



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**THE EFFECT OF TRAINING PRACTICE ON EMPLOYEE
PERFORMANCE; CASE OF COMMERCIAL BANK OF ETHIOPIA**

BY

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DEC, 2020

ADDIS ABABA, ETHIOPIA

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BY

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Statement of Declaration

I, Tsigereda Alemu, declare that this research, title effect of training on employee performance: A case of CBE head quarter is done with my own effort with the help of my advisor. I assure that this study has not been submitted for any for any scholarly award in this or any other university.

Tsigereda Alemu Signature _____ Date _____

Statement of Approval

This is to certify that Ms.Tsigereda Alemu Tola has completed a thesis entitle “THE EFFECT OF TRAINING ON EMPLOYEE PERFORMANCE IN COMMERCIAL BANK OF ETHIOPIA” with my advice and follow up. I also approve that this work is appropriate enough to be submitted as a partial fulfillment of

Birhanu Endashaw (Dr.)_____ Dec, 2020

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List of Acronyms

CBE	Commercial Bank of Ethiopia
ATM	Automated teller machine
SPSS	Statistical Package for the Social Sciences
COVID 19	Corona Virus Diseases 2019

Abstract

This research is conceded out to examine the effect of training practice on employee performance with specific objectives which are to examine the effect of training need assessment, training planning, training implementation and training type on employee performance. It is both descriptive and explanatory research type. Data were collected through the five point's Likert scales of questionnaires, and the study used quantitative research approach. The questionnaire was physically distributed to 355 employees of selected head office organs. Out of the total distributed questionnaires 274 employees were completed. The study used stratified sampling method and selected head office of Commercial Bank of Ethiopia. In order to meet the research objective collected data analyzed through descriptive analysis techniques, correlation and regression analysis methods were used to analyze the collected data by using SPSS software and Descriptive analysis tools such as frequency, mean and standard deviation to present results statistical analysis tools such as correlation coefficient was worked out and used to investigate the relationships between variables. Regression analysis was performed to study the effect of independent variables on employee performance. The study examined four independence variables training need assessment, training plan, training implementation and training type. Research findings indicates that there is a significant relation between training practices components on employee performance, and also to regression testing that all variables were examined at the same time on employee performance; results showed that all components have a significant effect on employee performance. The explanatory variables explain dependent variables accounted for 61.9% with estimated standard deviation of 31.7%. The researcher recommends that CBE may improve its training practices in order to increase employee performance and its better advised CBE to identify training needs by identifying the gap between the required knowledge and skills of an employee and the performance of that employee. In addition it's recommended that CBE needs to make an outstanding training plan to increase its employee performance.

Key Words: Training needs assessment, Training Plan, Training implementation, Training type, Employee performance

CHAPTER ONE

INTRODUCTION

In this section of the researcher include background of the study, statement of the problem, basic research questions, general and specific objectives of the study, significance of the study and scope of the study.

1.1. Background of the study

An organization basically comprises of four resources namely men, material, money and machinery. Human resources are the main asset at modern organizations, which makes the skills mastered by employees an important factor in determining the current situation as well as the future of an organization, which are important by the performance of human resource. HRM in simple terms is the process of managing resources of humans effectively and efficiently to achieve a set of goals. This is especially true in the service oriented industry like banking where improvements in service have to be continuously made to meet the escalating expectations of the customers Rajendran. K (2005). There are also technological changes which are very rampant in the banking industry like the introduction of electronic funds transfer, e-banking, mobile banking etc. This has led to the need for improving the employee training in the banking sector as per the improved technology. Trainings helps a great deal in the acquisition of new technical knowledge and skills in the different aspects of banking so as to provide quality services to the banks customers as well as to avoid errors that will lead the bank to lose its image Leonard. A (2011).

Training consists of planned programs designed to improve performance at the individual, group, and/or organizational levels (Casio 2006). Organizations are spending increasing amounts of money to make sure that they have employees that are well qualified. A good training and development system ensure employees in every organization to understand what business the company is in what condition and keeps updated on the skills they need to possess to perform their day-to-day job so it brings in confidence and improves performance. Training and development enhances job satisfaction and productivity for organizations because the employees

know what is expected of them, as they are also equipped with the knowledge and tools to perform their jobs efficiently (Saleem 2011). Employee performance is the important factor and the building block, which increases the performance of overall organization. Organizations should therefore make training and development of their employees a continuous activity (Obisi 2011). He also said that, *“last year I walked into a prominent bank in Lagos as the Head of Human Resource of the bank was going through some letters of employment. He picked one of the letters, admired the qualification and experience of a particular candidate and suddenly threw the applicant's letter into the trash basket. He said the candidate was over qualified, our organization cannot bend this candidate, he added. But I believe that with training, the candidate could become flexible, dynamic and adaptive to the organizations needs and environment”*. This implies that the ultimate aim of every training and development program is to add value to human resource.

According to Mamoria (1995), training is a practical and vital necessity because; it enables employees to develop and rise within the organization and increase their market value, earning power and job security. He also explains that training helps to mould employees' attitudes and help them to contribute meaningfully to the organization and the organization benefits because of enhanced performance of employees. He further states that a well-trained employee would make a better and economic use of materials and equipment, which would go a long way to minimize wastages. On the other hand, Ohabunwa (1999) if organizations train their employees very well, managers and superiors would have the confidence to delegate authority to their subordinates but when subordinates are not properly trained, it would be difficult for authority to be delegated to them by their superiors.

Thus, training practices can be the main factor for the success of a firm, which justifies their evaluation through research. Influence of human resource management and training practices on organizational performance has been an important topic of research recently (Manning, 2015; Jayakumar & Sulthan, 2014; Treven et al, 2015).

Training and development, on the job training, training design and delivery style have significant effect on or generational performance and all these have positively affect the organizational performance (Khan, et.al. 2011). The objective of this study is to investigate the effect of training practice on performances of employees at commercial bank of Ethiopia headquarter.

1.2 Background of the company

A reference to the Ethiopian history reveals that the first bank in the country, Bank of Abyssinia was founded during the reign of Emperor Menelik II in February 1905. Due to a foreign domination of its management (mainly the British), the then Bank of Abyssinia was forced to dissolve and in its place was established the Bank of Ethiopia in 1931 whose management was still left to foreigners due to the then lack of skilled manpower in the country. The Bank of Ethiopia was later replaced by the State Bank of Ethiopia soon after the war with Italy. The latter was the first bank in the country fully controlled and owned by the Ethiopian government. In the meantime, however, a number of foreign banks had opened their branches in the country, most of them with an interest to have control over the nation's economy. It was the State Bank of Ethiopia that gave rise to the present Commercial Bank of Ethiopia (CBE) and National Bank of Ethiopia (NBE). During the Dergue reign, CBE had remained as the only participant in the country's commercial banking sector. However, following the 1991 takeover by the present government and accompanying encouragement of private investment, a number of private banks have emerged in the country's financial sector. At present, there are nineteen commercial banks in the country (of which three are governmental and the rest private) that are in operation.

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942. CBE was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country. Pioneer to introduce modern banking to the country. It has more than 1456 branches stretched across the country. The leading African bank with assets of 711.96 billion Birr as on June 30th 2019. Plays a catalytic role in the economic progress & development of the country. It is the first bank in Ethiopia to introduce ATM service for local users.

Currently CBE has more than 22 million account holders and the number of Mobile and Internet Banking users also reached more than 2.5 million as of June 30th 2019. Active ATM card holders reached more than 8 million. As of June 30, 2019, 2513 ATM machine and 9539 POS machines were available. It has strong correspondent relationship with more than 50 renowned foreign banks like Commerz Bank A.G., Royal Bank of Canada, City Bank, HSBC Bank, CBE has a SWIFT bilateral arrangement with more than 700 others banks across the world. CBE combines a wide capital base with more than 37894 talented and committed employees and more than 22000

outsourced jobs as of June 30, 2019. Pioneer to introduce Western Union Money Transfer Services in Ethiopia early 1990s and currently working with other 20 money transfer agents like Money Gram, Atlantic International (Bole), Xpress Money, CBE has opened four branches in South Sudan and has been in the business since June 2009. CBE has reliable and long-standing relationships with many internationally acclaimed banks throughout the world.

1.3 Statement of the problem

Armstrong (1995) Training strategy takes a long term view of what skills, knowledge and levels of competence employees of the organization need. Training should be an integral part of the management process which in turn requires managers to review regularly with their teams and the individuals reporting to them, performance in relation to agreed objective. The training activities in an organization should be continuous process and not a once and for all activity. It is an ongoing process for new, old, transferred and promoted employees. In this globalized world the banking sector becomes more profitable, competitive and plays a major role in the economic advancement and development of the country. In our country Ethiopia also the banking sector becomes competitive and a key for economic growth and development. The success of the banking sector is highly depends on its employees that facilitate financial transactions to its customers locally as well as globally. Lack of necessary skills competencies and qualities to perform banking transactions would result into poor performance that creates customer dissatisfaction. They must have the necessary skills and competencies required to do their jobs through training. Training and development is the tonic employees need to enhance their performance and potentials that will in turn enhance organization effectiveness.

Currently many organizations in Ethiopia and indeed the banking sector engaged in staff training. However, for a certain condition staff training practice effect on employee's performance appears little or negative. Hence, the main reason that the researcher want to conduct this research to investigate the effect of training practices on employee performance in Commercial bank of Ethiopia headquarter. Understanding the effect of training practices on employee job performance primarily helps to create competent and well-performed work force. It will also enable the organization to design effective training system, which is fit with the overall vision and mission. So far, it also helps to minimize unnecessary costs, which can be

incurred as a result of less important training and development. The study, therefore, will focus on how providing training for employees of CBE would improve their performance for the provision of timely, efficient, effective and quality of work life. Those organizations which develop a good training design according to the need of the employees as well as to the organization always get good results (Partlow, 1996; Tihanyi et.al., 2000; Boudreau et al., 2001), as well a bad training design is nothing but the loss of time and money (Tsaur et.al, 2004). It seems that training practices plays a very vital role in the employee as well as organizational performance in general. Effective training practices should be systematic and continuous i.e. training must be viewed as a long-term process, not just an infrequent and/or haphazard event (Tannenbaum et.al 1992; Wexley et.al, 1991). Hence, the aim of this study was to identify the effects of training practices on employee performance by considering two aspects of training practices i.e. training process and delivery techniques.

1.4. Research questions

The fundamental question of the research was to determine what effect does training practices on employee performance in the bank. In order to analyze this central question the researcher develops the following sub questions.

1. What is the effect of training need assessment on employee performance?
2. What is the effect of training planning on employee performance?
3. What is the effect of training implementation on employee performance?
4. What is the effect training type on employee's performance?

1.5. Objective of the study

1.5.1. General objective

The main objective of the study was to determine the effect of training practices on employee's performance in commercial bank of Ethiopia.

1.5.2. Specific objectives

- To examine the effect of training need assessment on employee performance.
- To examine the effect of training plan on employee's performance.
- To examine the effect of training implementation on employee's performance.

- To examine the effect of training Type on employee performance.

1.6. Significance of the study

This study deal with the effect of training on employee's performance of commercial bank of Ethiopia Head Quarter. The investigation helps the bank to understand and identify the effect of training on employees' performance and how training related to job performance. Thus, the study will help to develop and preserve a quality work life, which will provide an opportunity for employee's job performance and self-confidence. Besides, it will aid management of commercial bank of Ethiopia to introduced modern schemes for training to meet the challenges of globalization in the future. The findings of the study will also provide direction either to improve or develop the training programs. It also enables the management to ensure an appropriate process of training programs throughout the bank. Finally, the study will serve as a reference for other researches, which will be conducted in similar topic area in the future.

1.7. Scope of the study

This research work focus only on effect of training practice on employee's job performance of commercial bank of Ethiopia Head Quarter Offices that are found in Addis Ababa. So, the center of attention of this research is restricted Commercial Bank of Ethiopia at head office in Addis Ababa region. Because it is too wide to include all population the researcher uses stratified sampling to determine head office organs under CBE .under CBE there are 3164 head office organs employees existed (CBE, Human Resource transaction management, March 2020) and355sample were taken.

1.8 limitation of the study

For more accurate result, it is good to observe commercial banks that are found across the country. However, due to time, financial and other constraints, the researcher only take a sample from target population of selected commercial bank of Ethiopia employees in the Head Quarter the researcher also faced difficulties when the questioners were collected because of the new virus COVID 19 which becomes world's problem.

1.9 Organization of Study

This thesis focuses on the effects of Training on employees performance; in case commercial bank of Ethiopia headquarter a. The subsequent part of this thesis organized as follows. Chapter one deals with introductory parts consists of background of study, statement of the problem, the research objective, scope of the study, and limitation. Chapter two presents reviews theoretical and empirical literature relevant for the paper. Chapter three is discussing with research design and methodology employed to conduct research. Chapter four presents results, analysis and interpretation of the study. Chapters five concludes the research, forward recommendation, and indicate future research direction.

1.10 Definition of terms

Training is a type of activity which is planned, systematic and it results in enhanced level of skill, knowledge and competency that are necessary to perform work effectively.

Employee is clerical and permanent employee of commercial bank of Ethiopia.

Employee Performance is defined as how an **employee** fulfills their job duties and executes their required tasks. It refers to the effectiveness, quality, and **efficiency** of their output.

Training need assessment is the process of evaluating the organization, individual employees, and an employee tasks to determine what kinds of training, if any, are necessary

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter reviewed literature on training and performance that has been organized under two major separate sections namely theoretical literature and empirical literature. The theoretical literature states what different human book authors discussed about training, performance and their relationship. On the other hand empirical literature section discusses different contemporary research findings on the raining, performance and the relationship between them. The chapter also discusses different aspects of training and its impact on employee's performance. Hereunder, first the theoretical literatures discussed and then look at what contemporary researchers find out training, performance and the relationship between them in compliance the theoretical literature's written about the issue.

2.2. Theoretical literature

Human resources, are the most valuable assets of any organization, with the machines, materials and even the money, nothing gets done without manpower. One major area of the human resource management function of particular relevance to the effective use of human resources is training. Traditionally lower level employees are "trained" while higher-level employees are developed, this distinction focusing on the learning of hands on skills versus interpersonal and decision making skills (Casio 2006).

2.2.1 Human Resource Management

Human Resource Management (HRM) is management functions that help manager's recruit, select, train and develop members for an organization. HRM is concerned with the people's dimension in organization.

HRM views people as an important source or asset to be used for the benefit of organizations, employees and society. It is emerging as a distinct philosophy of management aiming at policies that promote mutuality-mutual goals, mutual respect, mutual rewards and mutual responsibilities. HRM is being integrated into the overall strategic management of business. Further, HRM represents the latest term in the evolution of the subject.

According to (Aidah ,2013) Human Resource Management involves the management of the human resources needed by an organization and also being certain that human resource is acquired and maintained for purposes of promoting the organization's vision, strategy and objectives. In other words, human resource management focuses on securing, maintaining, and utilizing an effective work force, which organizations require for both their short and long term survival in the market. Human resource management functions have been differently classified by different researchers despite the fact that they all serve the same purpose of making available effective human resources. The basic functions are human resource planning, organizing, staffing, leading, and controlling. In relation to this, there are core human resource management functions namely staffing, training and development, performance appraisal, compensation and benefits, and finally union and employee relations and health and safety.

From the above functions of human resource management training is the most significant one to the effective use of human resources. Almost everyone now recognizes the significance of training on the success and growth of organizations. Employees are however, a very crucial and expensive resource to every organization. There are significant changes today in terms of the value of the employee. Along with these changing values trends at the workplace that have significant impact on employees' knowledge and skills. Training is therefore, necessary to enhance the knowledge, skills and attitude of employees. It will also make it easier for employees to acquire further knowledge based on the foundation gained from the training and further effect changes in other coworkers (Nelson, Hilary and Michael, 2012).

2.2.2 Training

Training can be defined as a planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future needs of the organization. Improving the knowledge, skills and attitudes of employees for the short-term, particular to a specific job or task.

Training is one of the major areas of the human resource management functions that are particularly relevant to the effective utilization of human capita of the organization. Hardly any organization these days disagree with the significance of training influencing to success of an organization. Training is the use of systematic and planned instruction activities to promote

learning. It involves the use of formal processes to communicate knowledge and help people to acquire the skills necessary for them to perform their jobs satisfactorily. It is described as one of Several responses an organization can undertake to promote learning.

Many authors define training on different way but the same concept. Hereunder, we look at some of the definitions stated in different books. According to Casio 2006, “training consists of planned programs designed to improve performance at the individual, group or/and individual level. Improved performance in return, implies that there have been measurable changes in knowledge, skills, attitudes and social behaviors.” On the other hand, Michael Armstrong 2006, 2010, defines training as “the systematic modification of behavior through learning which occurs as a result of education, instruction, development and planned experience.” Likewise, Dessler 2004, define as “the methods used to give new or present employees the skills they need to perform their job.” Kumar 2012 also agreed on Mathis and Jackson definition “training is the learning process whereby people acquire skills, concepts, attitude or knowledge to aid in the achievement of goals” (Kumar 2012). From the above definitions commonly, we can understand that training is the planned programs or methods used to enhance employee performance to achieve organizational goal and training affects both employee and organizational performance in general.

Training is therefore, necessary to enhance the knowledge, skills and attitude of employees. It will also make it easier for employees to acquire further knowledge based on the foundation gained from the training and further knowledge based on the foundation gained from the training and further effect changes in co-workers. In order to sustain performance there is the need for training in empowering the workforce to be creative and innovative. Training of employees will aid in the productivity, profitability or survival of businesses in the present competitive business environment (Javed, 2014).

2.2.3. Justification for training

Most organizations have long recognized the importance of training to its development and there should be training policies and procedures in place. Major benefits of employee training are summarized according to Mahapatro (2010) as follows:-Impact on bottom line: Successful employee training delivers improvements in employee performance which, in turn, creates a better performing business and an improved bottom line, Staff retention:-Training increases staff

retention which will save money, improved quality and productivity, training that meets both staff and employer needs can increase the quality and flexibility of a business's services by fostering:- accuracy and efficiency, good work safety practices, great customer service. The flow-on effect: the benefits of training in one area can flow through to all levels of an organization. Over time, training will boost the bottom line and reduce costs by decreasing: - wasted time and materials, maintenance costs of machinery and equipment, workplace accidents, leading to lower insurance premiums, recruitment costs through the internal promotion of skilled staff, absenteeism.

Helping employees to become effective in their job is one of the most fundamentally important tasks in people management that any work organization have to undertake. Employers depend on the quality of their employee's performance to achieve organizational aims and objectives; employees have motivational need for development, recognition status, and achievements that can should be meet through job satisfaction. Formal training is indeed only one of the ways of ensuring that learning takes place, but it can be justified in the following circumstances. The work requires skills that are best developed by formal instruction (Armstrong 2010).

Kempton, on his book also states some of the more positive reasons for training such as: adding value to the existing employees by developing them, rapid changes in systems due to technology may mean that staff needs to be kept up to date, a need for greater customer responsiveness and speed of action, to increase the motivation and commitment of staff, to ensure that staff in new jobs become fully competent as soon as possible, responding to rapid change in the world-wide business environment and to improve individual, team and corporate performance (Kempton 1995). From individual viewpoint, training is necessary as it will give them greater job security and an opportunity for advancement and the skill acquired through training is an asset for the organization (Kumar 2012). According to Kumar 2012, every organizations and individuals need training due to different reasons such as to much the employee specification with the job requirement and organization need, due to technological advancement, to react for quality conscious customers, greater productivity, stabling the workforce and to give employees a security at workplace, to increase safety, for better management, and change in the job assignment of existing employees due to different reasons. Increased knowledge and skills for doing a job, Bridge the gap between 'job need' and employee skills, knowledge and behavior, Job oriented process is vocational in nature, Short term activities designed essential for

operations, Useful for employees, Useful for organizations, Continuous process, and Brings changes in attitude of workers are some of the features of training which are derived from the above meaning and definitions of training.

2.2.4. Types of Training

There are two broad types of training available to the businesses: on-the-job and off-the-job techniques. Individual circumstances and the “who,” “what” and “why” of your training program determine which method to use (Armstrong, 2006).

2.2.4.1. On-the-Job Training

On-the-job training is one way in which an employer may invest in human capital needed for strategic advantage. Such investments may be made by structuring a job so that employees learn while they work. For example, employees’ skills may be increased by learning how to perform new tasks or operate new equipment. Employers may structure jobs so that these skills may be learned from other employees. They may also give employees time to learn new procedures or how to operate new equipment through self-instruction, such as by reading technical manuals, or by learning new software through self-instruction. Employers may also absorb the costs of lower productivity while workers lacking relevant skills learn through interaction with skilled employees or through trial-and-error processes.

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. After a plan is developed for what should be taught, employees should be informed of the details. A time-table should be established with periodic evaluations to inform employees about their progress. On-the-job techniques include orientations, job instruction training, apprenticeships, internships and assistantships, job rotation and coaching.

According to Michael Armstrong (2010), Managers have a vital role in helping their people to learn and develop. Most learning takes place on the job but it will be more effective if managers provide the coaching, guidance and support people need.

2.2.4.2 Induction/Orientation

Induction/orientations is carried out for new entrants on the job to make them familiar with the total corporate requirements like norms, ethics, values, rules and regulations (Armstrong, 2010).

Orientation formats are unique to each firm. However, almost all emphasize these areas, the employment situation (job, department, and company), company policies and rules, compensation and benefits, corporate culture, team membership, employee development and dealing with change and socialization Noe, (1999).

The first several days on the job are crucial in the success of new employees. This point is illustrated by the fact that sixty per cent of all employees who quit do so in the first ten days (Armstrong, 2010). According to Armstrong (2010), orientation training should emphasize on the company's mission, the key members of the organization, the departments and how the department helps fulfill the mission of the company.

This involves getting new employees familiarized and trained on the new job within an organization. During this process, they are exposed to different undertakings for example, the nature of their new work, how to take on their identified tasks and responsibilities and what is generally expected of the employees by the organization. They are further given a general overview of the organizational working environment including for example, working systems, technology, and office layout, briefed about the existing organizational culture, health and safety issues, working conditions, processes and procedures (Aidah, 2013).

2.2.4.3. Job Rotation

In job rotation, employees move from one job to another to broaden their experience. This breadth of knowledge is often needed for performing higher level tasks. Rotational training programs help new employees understand the variety of jobs and their interrelationships. Job rotation has much potential as a training method, but it also has some potential problems. The new hires may have such short assignments that they feel more like visitors in the department than a part of the workforce. Because they often do not develop a high level of proficiency, the new hires can lower the overall productivity of the work group. In addition, employees who observe or have to work with an individual rotation through their department may resent having to help a fast track employee who may in time become their boss (Noe, 1999).

Job rotation and transfers (Aidah, 2013) as a way of developing employee skills within organization involves movements of employees from one official responsibility to another for example taking on higher rank position within the organization, and one branch of the organization to another. For transfers for example, it could involve movement of employees from one country to another. These rotations and transfers facilitate employees acquire knowledge of the different

operations within the organization together with the differences existing in different countries where the organization operates.

2.2.4.4. Off-the-Job Training

Off-the-job training techniques include lectures, television conferences or discussions, case studies, role playing, simulation, group exercise, and laboratory training. Most of these techniques can be used by small businesses although, some may be too costly. On- the-job training has also been argued to be the most useful but equally the most abused and most unsuccessful method of training Tobin and Daniel, (1998).

2.2.4.5. Lecture

A lecture is a talk with little or no participation except a question-and-answer session at the end. It is used to transfer information to an audience with controlled content and timing. When the audience is large, there may be no alternative to a straight lecture if there is no scope to break it up into discussion groups (Armstrong, 2010).

Many training techniques are created almost every year by the rapid development in technology. Deciding among methods usually depends on the type of training intended, the trainees selected, the objectives of the training program and the training method. Training is a situational process that is why no single method is right for every situation. While some objectives could be easily achieved through one method, other objectives could necessitate other methods. Many training programs have learning objective in more than one area. When they do, they need to combine several training methods into an integrated whole.

The effectiveness of a lecture depends on the ability of the speaker to present material with the judicious use of visual aids. But there are several limits on the amount an inert audience can absorb.

In a lecture it is common to provide a framework for ideas by using a drawing or system model to show the interconnection of points. Facts, by giving impact, keep together the framework of ideas that the speaker has assembled. They clarify and give dimension to what is being said. The danger is to use too many, so that the audience are overwhelmed by facts and figures which begin to bemuse them. If the presentation is to be accompanied by a hand-out, facts may be usefully contained in that, so that they can be referred to later, without the audience having to remember them (Taylor, *et al.* 2008)

2.2.5 Training objectives and plan.

Once training requirements have been identified using needs analyses, training objectives and priorities can be established by a “gap analysis,” which indicates the distance between where an organization is with its employee capabilities and where it needs to be (Mathis & Jackson, 2011). When the need is realized, it is simple for the training purposes to be recognized. Training purposes are reports that state the preferred employee knowledge, skills, capabilities and other features that employees will have at the end of the training program .Training objectives and priorities are then determined to close the gap. Three types of training objectives can be set:

- Attitude: Creating interest in and awareness of the importance of something
- Knowledge: Imparting cognitive information and details to trainees.
- Skill: Developing behavioral changes in how jobs and various task requirements are performed.

It is not adequate to say we want change in employee knowledge, skills, attitudes, or behavior; we must clarify what is to change and by how much .These goals should be tangible, verifiable, timely, and measurable. They should be clear to both the supervisor and the employee (Decenzo& Robbins, 2010).

2.2.6 Training Process

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). According to

Armstrong (2006), training and development program should be done systematic because it is explicitly structured, planned and affected or implemented to achieve the required needs. That is to say that good training and development program should involve the following essential steps: determine training needs assessment, developing objectives developing training methods, identifying the trainees and finally evaluating the effectiveness of training development program.

2.2.7 Training Needs Assessment

Training needs could be assessed by examining the fundamental human resources areas: the organization as a whole, the job characteristic and the needs of the individuals. This evaluation will provide solutions to these questions: where is the training need; what specifically must an employee learn in order to be more productive and who need to be trained. According to Plynes (2008), a need can be simply defined as the difference between what is currently being done and what needs to be done .It is extremely difficult to design and affect a training program without carrying out the analysis, as this will bring the solution to a problem that is not related to training deficiency. Training needs to be based on organization need, type and nature of work to be executed and the necessary skills to complete the work. It is very important that every company should make sure that proper assessment is being done to know the current status and conditions of the organization and what it does better and the capability of your employees to do these activities.

i. Organizational Analysis

Bohlander et al., (2001, p. 224-225) & Anderson (2000, p 132) describe organizational level analysis as an examination of the environmental constraints, strategies/goals, organizational climate and resources of the organization to determine where training emphasis should be placed. At an organizational level, training need analysis tries to answer the question of where the training emphasis should be made of the organizational goals, personnel inventories, and performance data. The review of short and long term goals of the organization and any trends that may affect these goals is done to channel the training towards specific issues of importance to the organization (Bernardin, 2010, p.252). More specifically, training needs analysis helps an organization to focus the training direction towards knowledge and skills that has a big impact on its short and long term objectives .Important source for organizational analysis comes from various operational measures of organizational performance. On a continuing basis, detailed

analysis of human resource data can show training weaknesses. Departments or areas with high turnover, high absenteeism, low performance, or other deficiencies can be pinpointed (Mathis and Jackson, 2000, p. 229). This implies that, as a starting point, training need analysis should focus on areas where there are deficiencies on performance and on departments where employee morale and motivation are lower.

ii. Task Analysis

The second way to diagnose training need is through analyses of the tasks performed in the organization. To do these analyses, the duties and responsibilities of the job, together with the knowledge, skills and abilities needed to perform them are the focus areas of training need assessment at the task level (Fisher et al, 1999, p.398). It is imperative that the possible sources of information to conduct training need analysis at task level are job description procedure manuals, and equipment instruction manuals. Anderson (2000, p.237) describe task analysis as a systematic collection of data about a specific job or group of job to determine what an employee should be taught to achieve optimal performance. Results of a task analysis typically include the appropriate standards of performance, how tasks should be performed to meet these standards, and the knowledge, skills, abilities, and other characteristics (KSAOs) the employees need to possess in order to meet the standards.

iii. Person Analysis

Person analysis involves determining which employee require training and, equally important which don not (Bohlander, 2001, p.228). In this regard, person analysis is important for several reasons. Thorough analysis helps organizations to avoid the mistake of sending all employees in to training when some do not need it. Training need analysis at the individual level identifies gaps between a person's current capabilities and those identified as necessary or desirable for his job position.

2.2.8. Importance of Training

Training is important and an imperative tool for the organization to revamp the performance of all the personnel for organizational growth and success. It is beneficial to both employers and employees of an organization. An employee will become more efficient and productive if the employee is trained well. Firms can develop and enhance the quality of the current employees by

providing comprehensive training. Training is essential not only to increase productivity but also to motivate and inspire workers by letting them know how important their jobs are and giving them all the information they need to perform those jobs.

The general benefits received from employee training are: increased job satisfaction and morale, increased motivation, increased efficiencies in processes, resulting in financial gain, increased capacity to adopt new technologies and methods, increased innovation in strategies and products and reduced employee turnover. This is only a partial listing of the many benefits that result from training. Training can add great value to the organization when it is implemented based on appropriate need analysis.

The purpose of training is mainly to improve knowledge and skills, and to change attitudes or behavior. It is one of the most important potential motivators which can lead to many possible benefits for both individuals and the organization. Changing technology requires that employees possess the knowledge, skills and abilities needed to cope with new processes and production techniques.

The recognition of the importance of training in recent years has been heavily influenced by the intensification of competition and the relative success of organizations where investment in employee training is considerably emphasized. They add that technological developments and organizational change have gradually led some employers to the realization that success relies on the skills and abilities of their employees, and this means considerable and continuous investment in training and development.

2.2.9. Approach to Training

Adopting a systematic approach to training helps ensure that organizations are getting the most out of themselves and their employees. A systematic approach to training includes taking the time to analyze what results the organization needs from its employees, if employees are accomplishing those results, and what training approaches are needed by employees to better accomplish those results. A systematic approach includes evaluating approaches before, during and after training to ensure whether employees truly benefited from the training in terms of enhanced results to the organization.

Effective training includes using sound principles of performance management and good, basic training techniques. A systems approach ensures a comprehensive training process that remains focused on the needs of the organization. The process typically includes the phases: Analyze the

organization's needs and identify training goals which, when reached, will equip learners with knowledge and skills to meet the organization's needs. Usually this phase also includes identifying when training should occur and who should attend as learners. Design a training system that learners and trainers can implement to meet the learning goals; typically includes identifying learning objectives (which culminate in reaching the learning goals), needed facilities, necessary funding, course content, lessons and sequence of lessons. Develop a training "package" of resources and materials, including, e.g., developing audio-visuals, graphics, manuals, etc. Implement the training package, including delivering the training, support group feedback, clarifying training materials, administering tests and conducting the final evaluation. This phase can include administrative activities, such as copying, scheduling facilities, taking attendance data, billing learners, etc.

Evaluate training, including before, during and after implementation of training. In a systematic approach to training, each phase of the process produces results needed by the next phase. For example, the training analysis phase produces learning goals that are used by the next phase, training design. Training design (often called instructional design) refers to the design methods and materials from which learners can reach the goals and objectives. Typically, each phase provides ongoing evaluation feedback to other phases in order to improve the overall systems process.

2.2.10. Effective Training Practice

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 blend of different techniques 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).

The relevancy of training also plays a role in establishing employee commitment. Employees enter into training programs with specific expectations and needs. The result of training programs that do not meet the expectations and needs of participants may be lower commitment, negative attitude change, and an increase in turnover. Effective training program is one such organizational practice that can lead to greater employee commitment and a more stable workforce Greer, (2003)

2.2.11 Employee Performance

Employee performance is the important factor and the building block which increases the performance of overall organization. Employee performance depends on many factors like job satisfaction, knowledge and management but the most important factor of employee performance is training and development. (FakharUIAfaq, Anwar Khan, 2008).

Employee performance is normally looked at in terms of outcomes. However, it can also be looked at in terms of behavior Armstrong (2010). Stated that employee's performance is measured against the performance standards set by the organization.

There are a number of measures that can be taken into consideration when measuring performance using productivity, efficiency, effectiveness, quality and profitability measures as briefly explained hereafter. Profitability is the ability to earn profits consistently over a period of time. It is expressed as the ratio of gross profit to sales or return on capital employed.

Efficiency is the ability to produce the desired outcomes by using as minimal resources as possible, Effectiveness is the ability of employees to meet the desired objectives or target. Gilbert Jr 1995). It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed (Lipsey 1989), Productivity is expressed as a ratio of output to that of input (Stoner, Freeman and Gilbert Jr 1995). It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed, Quality is the characteristic of products or services that bear an ability to satisfy the stated or implied needs. It is increasingly achieving better products and services at a progressively more competitive price..(Aidan, 2013).

According to Hawthorne studies and many other research works on productivity of worker highlighted the fact that employees who are satisfied with their job will have higher job performance, and thus supreme job retention, than those who are not happy with their jobs. Moreover, it is stated that employees are more likely to turnover if they are not satisfied and hence, demotivated to show good performance. Employee performance is higher in happy and satisfied workers and the management found it easier to motivate high performers to attain firm targets. The employee could be only satisfied when they feel themselves competent to perform their jobs, which is achieved through better training programs.

Additionally, as noted, it is the responsibility of the company managers to ensure that the organizations strive to and thus achieve high performance levels. This therefore, implies that

managers have to set the desired levels of performance for any periods in question. This they can do by for example, setting goals and standards against which individual performance can be measured. Companies ensure that their employees are contributing to producing high quality products and/or services through the process of employee performance management. This management process encourages employees to get involved in planning for the company, and therefore, participates by having a role in the entire process thus creating motivation for high performance levels. It is important to note that performance management includes activities that ensure that organizational goals are being consistently met in an effective and efficient manner. Performance management can focus on performance of the employees, a department, processes to build a product or service.

Earlier research on productivity of workers has showed that employees who are satisfied with their job will have higher job performance, and thus supreme job retention, than those who are not happy with their jobs employee performance is higher in happy and satisfied workers and the management find it easy to motivate high performers to attain firm targets.

2.2.12. Relationship between Training and Employee Performance

Performance can be defined as the achievement of specified task measured against identified standard of accuracy or predetermined, completeness, cost and speed. In an employment contract, performance is deemed to be the accomplishment of a commitment in such a manner that releases the performer from all liabilities laid down under the contract. Efficiency and effectiveness are ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance.

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. 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.

There is a positive relationship between training and employee performance. 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. 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.

2.3. Empirical literature

Empirical findings are one of the important components of literature review in the research study of any type. This type of literature contribute a lot to the effectiveness of the investigation under study by revealing the gap what the researcher wants to find out and how the researcher undertake the study which helps the researcher by providing insight about what and how assume the investigation he/she stands for. In general, organizations should manage their work force effectively and efficiently and they should give greater attention for the training and learning of employees to meet the goal of the organizations and to achieve the best result. Hereunder the researcher reviews some important issues, which are directly related to the investigation understudy.

Empirical Findings on Effect of Training practice on employee Performance

Jadhav, (2013) studied the training and development programs undertaken by banks for their employees. The main objectives of the present study were to analyze effectiveness of training and development programs for employees to discharge their duties and to study how training and development programs helps to achieve customer satisfaction. For this study primary data was collected through questionnaire filled by the bank employees. A sample of 40 employees is selected by the use of random sampling from different banks like HDFC, ICICI, Vijaya bank, Bank of Baroda, and Dena Bank located in suburban area of Mumbai. It is concluded that private and public Indian banks undertake training and development programs for their employees to increase their efficiency. Banks provide training programs to enhance their knowledge and skills to satisfy the customers. Growth of banking sector in India is the result of skilled manpower which is the outcome of training and development.

Likewise, Khan et al (2011) conduct a research study on similar issue, impact of training and development on organizational performance. The focus of the study was to understand the effect of training and development, on the Job training, training design and delivery style on organizational performance. The backbone of this study is the secondary data comprised of

comprehensive literature review. Four hypotheses are developed to see the impact of all the independent variables on the overall organizational performance. Results show that training and development, on the job training, training design and delivery style have significant effect on organizational performance and all these have positively affect the organizational performance. People learn from their practical experience much better as compare to bookish knowledge and it is better for the organizations to give their employees on the job training because it is cost effective and time saving. Here we can point out that organizational performance emanates from employees performance and employee performance emanates from effective training i.e. training affect employee performance as a result organizational performance affected. So that training directly affect both employee performance and organizational performance in general.

Other researcher Schmidt (2007) on his study the relationship between satisfaction with workplace training and overall job satisfaction was examined that whether or not there was a relationship between satisfaction with job training and overall job satisfaction. He examined three factors that may affect satisfaction with job training: methodology, type of training, and amount of time spent in training. The study found a high correlation between job training satisfaction and overall job satisfaction among employees in customer contact positions. Given the significant relationship between job training satisfaction and overall job satisfaction, a logical second step was to disseminate study results further and delve into the components of job training that may constitute job-training satisfaction. Three variables examined in this study relating to the job training experience were time spent in training, training methodology, and content. All three together were significant in their relationship with job training satisfaction. When in training, it was important that the methodology used be one that employees believe effective in helping them learn. There were differences between the training methodologies preferred by employees and those used in their training. Instructor-led training was the methodology most often received by respondents in training, as well as the methodology most preferred. Organizations that offer effective job training may find they have better trained more satisfied employees.

Likewise, Sultana et.al. (2012) on their study on Training, practices of Telecommunication Sector in Pakistan were examined to determine their impact on Employee performance. Based on a combination of literature review and questionnaire surveys, this paper explores that for any organization to succeed in achieving the objectives of its training program, the design and

implementation must be planned and systematic, tailored towards enhancing performance and productivity. It has been observed that most organizations meet their needs for training in an ad hoc and haphazard way while others set about identifying their training needs, then design training activities in a rational manner and finally assess the results of training. The study concludes that if organizations invest in right type of employee training it can enhance employee performance as well as competencies and skills. In addition, training is seen as a useful means of coping with changes fostered by technological innovation; market competition, organizational structuring and most importantly it plays a key role to enhance employee performance.

Regarding to correlation, researchers find that the positive relationship between Training and Performance is 50.8% strong. All the relationships are significant at 1% level of significance for two-tailed test and regression results show that the value of r in the regression table is .582 that indicates 1% change in predictive variable (training) can change outcome variable (performance) up to 58.2%. Hence, if training is increased by 1%, this will result in increase of performance by 58.2%. This relationship is positive and significant as shown by small pvalue. The value of R^2 is .501 that explains training accounts 50.1% variation in performance and this can be viewed that there might be other factors that bring variation of 49.9% in the outcome variable. They conclude that Training enhances skills, competency, ability and ultimately worker performance and productivity in organizations.

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preferred by employees and those used in their training. Instructor-led training was the methodology most often received by respondents in training, as well as the methodology most preferred. Organizations that offer effective job training may find they have better trained more satisfied employees.

Generally, a number of other researchers also conduct a study regarding training and its effect on employees and organizational performance as a whole, which are not fully discussed here. Their empirical findings almost show that training variables positively and significantly correlated with employee as well as organizational. In general speaking every organization has some expectations from the employees with respect to their performance. Efficiency and effectiveness are some of the ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance. And when they perform up to the set standards and meet organizational expectations, they are believed good performers. Functioning and presentation of employees is also termed as employee performance. This means that effective administration and presentation of employee's tasks, which reflect the quality desired by the organization, can also be termed as performance. In the development of organizations, training plays a vital role, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top i.e. that there is a significant difference between the organizations that train their employees and organizations that do not, so that there exists a positive association between training and employee performance (Sultana et.al. 2012). There is a positive relationship between training and employee performance. 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 et al 2010). A researcher on judicial service of Ghana conclude that training and development in the Judicial Service of Ghana were mainly concerned with offering learning and development opportunities for staff and improvement of knowledge and skills at all levels in the organization (Kennedy 2009). This implies that organizational performance is the result of employee's performance that also supported by (Sultana et.al. 2012), training generates benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior. Likewise, other researchers

support training and development improves the organizational performance and it has positive effect on Organizational Performance (Khan Et.al. 2011).

Training and Development, On the Job Training, Training Design and Delivery style have significant effect on Organizational Performance and all these have positively affect the Organizational Performance i.e. It increases the overall organizational performance (Khan Et.al. 2011). It is better for the organizations to give their employees on the job training because it is cost effective and time saving (Ruth Taylor et al. 2004). It is good f or organization to give their employees on the job training so that their employees learnt in a practical way (Tom Baum et al. 2007). .

2.4. Conceptual Framework

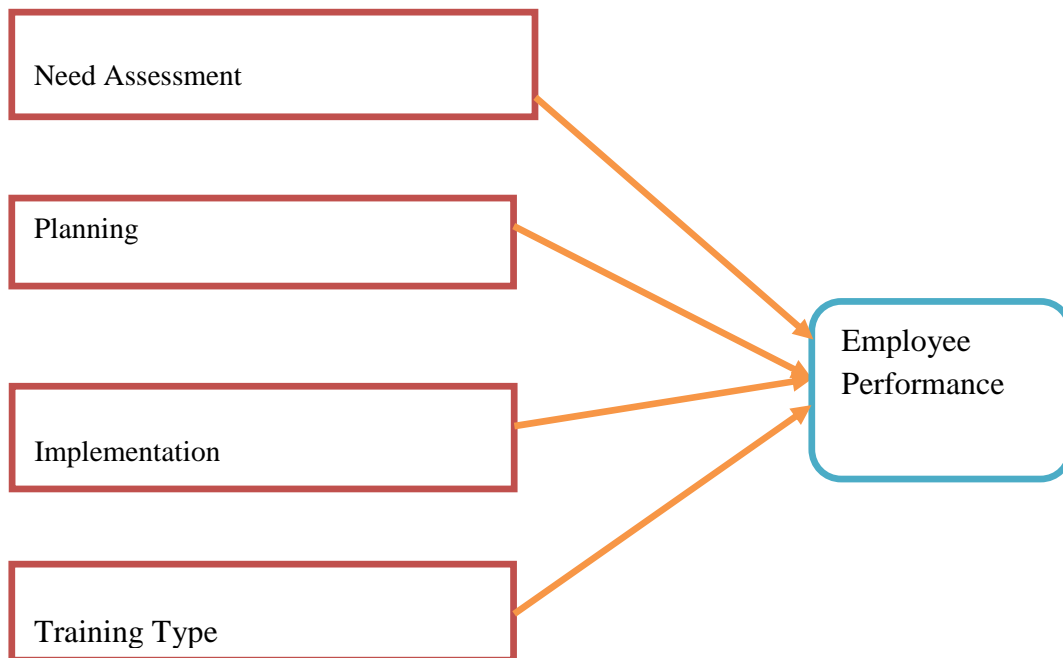


Figure 1 : Conceptual Frame work

2.5 Research Hypothesis

For the purpose of analyzing the relationship between training and employee performance, the following hypothesis has been proposed.

H1: training need assessment has a positive and significant effect on Employee Performance:

H2: Training planning has positive and significant effect on employee performance:

H3: Training implementation has positive and significant effect on employee performance of employees:

H4: Training type has positive and significant effect on employee performance of employees:

CHAPTER THREE

RESEARCH DESIGN AND METHODOS

This chapter of the study deals with the research design and methodology of the study. It includes the research approach, research design, target population, sampling designs & techniques, source of data, data collection methods, and methods of data analysis.

3.1 Research approach

The research can be classified in to three research approaches. These are qualitative, quantitative and mixed research. Mixed research contains both qualitative and quantitative approaches, therefore the researcher choose mixed (quantitative and qualitative) research approach to describe the effect of training practice on employee's performance in Commercial Bank of Ethiopia at headquarter because mathematical models is applied which require quantitative data and methods, Qualitative method is employed for instrument development, problem identification and a self-administered questionnaire is considered an appropriate approach to collect the data for the research.

3.2 Research design

Cooper and Schindler (2003) states that, research design is the plan and structure of investigation so conceived as to obtain answers to research questions. The plan is the overall scheme or program of the research. It includes an outline of what the investigator will do from writing hypotheses and their operational implications to the final analysis of data. A research design expresses both the structure of the research problem and plan of investigation used to obtain empirical evidence on relations of the problem. The research can be classified in to three as descriptive, explanatory and exploratory. Descriptive research sets out to describe and to interpret what is. It aims to describe the state of affairs as it exists. Explanatory research is conducted when we encounter an issue that is already known and have a description of it, we might begin to wonder why things are the way they are. The desire to know "why", to explain, is the purpose of explanatory research. The study established causal relationship between variables causal research to explain the relationship between the dependent and independent variables. So the research design is explanatory type.

3.3 Sample and Sampling methodology

3.3.1 Population of the Study

Population is a collection of all conceivable elements, subjects, or observations with one or more attributes in common. It represents a specified segment of the real world with common definite specified characteristics relating to a particular phenomenon of interest to the researcher. Therefore, the target populations for the study will be employees commercial bank of Ethiopia at headquarter. As of March 2020, data at CBE Head Quarter there are about 3164 employees who are currently working in different Head office department and divisions existed (CBE, Human Resource transaction management, March 2020).

3.3.2 Sample size

Based on Yemane's simplified formula to calculate sample size which is the most ideal method to use when the target population is large. Yemane (1997:886) cited in Israel (1992) which is revised on April 2009 and again reviewed on June 2012 provided a simplified formula to calculate sample size. Assumptions

The maximum allowable error ($e=0.05$)

$$95\% \text{ confidence level } n = \frac{N}{1+N(e)^2}$$

Where n = the sample size

N = the population size

e = the level of precision (sampling error)

$$n = \frac{3164}{1 + 3164(0.05)^2} = 355$$

Thus, the sample size of the study is 355 employees of the Commercial bank of Ethiopia headquarter.

3.3.2 Sampling technique

The sampling technique used to select samples from the sampling frame was stratified random sampling. The basic idea of sampling is that by selecting some of the elements in a population, conclusions can be drawn about the entire population (zikmund, 2003) from the total population size of 3164 employees in CBE head quarter existed (CBE, Human Resource transaction management, March 2020). 355 sample respondents are taken.

Table 3.1 Number of questionnaires distributed for each head office organs

Head office organs	No
Internal Audit Process	40
Credit Management	37
Human Resource Transaction	68
CBE center of excellence	66
Finance Process	60
Procurement	35
Strategy and innovation	49
Total	355

Source: output from SPSS, 2020

3.4 Data sources and collection method

The study use both primary and secondary data sources in gathering data for analysis. Primary method of data collection used point likert scale questionnaire and interviews consisting of both open and close-ended questions. Furthermore Secondary data collected from published annual reports, different books, journals and websites. The questionnaire prepared in line with the objectives of the study and it organized in two sections. The first section is design to obtain the demographic information of the respondents and the overall training practice in CBE. The second section consisting how respondents perceive the effect of training practices on employee’s performance and its effects. A five – point likert scale questionnaire are distributed to employees of CBE at headquarter.

3.5 Method of data analysis

In order to meet the research objective the collected quantitative data are analyzed by using the Statistical package for social Science (SPSS). Descriptive statistics (Mean, Standard deviation) used as found appropriate. On the other hand, correlation and multiple regression analysis performed to determine the relationship and effect of the independent variables. The regression model prepared in the form of:-

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n + \epsilon_i$$

Where,

Y is dependent variable:-variable which is affected by other variables or explained by the independent variables

α is an intercept, where the regression line crosses the y axis

$\beta_1 \dots \beta_n$ are the coefficient of the independent variables X_1 to X_n . Substituting both dependent and independent variables in equation we have the following equation Specifically, for the study the expression is appropriate:

$$EP = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i$$

Where,

β_1 is the partial slope for x_1 on y and indicates the change in y for one unit change in x_1 ,

Controlling x_2, \dots, x_5 is the same thing

EP – Employee performance -dependent variable

X_1 – Training plan

X_2 – Training Practice

X_3 – Training Need Assessment

X_4 -training type

ϵ_i –Error

3.6 Reliability and Validity

3.6.1 Reliability

Table 3.2 Reliability test the reliability coefficient Cronbach's alpha

Variables	No of items	Cronbach's alpha	Internal Consistency
Training need assessment	3	0.708	Acceptable
Training Planning	5	0.716	Acceptable
Training Implementation	2	0.912	Acceptable
Training Type	4	0.894	Acceptable
Employee Performance	7	0.823	Acceptable

Source: output from SPSS, 2020

Cronbach's alpha is an index of reliability associated with the variation accounted for by the true score of the underlying construct (Nunnally, 1978). Cronbach's Alpha's can only be measured for variables which have more than one measurement question. Nunnally (1978) has stated that 0.5 is a sufficient value, while 0.7 is a more reasonable Cronbach's alpha. The results were extracted as Table 3.2 and according to this theory the result is more than 0.7.

3.6.2 Validity

Validity refers to the issue of whether an indicator (or set of indicators) that is devised to gauge a concept really measures that concept. Several ways of establishing validity are: content validity; convergent validity concurrent; predictive validity; construct validity; and convergent validity (Bryman and Bell, 2003). Bryman and Bell (2003) also suggested that the important issue of measurement validity relates to whether measures of concepts really measure the concept. Establishing the validity of the scores in a survey helps to identify whether an instrument might be good one to use in survey research (Creswell, 2009). The researcher used standardized questionnaire so that the instrument is already valid and tested

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND DISCUSSION

Introduction

This chapter deals with the presentation of data, analysis, and interpretation of results. To collect the data and dig out findings, questionnaire was prepared and distributed to commercial bank employees in head office purposely selected organs for the study. In this study, the research required administration of questionnaires to 355 respondents who were commercial bank employees in head office purposely organs selected for the study. Out of 355 distributed questionnaires, 274 questionnaires were administered and completely filled. Hence, the return rate was calculated as 77.2% and the remaining 22.8% is remained uncollectable.

4.1 Background information about the respondents

This sections that follow present profile of respondents' like gender, Age, Education qualification, work experience in years and frequency of training program participated in a year they have at Commercial Bank of Ethiopia.

Table 4.1 Respondents' profile

Factors	Particulars	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	125	45.6	45.6	45.6
	Female	149	54.4	54.4	100
	Total	274	100	100	
Age	20-29	74	27	27	27
	30-39	90	32.8	38.9	59.9
	40-49	50	18.2	18.2	78.1
	50-60	60	21.9	21.9	100
	Total	274	100	100	
Education Qualification	Degree	185	67.5	67.5	67.5
	Masters	89	32.5	32.5	100
	Under Graduate				
	Total	274	100	100	

Work experience in years	1-5	44	16.1	16.1	16.1
	6-10	120	43.8	43.8	59.9
	11-15	50	18.2	18.2	78.1
	Above 16	60	21.9	21.9	100
	Total	274	100	100	
What is the frequency of training program you have participated in a year	Only once	34	12.4	12.4	12.4
	Twice	110	40.1	40.1	52.6
	Several times	130	47.4	47.4	100
	Never				
	Total	274	100	100	

Source: SPSS data, 2020

Analyzing the data obtained from the questionnaire, table 4.1 reveals that, 45.6% of the respondents were male while 54.4% were female respondents. In terms of age, 27% of survey respondents were 20 -29 years, 32.8% under age 30-39, 18.5% in age 40-49 and remaining 21.9% respondents were 50- 60and above. Therefore, the largest respondents were between the ages of 30-39. In addition to the above, respondents were asked to identify their education qualification, the 67.5% of respondents were Masters and the remaining 32.5.1% respondents had degree. When we see the work experience of the employees 43.8% of the respondents replied 6 -10 years, 21.9% respondents above 60, 18.2% had the experience between 11-15 and the remaining16.1% of employees had 1-5 experience in years. On the other hand, 47.4% of respondents participated in training program within a year. 47.4% employees participated in training in several times within a year. and 12.4% of respondents replied that they participated in training program only once. The fact that majority of the respondents participated in training program is several times within a year

4.2 Descriptive analysis

Table 4.2 Descriptive Statistics of items that measure training need assessment

Variable	Alternatives	Frequency	Percent	Mean	SD
Training Need assessment conducted at the organizational level	Strongly Disagree	15	5.5	4.23	0.984
	Disagree	6	2.2		
	Neutral				
	Agree	133	48.5		
	Strongly Agree	120	43.8		
	Total	274	100		
The organization Conducts training assessment at task level	Strongly Disagree	46	16.8	3.52	1.473
	Disagree	38	13.9		
	Neutral	6	2.2		
	Agree	98	35.8		
	Strongly Agree	86	31.4		
	Total	274	100		
The Organization conducts training assessment at the individual employee level	Strongly Disagree	33	12	3.03	1.41
	Disagree	107	39.1		
	Neutral	13	4.7		
	Agree	60	21.9		
	Strongly Agree	61	22.3		
	Total	274	100		

Source: SPSS data, 2020

Table 4.2 reveals that the study measured the Training need assessment by taking three sub variable through questionnaire survey from employees. Concerning training need assessment conducted at the organizational level, the survey result showed that, 15(5.5%)of respondents were strongly Disagree,6(2.2%) respondents were disagreed, 2(2.7%) while 133(48.5%) respondents were agreed and 120(43.8%) employees were strongly agreed. The majority of the respondents agreed training need assessment conducted at the organizational level.

From the table aforementioned, 46(16.8%) respondents were strongly disagreed and 38(13.9%) of employees were disagree that dealing with the organization conducts training assessment at task level. 6(2.2%) of respondents are not taking sides. However, 98(35.8%) respondents were agreeing and 86(21.9%) employees were strongly agreed regarding this issue. Therefore, the majority of the respondents agreed on the organization conduct training assessment at task level.

The finding of the study in table 4.2 indicated that majority of the respondents responded that the organization conducts training assessment at the individual employee level i.e., represented by 107(39.1%) of respondents were disagreed, 61(22.3%) respondents were strongly agreed. 60(21.9%) of the respondents agreed and the rest 13(4.7%) were stays neutral about the issue. Therefore, this indicates that the organization not conducts training assessment at the individual employee level.

Consequently, according to the mean scores, the findings in Table 4.2 imply that has, the majority of the respondents agreed on: - training need assessment conducted at the organizational level and the organization conducts training assessment at task level. Generally, Training need assessment conducts in the commercial bank of Ethiopia. Since all training need assessment parameters used under this study had a mean score of between 3.03 and 4.23 and when you compare to the variation of training need assessment conducts in CBE the low deviation is 0.94 and the highest deviation is 1.47 This implies that Low standard deviations indicated no significant deviations of the extent of training need assessment conducts at organizational level parameter in relationship Training need assessment practices while high standard deviations indicate significant deviation.

Table 4.3 Descriptive Statistics of items that measure training planning

Variable	Alternatives	Frequen cy	Percent	Mean	SD
Training objectives are clearly designed in respect to knowledge, skill and attitude in respect to expectation of trainees	Strongly Disagree			4.266	0.531
	Disagree	4	1.5		
	Neutral				
	Agree	190	69.3		
	Strongly Agree	80	29.2		
	Total	274	100		

There is a clear view of training objectives in conducting training program in your company	Strongly Disagree			4.222	0.610
	Disagree	9	3.3		
	Neutral				
	Agree	186	67.9		
	Strongly Agree	79	28.8		
	Total	274	100		
Validity of training objectives is able to link the training needs and training which is to be delivered	Strongly Disagree	33	12	3.63	1.419
	Disagree	49	17.9		
	Neutral				
	Agree	97	35.4		
	Strongly Agree	95	34.7		
	Total	274	100		
Training objectives helps participants to be focused	Strongly Disagree	13	4.7	3.57	1.215
	Disagree	69	25.2		
	Neutral				
	Agree	132	48.2		
	Strongly Agree	60	21.9		
	Total	274	100		
Training objectives clarify for trainers and trainees precisely what their goals are in training.	Strongly Disagree			4.11	0.313
	Disagree				
	Neutral				
	Agree	244	89.01		
	Strongly Agree	30	10.9		
	Total	274	100		

Source: SPSS data, 2020

Table 4.3 reveals that the study measured the subject of training planning by five sub variables through questionnaire from employees. Concerning training objectives are clearly designed in respect to knowledge, skill, and attitude in respect to expectation of trainees, the survey result showed that, 69.3% of respondents were agreed, 29.2% respondents were strongly agreed, and

1.5% of the respondent were disagree. Consequently, 67.9% of the respondents agreed that there is a clear view of training program in your company, 28.8% of employees agreed and the remaining 3.3% of respondents are disagreed on the idea of there is a clear view of training program in your company.

From the table 4.3 indicated, 95(34.7%) respondents were strongly agreed and 97(35.4%) of respondents were agreed that dealing validity of training objectives is able to link the training needs and training which is to be delivered. 49(17.9%) of respondents were disagree and 33(12%) of the respondents were strongly disagreeing about the issue. Generally, the majority of the respondents agreed that validity of training objectives is able to link the training needs and training which is to be delivered.

With regard to training objectives helps participants to be focused, 60(21.9%) of respondents were strongly agreed and 132(48.2%) of respondents were agreed, 69(25.2%) employees were disagree and the remaining 13(4.7%) were strongly disagree. As a result, the majority of respondents were agreed on the idea of training objectives helps participants to be focused.

The finding of the study in table 4.3 indicated that majorities of the respondents responded that training objectives clarify for trainers and trainees precisely what their goals are in training represented by 30(10.9%) of respondents were strongly agreed, 244(89.01%) respondents respectively were agreed. Therefore, training objectives clarify for trainers and trainees precisely what their goals are in training.

According to the mean scores, the findings in Table 4.3 imply that commercial bank of Ethiopia in the case head office organs has, to moderate extent of training planning, Since all parameters used under this study had a mean score of between 3.57 and 4.266 and when you compare to the variation the low deviation is 0.313 and the highest deviation is 1.215. This implies that Low standard deviations indicated no significant deviations of the extent of training planning for employee performance while high standard deviations indicate significant deviation.

Table 4.4 Descriptive Statistics of items that measure training implementation

Variable	Alternatives	Frequency	Percent	Mean	SD
The Bank implement the training program based on the purpose of training	Strongly Disagree	13	4.7	3.61	1.019
	Disagree	36	13.1		
	Neutral	30	10.9		
	Agree	161	58.8		
	Strongly Agree	34	12.4		
	Total	274	100		
The training techniques of the bank helped me to enhance my job performance	Strongly Disagree	55	20.1	3.51	1.404
	Disagree				
	Neutral	40	14.6		
	Agree	109	39.8		
	Strongly Agree	70	25.5		
	Total	274	100		

Source: SPSS data, 2020

From the table 4.4 indicated, 34(12.4%) respondents were strongly agreed and 161(58.8%) of respondents were agreed that dealing the bank implement the training program based on the purpose of training. 36(13.1%) of respondents were disagree and 13(4.7%) of the respondents were disagreeing about the issue and the remaining 30(10.95) take no side about the issue. Generally, the majority of the respondents agreed that the bank implement the training program based on the purpose of training.

With regard to the training techniques of the bank helped me to enhance my job performance, 70(25.5%) of respondents were strongly agreed and 109(39.8%) of respondents were agreed, 55(20.1%) employees were strongly disagree and the remaining 40(14.6%) were neutral. As a result, the majority of respondents were agreed on the idea of the training techniques of the bank helped me to enhance my job performance.

Table 4.5 Descriptive Statistics of items that measure training type.

Variable	Alternatives	Frequency	Percent	Mean	SD
On-the-job training enhances knowledge and awareness of job related issues.	Strongly Disagree	44	16.1	3.5	1.259
	Disagree	18	6.6		
	Neutral				
	Agree	180	65.7		
	Strongly Agree	32	11.7		
	Total	274	100		
On-the-job training helps to build positive manner to the job	Strongly Disagree	62	22.6	3.57	1.449
	Disagree				
	Neutral				
	Agree	145	52.9		
	Strongly Agree	67	24.5		
	Total	274	100		
Off-the-job training increases employees skill	Strongly Disagree	26	9.5	3.43	1.349
	Disagree	72	26.3		
	Neutral				
	Agree	111	40.5		
	Strongly Agree	65	23.7		
	Total	274	100		
off-the-job training is helpful for building positive attitude on organizational culture	Strongly Disagree	18	6.6	3.21	1.219
	Disagree	96	35		
	Neutral				
	Agree	130	47.4		
	Strongly Agree	30	10.9		
	Total	274	100		

Source: SPSS data, 2020

Table 4.5 reveals that the study measured the subject of training type by four sub variables through questionnaire from employees. Concerning on-the-job training enhances knowledge and awareness of job related issues, the survey result showed that, 180(65.7%) of respondents were agreed, 32(11.7%) respondents were strongly agreed, and 44(16.7%) of the respondent were strongly disagree and 18(6.6%) were disagree. Consequently, 145(52.9%) of the respondents agreed that on-the-job training helps to build positive manner to the job, 67(24.5%) of employees strongly agreed and the remaining 62(22.6%) of respondents are strongly disagreed on the idea on-the-job training enhances knowledge and awareness of job related issues.

From the table 4.5 indicated, 65(23.7%) respondents were strongly agreed and 111(40.5%) of respondents were agreed that dealing off-the-job training increase employees skill. 72(26.3%) of respondents were disagree and 26(9.5%) of the respondents were strongly disagreeing about the issue. Generally, the majority of the respondents agreed that off-the-job training increase employee's skill.

With regard to off-the-job training is helpful for building positive attitude on organizational culture, 30(10.9%) of respondents were strongly agreed and 130(47.4%) of respondents were agreed, 96(35%) employees were disagree and the remaining 18(6.6%) were strongly disagree. As a result, the majority of respondents were agreed and also most employees disagree on the idea of off-the-job training is helpful for building positive attitude on organizational culture.

According to the mean scores, the findings in table 4.5 imply that commercial bank of Ethiopia in the case head office organs has, to moderate extent of training type, Since all parameters used under this study had a mean score of between 3.21 and 3.57 and when you compare to the variation the low deviation is 1.219 and the highest deviation is 1.449. This implies that Low standard deviations indicated no significant deviations of the extent of training typefor employee performance while high standard deviations indicate significant deviation.

Table 4.6 Descriptive Statistics of items that measure employee performance.

Variable	Alternatives	Frequency	Percent	Mean	SD
Employee become more responsible after the training	Strongly Disagree			4.05	0.886
	Disagree	30	10.9		
	Neutral	10	3.6		
	Agree	149	54.4		
	Strongly Agree	85	31		
	Total	274	100		
Employees become more dedicated toward their jobs after getting the training	Strongly Disagree			3.46	1.174
	Disagree	94	34.3		
	Neutral	20	7.3		
	Agree	100	36.5		
	Strongly Agree	60	21.9		
	Total	274	100		
Occupation knowledge is increased through the training program	Strongly Disagree			3.70	1.057
	Disagree	64	23.4		
	Neutral	15	5.5		
	Agree	135	49.3		
	Strongly Agree	60	21.9		
	Total	274	100		
Employees become more productive after getting the training	Strongly Disagree	5	1.8	4.01	1.059
	Disagree	30	10.9		
	Neutral	31	11.3		
	Agree	98	35.8		
	Strongly Agree	110	40.1		
	Total	274	100		
Job performance helps in enhancing	Strongly Disagree	64	23.4	3.41	1.367

the organizations output	Disagree				
	Neutral				
	Agree	180	65.7		
	Strongly Agree	30	10.9		
	Total	274	100		
Training reduces the turnover rate of the company	Strongly Disagree			4.18	1.013
	Disagree	40	14.6		
	Neutral				
	Agree	105	38.3		
	Strongly Agree	129	47.1		
	Total	274	100		
Training helps to fill skill gap for employees performance	Strongly Disagree	64	23.4	3.61	1.506
	Disagree				
	Neutral				
	Agree	125	45.6		
	Strongly Agree	85	31		
	Total	274	100		

Source: SPSS data, 2020

Table 4.6 reveals that the study measured the employee performance by taking seven sub variables through questionnaire survey from employees. Concerning employees become more responsible after the training, the survey result showed that, 30(10.9%) of respondents were disagreed, 149(54.4%) respondents were agreed and 85(31%) employees were strongly agreed and the remaining 10(3.6%) are neutral. Generally, the majority of the respondents agreed employees become more responsible after the training.

From the table aforementioned, 94(34.3%) respondents were disagreed and 15(5.5%) of respondents are not taking sides on the idea of employees become more dedicated toward their jobs after getting the training. However, 100(36.5%) respondents were agreeing and 60(21.9%) employees were strongly agreed regarding this issue. Therefore, the majority of the respondents agreed on employees become more dedicated toward their jobs after getting the training also most respondents also disagree on the idea.

The finding of the study in table 4.6 indicated that majority of the respondents responded that the occupation knowledge is increased through the training program i.e., represented by 135(49.3%) of respondents were agreed, 60(21.9%) respondents were strongly agreed. 64(23.4%) of the respondents disagreed and the rest 15(5.5%) were stays neutral about the issue. Therefore, this indicates that the organization occupation knowledge is increased through the training program.

From the table 4.6 indicated, 110(40.1%) respondents were strongly agreed and 98(35.8%) of respondents were agreed that dealing employees become more productive after getting the training. 30(10.9%) of respondents were disagree and 5(1.8%) of the respondents were strongly disagreeing about the issue. Generally, the majority of the respondents agreed that employees become more productive after getting the training.

With regard to job performance helps in enhancing the organizations output, 30(10.9%) of respondents were strongly agreed and 180(65.7%) of respondents were agreed and the remaining 64(23.4%) employees were strongly disagree. As a result, the majority of respondents were agreed on the idea job performance helps in enhancing the organizations output

As indicated in table 4.6 about training reduces the turnover rate of the company 129(47.1%) of respondents were strongly agreed and 105(38.3%) of respondents were agreed and the remaining 40(14.6%) employees were disagree. As a result, the majority of respondents were agreed on the idea training reduces the turnover rate of the company.

From the table 4.6 indicated, 85(31%) respondents were strongly agreed and 125(45.6%) of respondents were agreed that dealing training helps to fill skill gap for employees performance..64(23.4%) of respondents were strongly disagree. Generally, the majority of the respondents agreed that training helps to fill skill gap for employee's performance.

Consequently, according to the mean scores, the findings in table 4.6 imply that has, the majority of the respondents agreed on: - employees become more responsible after training, employees become more productive after getting the training and training reduces the turnover rate of the company. Since all employee performance parameters used under this study had a mean score of between 3.4 and 4.18 and when you compare to the variation of employee performance in CBE the low deviation is 0.886 and the highest deviation is 1.506 This implies that Low standard deviations indicated no significant deviations of the extent of employee become more responsible after the training parameter in relationship employee performance while high standard deviations indicate significant deviation.

4.3 Correlation analysis

Correlation measures the strength of the linear relationship between two variables. Thus, Pearson's correlation was used to identify the relationships between the variables and to describe the strength and the direction of the relationship between two variables. According to Berndt (2005), the level of association as measured by Pearson's co-efficient falls between -1.0 and +1.0, which indicates the strength and direction of association between the two variables. The interpretation of the result is as follows; a correlation result between 0 to 1 implies positive relationship, 0 (zero) for no relationship, 1 for perfect positive relationship, -1 for perfect negative relationship and between -1 to 0 indicate the existence of negative relationship. So, the correlation analysis was done to analyze the relationship between dependent variable employee performance and independent variables training need assessment, training planning, training implementation and training type. To examine the relationship among these variables, Pearson correlation coefficients were calculated, the analysis and interpretations of the correlation results are presented here under.

Table 4.7 Pearson correlation coefficients

Correlations						
		Training Need Assessment	Training Planning	Training Implementation	Training Type	Employee Performance
Training Need Assessment	Pearson Correlation	1	.721**	.419**	.647**	.667**
	Sig. (2- tailed)		.000	.000	.000	.000
	N	274	274	274	274	274
Training Planning	Pearson Correlation	.721**	1	.564**	.602**	.734**
	Sig. (2- tailed)	.000		.000	.000	.000
	N	274	274	274	274	274
Training Implementation	Pearson Correlation	.419**	.564**	1	.377**	.549**
	Sig. (2- tailed)	.000	.000		.000	.000

	N	274	274	274	274	274
Training Type	Pearson Correlation	.647**	.602**	.377**	1	.594**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	274	274	274	274	274
Employee Performance	Pearson Correlation	.667**	.734**	.549**	.594**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	274	274	274	274	274
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: SPSS data, 2020

Pearson correlation test was conducted to know whether there is significant correlation or not between training need assessment & employee performance and the results are shown in table 4.7. As it is clearly indicated on the table, there is positive correlation between training need assessment & employee performance. The result of correlation analysis prove that training need assessment & employee performance are correlated which has moderate and positive relationship ($r=0.667$ with $p<0.01$).

The second employee performance component, according to the results of the Pearson correlation test is observed that the significant at one percent. Thus research question is confirmed and there is positive relationship between training planning and employee performance. In other words, training planning & employee performance has high relationship. ($r=0.734$ with $p<0.01$).

Third employee performance component, according to the results of the Pearson correlation test is observed that the significant at five percent so, the research question is confirmed and there is a positive relationship between training implementation and complaints and employee performance. In other words, training implementation & employee performance have positive and high relationship. ($r=0.549$ with $p<0.01$).

Fourth employee performance component, according to the results of the Pearson correlation test is observed that the significant at five percent so, the research question is confirmed and there is a positive relationship between training type and employee performance. In other words, training type & employee performance have positive and high relationship. ($r=0.594$ with $p<0.01$).

4.4 Multiple regression analysis

To investigate the significant effect of training practice on employee performance in commercial bank of Ethiopia, multiple regression models was computed. This regression is conducted to know how much the independent variable explains the dependent variable. It is also used to understand by how much each independent variable (training need assessment, training planning, training implementation and training type) explains the dependent variable, which is employee performance. The regression model presents how much of the variance in the measure of employee performance is explained by the underlying dimensions of training practice in Ethiopian Banking industry, Employee performance was used as the dependent variable while training practice dimensions were used as the independent variables.

4.4.1 Test for multicollinearity

Multicollinearity exist where there is high but not perfect correlation between two or more explanatory variables (Cameron & Trivedi, 2010). When there are two or more than two independent variables, the analysis concerning relationship is known as multiple correlations and the equation describing such relationship as the multiple regression equation. In multiple regression analysis, the regression coefficients become less reliable as the degree of correlation between the independent variables increases. If there is a high degree of correlation between independent variables, we have a problem of what is commonly described as the problem of multicollinearity (Kothari, 2004).

Multicollinearity is a statistical problem which occurs when the explanatory variables (independent variables) are much correlated with each other (Hair, 1998). It means when the strong correlation among predictors and the existence of correlation value greater than 0.80, tolerance value less than 0.10 and Variance Inflation Factor (VIF) greater than 10 in the correlation matrix (Field, 2009). Tolerance in this case defined as a statistical tool which used to indicate the variability of the specified independent variables from other independent variables in the model (Pallant, 2007). Based on table 4.8.the tolerance levels for all variables were greater than 0.10 and the Variance Inflation Factor (VIF) value for all variables were less than 10. According to Table 4.8which shows the correlation between dependent and independent variables, the correlation matrix of all variables among the predictor was also less than 0.80. Therefore, correlation value, tolerance level, and VIF value indicates that there were no multicollinearity problem in this study.

Table 4.8 Test for Multicollinearity

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Training Need Assessment	.409	2.447
	Training Planning	.378	2.643
	Training Implementation	.679	1.472
	Training Type	.542	1.845

a. Dependent Variable: Employee Performance

Source: output from SPSS, 2020

Therefore, in this study correlation matrix for four of the independent variables shown above in the table 4.8 .had been estimated. The result of correlation matrix show that all VIF values are well below 10 and the tolerance level for all variables is above 0.2. So that, we can conclude that there is no problem of multicollinearity in this study.

4.4.2 Normality test

The simple linear regression requires that the interval level variables in the analysis be normally distributed. The skewness and kurtosis statistics for all variables are within the acceptable range for normality (-1.0 to +1.0).

Table 4.9 Test for Normality

	N	Min	Max	Mean	Skewness		Kurtosis	
					Statistic	Std.Error	Statistic	Std.Error
Training need assessment	274	1	5	3.62	-.570	0.147	-.683	0.293
Training Planning	274	2	5	3.83	-.268	0.147	-.518	0,293
Training Implementation	274	1	5	3.66	-.272	0.147	-.933	0.293
Training Type	274	1	5	3.64	-.532	0.147	-.617	0,293
Employee Performance	274	2	5	3.93	-.358	0.147	-.133	0.293

Source: SPSS data, 2020

4.5 Multiple regression or model Summary

Table 4.10 Result of Multiple Regression Model Coefficient or Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.617	.611	.46951
a. Predictors: (Constant), Training type, Training implementation, Training need assessment, Training planning				

Source: SPSS data, 2020

Based on table 4.10 above in multiple regressions examining independent variables on employee performance are acceptable and significant at a confidence level of 61.7%. For the instant, the model or the predictor variables have accounted for 61% with estimated standard deviation 0.469, of the variance in the dependent variable (employee performance). The other variables that were not considered in this study contribute about 46.9% of the variability the Dependent. Furthermore the independents variables explain dependent level about 61%.

Table 4.11 ANOVA

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	95.520	4	23.880	108.330	.000 ^b
	Residual	59.297	269	.220		
	Total	154.818	273			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Training type, Training implementation, Training need assessment, Training planning						

Source: SPSS data, 2020

When doing regression analysis, we determine whether there is a relationship between the independent variable and the dependent variable by examining the significance of the regression in the ANOVA table. The probability of the F statistic for the regression analysis is 0.000, less than the level of significance of 0.05. So that it can be seen in multiple regressions that in examining independent variables on employee performance are acceptable and significant at a confidence level of 95%.

4.6 Multiple regression analysis between independent and dependent Variable

Table 4.12 Regression result training practices and employee performance

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.270	.139		9.160	.000
	Training Need Assessment	.136	.038	.213	3.604	.000
	Training Planning	.345	.056	.380	6.199	.000
	Training Implementation	.124	.030	.186	4.064	.000
	Training Type	.108	.035	.158	3.079	.002
a. Dependent Variable: Employee Performance b. Figures in parenthesis denote p-values, *significant at 1 percent, **significant at 5 percent						

Source: output from SPSS, 2020

Table 4.12 depicted that, Beta coefficient of training planning has maximum impact (0.345), training need assessment (0.136), training implementation (0.124) and training type (0.108) on employee performance. Then regression model can be written as follows.

$$Y = + 1 1 + 2 2 + \dots + n n + i$$

$$EP = 1.27 + 0.136TNA + 0.345TP + 0.124TI + 0.108TT$$

Whereas,

EP= employee performance

TNA= training need assessment

TP= training planning

TI= training implementation

TT= training type

4.7 Hypothesis testing

The suggested hypothesis was tested and the result is presented. The hypotheses were:

H1: Training need assessment has a significant and positive effect on employee performance.

The output of the regression analysis of training need assessment with employee performance shows that training need assessment has a positive significant influence on employee performance with sig. level of (0.000). When there is a single change in training need assessment, employee performance will be affected by 0.136. So that H_0 will be rejected.

H2: Training Planning has a significant and positive effect on employee performance.

The amount produced from the regression analysis shows that training planning has a positive significant influence on employee performance with sig. level of (0.000). When there is a single unit change in training planning, employee performance will be affected by 0.345. so that H_0 will be rejected

H3: Training Implementation has a significant and positive effect on employee performance.

The amount produced from the regression analysis shows that training implementation has a positive significant influence on employee performance control with sig. level of (0.000). When there is a single unit change in training implementation, employee performance control will be affected by 0.124. So that H_0 will be rejected.

H4: Training type has a significant and positive effect on employee performance.

The amount produced from the regression analysis shows that training type has a positive significant influence on employee performance with sig. level of (0.002). When there is a single unit change in training type, employee performance will be affected by 0.108. So that H_0 will be rejected.

Table 4.13 Hypothesis testing summary

No#	Hypothesis	Tools	Relationship	Result
H1	Training need assessment has a significant and positive effect on employee performance	Regression	Positive	Accepted
H2	Training Planning has a significant and positive effect on employee performance	Regression	Positive	Accepted
H3	Training Implementation has a significant and positive effect on employee performance	Regression	Positive	Accepted
H4	Training type has a significant and positive effect on employee performance	Regression	Positive	Accepted

Source: output from SPSS, 2020

CHAPTER FIVE

FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents summary of the major findings, the conclusions, and recommendations that was drawn from the previous chapter of this study.

5.1 Summary of findings

Based on the analysis the following are the summary of key findings:

- As per the first objective, i.e., the effect training practice on employee performance. In this regard, the researcher provided survey questions to selected head office organs of commercial bank of Ethiopia related to the first objective question, that is “*what is the effect of training need assessment on employee performance*” As indicated in the descriptive part of this study the majority of respondent agreed between a mean result of 3.52 up to 4.23.
- Furthermore as indicated in the specific objectives of the study, the respondents indicated that “*To what extent training planning affect employee performance*” respondents obtained a mean result between 3.63 and 4.26. From the above finding we have realized that most of respondents are agreed and training planning plays a major role in employee performance.
- From the regression output the training practice variables under study, there is a significant relationship b/n independence of training practice and employee performance of selected head office organs of commercial bank of Ethiopia. Looking at coefficients of these variables from the regression result, it is confirmed that they have positive effect on the employee performance for 34.5% degree significant when measured statistically.
- The finding on training implementation with regard to employee performance most of respondents agree on the idea of the bank implement the training program based on the purpose of training and also the training techniques of the bank helped me to enhance my job performance with a mean score of 3.51 up to 3.61.

- The finding on training type with regard to employee performance most of respondents agree on the ideas of on-the-job training enhances knowledge and awareness of job related issues on-the-job training helps to build positive manner to the job, off-the-job training increases employees' skill and off-the-job training is helpful for building positive attitude on organizational culture. All training type parameters used under this study had a means score of between 3.21 and 3.57.
- The result of Pearson correlation show that, training need assessment, training planning, training implementation and training type variables have significantly and positive relationship on employee performance with $r = 0.667$, $r = 0.734$, $r = 0.549$ and $r = 0.549$. The results of the Pearson correlation test are observed that significant at one percent. So the research questions are confirmed and there is a positive relationship between training practice components and employee performance.
- As it is shown the regression model result indicated that 61.7% of dependent variable is explained by independent variables, which is training practice (i.e. training need assessment, training planning, training implementation and training type). But this does not mean that all these factors of training practice variables have equally significant with employee performance. The results of the multiple linear regression analysis indicated that there is a variation in the effect of training practice variable dimensions on employee performance and other variables that were not included in this study contribute about 46.9%.
- At 5% level of significance there is a significant positive linear regression between independent variable of training practice that is training need assessment, training planning, training implementation and training planning and dependent variable of employee performance of selected head office organs of commercial bank Ethiopia.

5.2 Conclusion

Training is systematic development of the knowledge, skills and attitudes required by an individual to perform adequately a given task or job(Armstrong 2009)..The general objective of the study is to examine the effect of training practice on employee performance by taking evidence from CBE in head quarters. The research was based on the following research objectives: To find out the effect of training need assessment on employee performance, to examine how training planning affects employee performance, to examine how training implementation affects employee performance and to establish the effect of training type on employee performance among headquarter, CBE.

The study result indicated that training need assessment, training planning, training implementation and training type has a positive and significance effect on employee performance. Their significance can be recognized through that the training need assessment is conducted at organizational and task level the training objectives are clearly designed in respect to knowledge respect to expectation of trainee and helps them to be focused, on the job and off the job trainings helps employees to enhance their performance.

According to result of testing Pearson correlation show that there is a positive relationship between components of training practices (training need assessment, training planning, training implementation and training type) and employee performance. In general Effective training practice is essential to put the bank in strategic position and facilitate to acquire permanent competition advantage together with escalating the total productivity of the bank.

In general, based on the results for the standardized values, we are able to see that commercial bank of Ethiopia has a moderate extent adopted all components of training practices parameters to increase employee performance within the bank. Although, all components of training practice have a positive effect on employee performance and increasing employee performance to put the bank in a competitive advantage.

5.3 Recommendations

- It is an unquestionable fact that in recent times many organizations have come to the realization of the importance of the role of training programs as it increases the organization staff efficiency, skills and productivity. Due to this fact, organizations must be clear about the learning requirement of employees so in order to increase employee performance CBE may improve its training practices
- As organizational performance highly linked with employee performance and employee performance relies on the training received, organizations needs to work hard on developing their employees performance by giving them the right training at the right time.
- A training needs arises due to the identified gap between the required knowledge, skills and experience for the individual carrying out the work and that actually possessed by employee concerned” Stredwick (2005:377). So its better advised CBE to identify training needs by identifying the gap between the required knowledge and skills of an employee and the performance of that employee.
- In order to boost employees’ performance, organizations need to make an outstanding training plan. CBE needs to make an outstanding training plan to increase its employee performance.

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APPENDICES

Appendix 1

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

MASTER OF BUSINESS ADMINISTRATION (MBA) PROGRAM

Dear Respondents;

The purpose of this questionnaire is to collect data regarding the effectiveness of training practice on the employees' performance of the Commercial Bank of Ethiopia, Head Quarter. The researcher is conducting this study for partial fulfillment of Business Administration (MBA) at the St. Mary University Masters program. Your genuine response for the following questions is extremely important for the successful completion of this study. The information you provided will be used only for academic purpose and will be kept highly confidential. We would like to thank you in advance for cooperation and for sacrificing your time on behalf of St. Mary's University.

Thank you for your cooperation and assistance.

Sincerely,

Tsigereda Alemu

Contact address: +-251913 06 35 00

E-mail: Mekedonia2@gmail.com

Please respond to each item by putting a tick “ ” mark in the box & fill in the blank on the number which best reflects your perception.

Part I. Demographic Profile

1. Gender

Male Female

2. Age group

20-29 30-39 40-49 50 -60

3. Education qualification

Diploma Degree Masters Above Masters

4. Work experience (In years).

Less than 5 6-10 11-15 16 and above

5. What is the frequency of training program you have participated in one year?

Only once Twice Several times Never

Part II. Survey of Training practices

Please show the extent to which you agree or disagree with the statements given below. This is to assess the following on the scales of strongly disagree to strongly agree. Strongly disagree is given the least weight of 1; while strongly agree is given the highest weight of 5.

1= strongly disagree 2= Disagree 3= Neutral 4=Agree 5= Strongly agree

	Descriptions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Training need assessment					
1.1	Training need assessment is conducted at the organizational level.					
1.2	The organization conducts training assessment at task level					
1.3	The organization conducts training assessment at the individual employee level					
2	Training Planning					
2.1	Training objectives are clearly designed in respect to knowledge, skill, and attitude in respect to expectation of trainees.					
2.2	There is a clear view of training objectives in conducting training program in your company					
2.3	Validity of training objectives is					

	able to link the training needs and training which is to be delivered					
2.4	Training objectives helps participants to be focused					
2.5	Training objectives clarify for trainers and trainees precisely what their goals are in training.					
3	Training Implementation					
3.1	The bank implement the training program based on the purpose of training					
3.2	The training techniques of the bank helped me to enhance my job performance					
4	Training Type					
4.1	On-the-job training enhances knowledge and awareness of job related issues.					
4.2	On-the-job training helps to build positive manner to the job.					
4.3	Off-the-job training increase employees' skill.					
4.4	Off-the-job training is helpful for building positive attitude on organizational culture					
5	Employees performance					

5.1	Employees become more responsible after the training					
5.2	Employees become more dedicated toward their jobs after getting the training					
5.3	occupation knowledge is increased through the training program					
5.4	Employees become more productive after getting the training					
5.5	Job performance helps in enhancing the organization's output					
5.6	Training reduces the turnover rate of the company					
5.7	Training helps to fill skill gap for employee performance					

THANK YOU FOR YOUR COOPERATION!!

Appendix 2

Correlations

		Correlations				
		Training need assessment	Training planning	Training implementation	Training type	Employee performance
Training need assessment	Pearson Correlation	1	.721**	.419**	.647**	.667**
	Sig. (2- tailed)		.000	.000	.000	.000
	N	274	274	274	274	274
Training planning	Pearson Correlation	.721**	1	.564**	.602**	.734**
	Sig. (2- tailed)	.000		.000	.000	.000
	N	274	274	274	274	274
Training implementation	Pearson Correlation	.419**	.564**	1	.377**	.549**
	Sig. (2- tailed)	.000	.000		.000	.000
	N	274	274	274	274	274
Training type	Pearson Correlation	.647**	.602**	.377**	1	.594**
	Sig. (2- tailed)	.000	.000	.000		.000
	N	274	274	274	274	274
Employee performance	Pearson Correlation	.667**	.734**	.549**	.594**	1
	Sig. (2- tailed)	.000	.000	.000	.000	
	N	274	274	274	274	274

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

Regression

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Training type, Training implementation, Training need assessment, Training planning		Enter

a. Dependent Variable: Employee performance

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 ^a	.617	.611	.46951

a. Predictors: (Constant), TT, TI, TNA, TP

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	95.520	4	23.880	108.330	.000 ^b
	Residual	59.297	269	.220		
	Total	154.818	273			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Training type, Training implementation, Training need assessment, Training planning

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.270	.139		9.160	.000
	Training need assessment	.136	.038	.213	3.604	.000
	Training planning	.345	.056	.380	6.199	.000
	Training implementation	.124	.030	.186	4.064	.000
	Training type	.108	.035	.158	3.079	.002

a. Dependent Variable: Employee performance