respondents are first degree holders and 5(4.3%) of are masters holders respectively. The data indicates that the majority of the respondents of MOENCO are diploma holders.

### **Respondent Years of service in MOENCO**

From the collected data it can be seen that respondents hold a range of educational qualifications from college diploma to master's level. The respondents work experience, according to the gathered data 29 (25.2%) of the respondents have worked for the company for 1-5 years, 35 (30.4%) of the entire population have worked for the company for 6-10 years of age, 37(32.2%) have worked for 11-15 years of age, 11 (9.6%) have worked for 16 to 20 years in the company and the remaining 3(2.6%) have worked for MOENCO for over 20 years respectively.

The composition of work experience of the representative samples may have a positive effect on the quality of the finding of the study as it includes the views of each group.

### **Frequency of Training**

The rates at which respondents are trained is displayed in the figure below. The result indicates that, Out of the total 123 employees which took training in the organization. Out of the total respondents that 30 (26.1%) revealed that employee have participated in training program only once, 56 (48.7%) of them participated training Two-Three Times, 29 (25.2%) of them participated More than three times. Almost all of the respondents have got training at least once time and this clearly demonstrates that the company is doing well in terms of using training as part of its human resource (employees) development strategy.

Figure 2: Frequency of Training

Frequency of Training	Frequency	Percent	Valid Percent
Ones Times	30	26.3	26.3
Two-Three Times	56	49.1	49.1
More than three times	28	24.6	24.6
Total	114	100.0	100.0

#### 4.4 Descriptive Statistics of Data Collected For The Study

The following sub sections deal with the data presentation, analysis and interpretation about Training process which are training needs assessment, training design, training delivery, and training evaluation which are the dimensions of training that are taken as independent variables for the study. Accordingly, the paper applies mean range as the best measures for analysis based on the mean range developed by Al- Sayaan et al. (2006).

##### Training Needs Assessment

On this sub section the researcher tried to found out whether proper training need assessment were carried out by the organization before organizing training for staffs. It is believed that training need assessment has positive effect on performance of employees.

*Table 2: Respondent opinions on training need assessment*

No.	Statements		SA	A	N	D	SD	Total	Mean
1	Training need assessment is carried out at organization level to determine the skill & knowledge gap required to achieve the organization's strategic plan.	Freq.	0	4	2	89	19	114	1.92
		%	0	4	1.8	78	16.7	100	
2	Training need assessment is carried out at task level to identify the skill, ability & knowledge required to perform a certain job.	Freq.	0	5	4	93	12	114	1.85
		%	0	4	3.5	82	10.5	100	
3	Training need assessment is conducted at individual employee level to determine skill & knowledge gap of individual.	Freq.	0	1	6	82	25	114	2.02
		%	0	1	5.3	72	21.9	100	
4	Training needs assessment process carried by the organization is participatory.	Freq.	0	2	14	83	15	114	2.02
		%	0	2	12	73	13.2	100	
5	Training programs are organized in the organization by conducting training need assessment.	Freq.	0	7	6	83	18	114	2.03
		%	0	6	5.3	73	15.8	100	

Source: Own survey, 2019

As shown in the table the first statement tried to measure level of agreement on Training need assessment carried out at organization level fell on disagreement level which is 108(94%) of the total respondent. Whereas 2% were neutral the rest which is 2% were agreed. This clearly indicates that MOENCO should take into consideration TNA as part of its organization strategic.

The second statement from the above table tried to measure whether TNA at task level is carried out at MOENCO. From the total 114 respondent 93 or 81% disagreed with mean of 1.85 on the statement, this show that there is low practice on identifying the skill, ability & knowledge required to perform a certain job at task level.

Towards the 3<sup>rd</sup> statement from the above table it can be seen that TNA at individual level at MOENCO is weak. From 114 respondent 82 (71.9%) disagreed with mean of 2.02 and 6(5.3%) are neutral which show that the practice of TNA at individual level is very weak this implies the organization should to work on improving TNA at individual level to make training program more effective.

The next statement measure if TNA is participator or not, from the collected data 85 (72.8%) with mean of 2.02 lead to disagreement level. The result implies that TNA is not participatory. When we came to the last statement majority of employees which is 83(72.8%) with mean of 2.03 do not believe that training are organized without TNA at MOENCO.

### **Training design**

According to Tsaur andlin, 2004 Training design plays Avery vital role in the employees as well as organizational performance. Abad training design is nothing but the loose of time and money.

*Table 3: Respondent opinions on training design*



No.	Statements		SA	A	N	D	SD	Total	Mean
1	The environment and facilities are adequate and comfortable to conduct trainings.	Freq.	22	53	17	19	3	114	3.63
		%	19.3	46.5	14.9	16.7	2.6	100	
2	The objective of training is well known by its staff.	Freq.	5	10	8	72	19	114	2.21
		%	4.4	8.8	7.0	63.2	16.7	100.1	
3	Training curriculum are well known by employees.	Freq.	0	2	7	92	13	114	1.98
		%	0.0	1.8	6.1	80.9	11.4	100.2	
4	The trainers are well trained and prepared on the subject matter.	Freq.	16	60	7	28	3	114	3.51
		%	14	53.0	6.1	24.6	2.6	100.3	
5	There is a clear view of training objectives in conducting training program in MOENCO	Freq.	0	4	7	76	27	114	1.89
		%	0	3.5	6.1	66.7	23.7	100	

Source: Own survey, 2019

From the above table the 1<sup>st</sup> statement respondents' attitude on the environment and facilities of training program. According to collected data out of 114 respondent 75 (65.8%) with mean of 3.6 are agreed that the environment and facilities are adequate and comfortable for conducting training program which implies there is comfortable facility and environment to conduct training in MOENCO. The remaining 17(14.8%) fall on neutral & 19(16.7%) disagreed.

When we came to the 2<sup>nd</sup> statement from the above table majority of the respondent which 91(79.9%) with mean of 2.21 disagreed that objective of training is well known by its staff. This result show there less understanding/knowledge on the training object at MOENCO by its staff.

The other element on the above table was about training curriculum. Out of 114 respondent 92 or 80.9 % of the respondent with mean of 1.98 replay that training curriculum is not well known by employees at MOENCO. The remaining 9(6.1%) of the respondent are neutral, this result implies that there is lack of awareness about training curriculum on MOENCO`s training program by its employees.

From the above table the 4<sup>th</sup> statement is about the trainers. The majority of respondents which are 76(67 %) agreed that trainers are well trained and prepared on the subject matter. This result implies that MOENCO have capable trainers' in-terms of knowledge.

## Training implementation

### On-the-job training

On-the-job training is delivered to employees while they perform their regular jobs. In this way, they do not lose time while they are teaching (Armstrong, 2006).

Table 4: Employee opinion on contribution of on On-the-job training

No.	Statements		SA	A	N	D	SD	Total	Mean
1	Employee job rotation within MOENCO helps me to increasing my overall performance.	Freq.	38	53	16	7	0	114	4.07
		%	33.3	46.5	14.0	6.1	0.0	100	
2	I Have been coached by employee or supervisor as part of the training program.	Freq.	8	12	9	49	36	114	2.1842
		%	7	10.5	7.9	43.0	31.6	99.98	
3	My supervisors and seniors and I regularly review the objective of sharing knowledge for improvement.	Freq.	7	11	12	46	38	114	2.1491
		%	6.1	9.6	10.5	40.4	33.3	100	

Source: Own survey, 2019

As shown on the above table majority of the respondents which are 91 (79.1%) with mean 4 of employee believe that job rotation help them to increase their performance this show that employee of MOENCO have engaged on job rotation and have positive impact on their performance.

When we come to the 2<sup>nd</sup> statement on the above table 85(73.9%) with mean of 2.1 employees are not coached by their supervisors or other employees as part to training program. This indicates the practices of coaching by their supervisors or other employees as training program at MOENCO is poor.

The other element on this section if employee and supervisors share knowledge for improvement the result for this statement is fall on disagreement level with respondent of 84(73.7%) with mean of 2.1 the remaining 12(10.5%) fall on neutral status. This indicates reviewing objective between supervisors and employees is very poor. MOENCO should give focus on this issue.

## Off-the-job training

On this section three statements are forwarded to respondents about off the job training.

Table 5: Employee opinion on contribution of on Off-the-job training

No.	Statements		SA	A	N	D	SD	Total	Mean
1	The lecture training programs are designed at level of abilities and education of Employee.	Freq.	10	8	18	48	30	114	2.3
		%	8.8	7.0	15.8	42.1	26.3	100	
2	The method of lecture is participatory.	Freq.	6	16	19	46	27	114	2.37
		%	5.3	14.0	16.7	40.4	23.7	100	
3	Off job training is related with the actual job performed	Freq.	11	59	19	18	7	114	3.43
		%	9.6	51.8	16.7	15.8	6.1	100	

Source: Own survey, 2019

From the above table the first statement tried to show the level of agreement of employee on lecture training programs , majority of the respondents which is 78(68.4%) with mean of 2.3 disagree that lecture training designed at the level of abilities and education of employee the remaining 15.8 agreed.

When we come to the 2<sup>nd</sup> statement on this section respondent were asked to rate their degree of agreement on where lecture method is participatory. Accordingly majority of the respondent disagreed that lecture method is participatory with 73(64.1%) with mean of 2.37 from the total respondent. This result show that the lecture method is one-way method. The other element on this subsection is if off job training is related with the actual job performed, the majority of respondent which 70(60.5%) with mean of 3.43 agreed off job training is related with the actual job performed. This result show that theoretical part of the training is applicable on the actual job performed.

## Training evaluation

Table 6: Respondent opinions on training evaluation

No.	Statements		SA	A	N	D	SD	Total	Mean
1	Feedback are taken from trainee about the training program.	Freq.	0	10	4	73	27	114	1.9737
		%	0	8.8	3.5	64.0	23.7	100	
2	Feedback are taken from trainees to improve the effectiveness of the training	Freq.	10	15	3	65	21	114	2.3684
		%	8.8	13.2	2.6	57.0	18.4	100	
3	Assessment are given before and after training about the subject matter program.	Freq.	6	24	28	43	13	114	2.7105
		%	5.3	21.1	24.6	37.7	11.4	100	
4	Follow up was done whether I am implementing what I learned from the training program.	Freq.	1	2	14	68	29	114	1.9298
		%	0.9	1.8	12.3	59.6	25.4	100	
5	Quality of my work has been measured after I have taken training in the organization.	Freq.	8	12	6	53	35	114	2.1667
		%	7.0	10.5	5.3	46.5	30.7	100	

Source: Own survey, 2019

The employees were asked if feedbacks have been taken from trainee about the training program and out of 114 respondent 100(87.7%) with mean of 1.9 disagreed. Which implies that the practices of taking feedback from trainee at MOENCO is very poor. The remaining respondent fall on neutral and agreed with 8.8% and 3.5% of the total respondent.

When we come to the 2<sup>nd</sup> statement on the above table employees were asked about the degree of agreement where feedback are taken from trainees to improve the effectiveness of the training, according to the result 86(75.4%) with mean of 2.3 disagreed. This implies there poor practice on taking feedbacks to improve effectiveness of the training.

From the above table the third statement asked if assessments are given before and after training program. Majority of respondents which were 56(49.1%) disagreed. This result implies that the

practices of giving assessment is poor. The remaining 28(24.6%) were neutral and 30(26.4%) were agreed.

Out of 114 respondent 97(85%) with mean of 1.92 indicates that follow up were not done whether they implemented what they learned from training program. this indicates there poor follow-up system after completion of training program. On the other hand respondents were asked to put their level of agreement on if the quality of their work has been measured after training program and the majority of respondents which were 88(77.2%) with mean of 2.1 replied that quality their work has not been measured after training program. According to the result it can be conclude that there is poor practice of training in MOENCO.

### **Training policy of MOENCO**

The significance of having a Training policy statement is that it helps to maintain a consistency of different training approach throughout the organization and ensures that the senior management's philosophy put in to effect.

*Table 7: Respondent opinions on training policy*

No.	Statements		SA	A	N	D	SD	Total	Mean
1	There is well designed and widely shared training policy at MOENCO.	Freq.	12	26	2	53	21	114	2.61
		%	10.5	22.8	1.8	46.5	18.4	100	
2	Training policy of MOENCO is known by every staff members	Freq.	3	21	13	61	16	114	2.42
		%	2.6	18.4	11.4	53.5	14.0	100	
3	Training policy can help give clear direction of training output.	Freq.	14	70	16	7	7	114	3.68
		%	12.4	61.4	14	6.1	6.1	100	
4	Training policy of MOENCO is related with reward	Freq.	9	14	19	37	35	114	2.34
		%	7.9	12.3	16.7	32.5	30.7	100	
5	Training policy is developed with the participation of employee	Freq.	1	15	20	51	27	114	2.23
		%	0.9	13.2	17.5	44.7	23.7	100	

Source: Own survey, 2019

Respondents were asked if there is widely shared training policy at MOENCO. From the total 114 respondents 74(64.4%) with mean of 2.24 disagreed that training policy is not widely shared at MOENCO. The 38(33.3%) replied agreed which indicates that there is poor training policy shared among employee at MOENCO.

On the second statement from the above table respondents were asked if employees know the training policy and majority of the respondent which is 77(67.5%) with mean of 2.42 disagreed that employee are not aware of the training policy. The remaining 24(21%) were agreed and 13(11.4%) were neutral. Employees were also asked if training policy could help to give clear direction of training output. Majority of the respondent which are 84(73.1%) with 3.68 believe that training policy give clear direction of training output. The remaining 16(14%) of the respondent were neutral on the statement.

The fourth statement on the above table was about if the training policy was supported by reward. Out of 114 respondent 72(78%) with mean of 2.23 were disagreed on the statement which implies that training program is not supported by reward the remaining 19(16.7%) were neutral. The last on training policy from the above table tried to find out the degree of agreement whether employee are participated on developing training policy. From the collected questionnaire from respondent 79(68.7%) with mean of 2.23 fall on disagreed level. This result implies MOENCO didn't participate its employee to contribute on developing training policy.

## Commitment of management

Table 8: Respondent opinions of Commitment of management to organize training

No.	Statements		SA	A	N	D	SD	Total	Mean
1	The management of MOENCO consider training as part of organization strategy.	Freq.	14	20	14	49	17	114	2.55
		%	12.3	17.5	12.3	43	14.9	100	
2	The management of MOENCO support the training program	Freq.	16	25	5	49	19	114	2.74
		%	14.04	21.93	4.386	42.98	16.67	100	
3	The management of MOENCO have positive attitude towards training program	Freq.	10	25	7	53	19	114	3.21
		%	8.8	21.9	6.1	46.5	16.7	100	
4	The management of MOENCO monitor training program	Freq.	5	18	28	46	17	114	2.54
		%	4.386	15.79	24.56	40.35	14.91	100	
5	The management of MOENCO Support staff to participate on training program	Freq.	4	21	28	46	15	114	2.59
		%	3.509	18.42	24.56	40.35	13.16	100	

Source: Own survey, 2019

As it is shown on table above table 66 (57.9%) with mean of 2.55, the respondents disagree that management of MOENCO consider training as part of organization strategy .The remaining 41 (35.9 %) agreed .From the result it can be shown that majority employee didn't believe that management do not consider training as part of organization strategy.

From the total 114 respondent 68(59.65%) with mean 2.74 disagree on the statement that management of MOENCO support the training program. Whereas the remaining respondent 41(35.97%) agree and 7(6.1%) fall under neutral level. The result indicate that employees consider management of MOENCO have poor support on the training program.

When we see the level of agreement on the statement whether management of MOENCO monitor training program, majority of respondent which are 63(55.26%) with mean of 2.254 disagree. Which indicates that employee believe management of MOENCO have poor practice on monitor training program.

From the above table the last statement is tried to show if management support employees to participate on training program. The majority of respondent which are 61(53.51%) with mean value of 2.59 disagree. The remaining 25(21.92%) agree and 28(24.56%) were neutral. According to the result it indicate that management of MOENCO have poor practice on supporting employees to join on training program.

#### 4.5 Descriptive Statistics of Employee Performance

This part deals with the data that were collected the perception of employees regarding the training of employee on performance.

Table 9: Descriptive Statistics of Employee Performance

No.	Statements		SA	A	N	D	SD	Total	Mean
1	The training provided by the organization helped me to perform my work efficiently and effectively.	Freq.	21	25	21.9	33	20	112.9	3.02
		%	18.4	21.9	20.2	28.9	10.5	99.9	
2	Due to the training, my motivation to do the job is increased.	Freq.	12	23	14	54	11	114	2.75
		%	10.5	20.2	12.3	47.4	9.6	100	
3	I feel training enable me to perform my work with greater accuracy and precisely.	Freq.	9	17	10	70	8	114	2.55
		%	7.9	14.9	8.8	61.4	7	100	
4	The training helped me to provide better quality of services to customers.	Freq.	19	28	10	28	29	114	2.98
		%	16.7	24.6	8.77	24.6	25.4	100	
5	After training I feel that I am committed to the organization and my work.	Freq.	13	15	30	34	22	114	2.75
		%	11.4	13.2	27.8	29.6	18	100	
6	The training methods has positive effect on my skill.	Freq.	14	39	26	20	15	114	3.03
		%	12.3	34.2	22.8	17.5	13.2	100	

Source: Own survey, 2019

As shown in table the first statement tried to measure level of agreement on training provided by the organization helped employee to perform their work efficiently and effectively were 53(46.49%) with mean of 3.02 out of the total 114 respondent disagreed on the statement whereas 46(40.35%)were agreed and 15 respondent were neutral. According to the above result 53(46.49%) disagree that training provided by the organization helped their work efficiently and effectively.



When we come to the second statement from the above table respondents representing 65(57%) with mean value of 2.75 disagree out of 114 respondent. Whereas 45(30.7%) of them agree and 14(12.3%) are neutral from the total respondent. According to this information, the majority of the respondents 65(57%) didn't agree which indicates that training did not contribute to increase the motivation of employees in their jobs.

From the above table the third statement tried to find out feeling of employee whether training enable them to perform their work with greater accuracy and precisely. The majority of the respondent which are 78(68.4%) with mean of 2.55 were disagree whereas 26(22.8%) were agreed the remaining 10(8.8%) were neutral. According to the above information majority of employee did not feel that training enable them to perform their work with greater accuracy and precisely.

According to the above table the fourth statement asked employees whether training helped them to provide better quality of services to customers. Out of 114 respondent 57(50%) with mean value of 2.98 were disagree on the statement while 47(41.23%) were agree the remaining 10(8.77%) were neutral. According to the data 57(50%) disagree which indicate training program organized in MOENCO didn't help employees to provide better quality of services to customers which implies that impact of training on employee quality is poor.

When we come to the fifth statement employees were asked about their commitment after training program. From the total respondent 56(47%) were disagree with mean of 3.3. Whereas 28(24.6%) were agreed the remaining 26(22.81) were neutral. The data indicate that the majority of the respondents 56(47%) disagreed which indicate Training provided by the organization did not influence on the commitment of employees after training program.

When we come to the last statement for the above table it tried to ask if training methods has positive effect on their skill. Majority of the respondent which are 53(46.49%) agree whereas 35(30.7%) disagreed and the remaining 26(17.54%) were neutral. The result implies the training methods have positive impact on employee skill.

#### **4.6 Correlation Statistical Analysis**

Correlation refers to the relationship between variables. It measures the degree to which two sets of data are related. Pearson correlation coefficient reveal magnitude and direction (either positive

or negative) and the intensity of the relationship (-1.0 to +1.0) Higher correlation value indicates stronger relationship between both sets of data (Coetzee, 2003).

Pearson correlation analysis was used in this paper to provide evidence of construct validity. To interpret the result it is better to see (Franzblu, 1985) definition which has five classical rules as shown below in interpreting the coefficient of correlation between two different variables.

- ❖ (r=0 to 0.20) indicates negligible or no correlation
- ❖ (r=0.2 to 0.40) indicates positive but low degree of correlation
- ❖ (r=0.4 to 0.60) indicates positive moderate degree of correlation
- ❖ (r=0.6 to 0.80) indicates positive and marked degree of correlation
- ❖ (r=0.80 to 1.00) indicates positive and high degree of correlation.

Accordingly, in this paper set out to determine the effect of training and on employee performance in The Motor & Engineering Company of Ethiopia. Pearson's correlation was used and the result is given on the table below which shows the relationship between the independent variable (training process and training) and dependent variable (employee performance). Pearson Correlations are perhaps the most basic and most useful measure of association between two or more variables (Marczyk, et.al, 2005).

As per the table below shows the results of Pearson correlation analysis among the variables that factors included under both training process which includes training need assessment, training design, training implementation and training evaluation in addition to that training implementation is classified in to On-the-job training and off-the-job training were all related with dependent variable i.e. employee performance within the range of 0.2 to 0.40, with significant at  $p < 0.01$  level. Regarding the correlation or relationship between dependent and independent variables, the table below clearly shows that figures with the symbol double asterisk (“\*\*”) indicate that each of the variables are significantly and positively correlated with each other at a significance level of p value  $< 1\%$  or (0.01.) The correlation among selected independent variable and dependent variable (employee performance) was computed and presented in the table below:

Table 10: Pearson Correlation Analysis of the Variables

**Correlations**

		<b>Training process</b>	<b>Employee performance</b>	<b>Training policy of MOENCO</b>
<b>Training process</b>	Pearson Correlation	1	.593**	.322**
	N	114	114	114
<b>Employee performance</b>	Pearson Correlation	0	1	.410**
	N	114	114	114
<b>Training policy of MOENCO</b>	Pearson Correlation	.322**	.410**	1
	N	114	114	114

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

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents a summary of the findings, conclusions and puts forward recommendations based on the research findings. The general objective of this study was to examine the effect of training and developments on employee performance in the case of in The Motor & Engineering Company of Ethiopia.

#### 5.1 Summary of Major Finding

The Motor and Engineering Company of Ethiopia has been on vehicle business for the last sixteen year. In order to have skilled employee the organization established training program for its employee. This study was aimed is to examine the effect of training on employees' performance. For the purpose of the study questionnaire was appointed to collect data from employees who participated on training program organized at MOENCO.

Out of the 123 distributed questionnaires 114 questionnaires were returned completely filled in which nine of them were not returned which makes it a response rate of 92.6%. Accordingly the demographic characteristics of the respondents discussed on the table 4.1 greater than half (86.1%) of the study participants are males and the remaining. The majority (57%) of the respondents were in the youngest age category within 26-35 years. In terms of education level 68.7% of respondent college diploma holder whereas 27.8 Bachelor's degree level of education. In terms of year of service at MOENCO 41.7% of the respondent have 6-10 years' work experience at the organization the remaining 39.1% or the respondent have 1-5 years and 11.3% of respondent have 11-15 years' work experience at MOENCO. Among the total respondent 48.7% m participated training Two-Three Times.

Regarding to training need assessment at organization level 94% of the respondent replied that there is poor TNA at the organization. Training programs conduct at MOENCO lacks adequate training need assessment. Whereas majority of respondent which is 92.5% TNA at task level were not done. From the respondent response it can be observed that 88.8% agreed on TNA is not conducted at the organization.

In the case of training design at MOENCO, it can be observed that there majority of the respondent which are 65.8% agreed that there is good training environment and facility to conduct training program. Also 67% of the respondent believe that trainers are well prepared on the subject matter. On the other hand the objective poor understanding on the objective of training program by trainees.

From the study the practice of training implementation at MOENCO showed that 79.5 % respondent believe that job rotation helped employee to in increasing their overall performance. Beside there is weak coaching and knowledge sharing practice by/from supervisors were observed also the method of lecture is not participatory.

The next section covered was training evaluation, from the collected data majority of the respondent which is 75.4% indicate that the practice of evaluation is poor. The majority of the respondents 64.4% have disagreed that there is well designed and widely shared Training policy at MOENCO it can be observed that training policy of MOENCO is not known by its employee. From the total respondent 59.65% disagree on the statement that management of MOENCO support the training program.

## **5.2 Conclusions**

Based on the findings of the study, the following main conclusions are drawn. The report justifications for the study of effect of training on employees' performance of Motor and Engineering Company of Ethiopia. The results indicated that there is a significant and positive relationship between training and employee performance. Training plays a very important role in determining the performance of an employee.

- ❖ The analysis indicates that the practice of training process of the MOENCO shows that TNA at organization level, at task level and at individual level was not adequate. TNA at the organization is not follow the proper way. This clearly demonstrates that there is a gap in applying the proper elements of TNA at MOENCO. On the other hand In setting and communicating the objective of training for trainees is not done in considerable manner which means giving sufficient information before training programs are started to make sure on the objectives of the training coherent with their need is expected but not done fully the mean score with this respect respondents moderately agree. Also Based on the

responses collected from respondents on training implementation there is good practice on job rotation which have positive impact on employee performance. The finding discloses that the organization uses on-the job and off-the job techniques. But its observed that the practice of coaching is not agreeable. In terms of training evaluation, it is necessary to identify the training program's strengths and weaknesses. This includes determining whether the program is meeting the learning objectives, the quality of the learning environment, and whether transfer of training to the job is occurring. As findings, training evaluation was not conducted at reaction, learning and behavioral level of evaluation.

- ❖ From the collected questioner majority of respondents replied that training policy of MOENCO is not shared among employees, the policy is not known by its staff and employees are not participated on developing training policy at MOENCO. Training policy should thus be appointed to ensure that the output is line with the organization's overall objectives. And also it will help the organization gain information on how to improve future trainings. It's known that the support and commitment of management on training program have positive impact. Majority of the respondents believe that commitment of management at MOENCO is weak.
- ❖ To conclude that from correlation analysis result can determine that raining is positively and significantly correlated with employees' performance relationship between the dependent variable performance and independent variables of training (training process and training policy)

### **5.3 Recommendations**

Employees training is one of the tools organization use to develop the skill, knowledge and attitude of employees in order to compute in the business. It's important that organizations should give focus for training program. This part is the final part of the research and based on the finding the following recommendation is forwarded to the organization.

- 🌸 Before conducting preparing programs, MOENCO ought to carry out formal training needs assessment at individual level by comparing actual employee performance with the

required implementation or at task level by comparing employee's current capacities with the the new necessities of work. The training needs assessment is the key activity of the systematic approach in creating training program.

- ❖ It is recommendable that MOENCO to ought to give consideration when designing training program. In arrange to create the design effective there are components which have to be considered. Objectives of the training ought to be characterized clearly to the trainers, the contents ought to be significant and ought to fit with their particular ability. The other proposal is the company ought to give a chance for employees participate in the designing and development of training practices
- ❖ Training being one of the proficient improvement exercises, MOENCO ought to have a appropriate training policy. Clear training policy will play a key role in encouraging training practices of a company. So, MOENCO is exhorted to design policy with respect to the training practice and to to prepare training policy to improve and modified preparing programs and contents based on its prerequisite
- ❖ As the modern management trend is highly concerned with human capital where training is a part of it, MOENCO should give high Emphasis for trainings programs for their employees. They should take training as part of their investment.so that as training can increase employee's performance and their productive it will have positive impact on their profit and return.
- ❖ As the advanced management slant is highly concerned with human capital where training may be a part of it, MOENCO ought to grant high emphasis for trainings programs for their training. They ought to take training as part of their investment. so that as training can increase employee's performance.
- ❖ Finally as organizational performance highly linked with employee performance and employee performance relies on the training received, organizations should work hard on developing their employee's performance by giving them properly organized training.

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**APPENDICES I**

**ST. MARY UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
DEPARTMENT OF MBA GENERAL  
QUESTIONNAIRE FOR EMPLOYEE**

Dear respondents first of all I would like to thank you for your willingness to complete this questionnaire.

This questionnaire is a major material in the preparation of a thesis on “Effect of training on employees’ performance in Ethiopia Motor Engineering.” for the fulfillment of the requirement of Masters of Art Degree in general Management at St. Marry University, Addis Ababa.

The information that you will provide will be used only for educational purpose and will be kept confidential. Furthermore writing name is not necessary. The researcher kindly asks your cooperation to attempt all questions objectively and honestly.

Thank you for your cooperation!

**PART ONE: BASIC DEMOGRAPHIC DATA (PLEASE PUT “√” IN SIDE THE BOX)**

1. Gender

Male

Female

2. In which age group are you?

18-25

26-35

36-45

46-55

56 & above

3. What is your current Educational Qualification?

College Diploma

Degree

Masters

Other (Specify) \_\_\_\_\_

4. Service years in the company?

1 -5

6-10

11-15

16-20

above 20

**PART TWO: ITEMS RELATED TO STUDY**

1. Have you participated on Training program in MOENCO?

Yes  No

2. If “ YES” how often you participate in training program

One`s  Two-Three Times  More than three times

### PART TWO: BASIC QUESTIONS OF THE STUDY

Put a tick mark (“√”) for each statement by using the Following scale ranging from 5= Strongly Agree  
4=Agree 3= Neutral 2=Disagree 1= Strongly Disagree

No.	Research Questions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
<b>Training process</b>		<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
<b>Training needs assessment</b>						
1	Training need assessment is carried out at organization level to determine the skill & knowledge gap required to Achieve the organization`s strategic plan					
2	Training need assessment is carried out at task level to identify the skill, ability & knowledge required to perform a certain job.					
3	Training need assessment is conducted at individual employee level to determine skill & knowledge gap of individual.					
4	Training needs assessment process carried by the organization is participatory.					
5	Training programs are organized in the organization by conducting training need assessment.					
<b>Training design</b>						
6	The environment and facilities are adequate and comfortable to conduct trainings.					
7	The objective of training is well known by its staff.					
8	Training curriculum are well known by employees.					
9	The trainers are well trained and prepared on the subject matter.					
10	There is a clear view of training objectives in conducting training program in MOENCO					
<b>Training implementation</b>						
<b>On-the-job training</b>						

11	Employee job rotation within MOENCO helps me to increasing my overall performance.					
12	I Have been coached by employee or supervisor as part of the training program.					
13	My supervisors and seniors and I regularly review the objective of sharing knowledge for improvement.					
<b>Off-job-training</b>						
14	The lecture training programs are designed at level of abilities and education of Employee					
15	The method of lecture is participatory					
16	Off job training is related with the actual job performed					
<b>Training evaluation</b>						
17	Feedback are taken from trainee about the training program.					
18	Feedback are taken from trainees to improve the effectiveness of the training.					
19	Assessment are given before and after training about the subject matter program.					
20	Follow up was done whether I am implementing what I learned from the training program.					
21	Quality of my work has been measured after I have taken training in the organization.					
<b>Practice and effects of training policy of MOENCO</b>		<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
22	There is well designed and widely shared training policy at MOENCO					
23	Training policies of MOENCO is known by every staff members					
24	Training policy can help give clear direction of training output					
25	Training policy of MOENCO is related with reward					
26	Training policy is developed with the participation of employee					
<b>Commitment of management to organize training program to its staff</b>		<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
27	The management of MOENCO consider training as part of organization strategy					
28	The management of MOENCO support the training program					

29	The management of MOENCO have positive attitude towards training program					
30	The management of MOENCO monitor training program					
31	The management of MOENCO Support staff to participate on training program					
<b>Effect of training practice on employee performance in MOENCO</b>		<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
33	The training provided by the organization helped me to perform my work efficiently and effectively.					
34	Due to the training, my motivation to do the job is increased.					
35	I feel training enable me to perform my work with greater accuracy and precisely.					
36	The training helped me to provide better quality of services to customers.					
37	After training I feel that I am committed to the organization and my work					
38	The training methods has positive effect on my skill					
<b>Perception of employee in relationship between On-the-Job &amp; Off-the-Job training with performance.</b>		<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
39	Off-the-Job training is more effective than On-the-job training in improving your performance.					
40	On-the-job training is more effective than Off-the-Job training in improving your performance					