



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**EFFECT OF TRAINING PROCESS ON EMPLOYEES PERFORMANCE:  
THE CASE OF NILE INSURANCE COMPANY S. CO.**

**BY: AGERIE TESERA AYALEW**

**JUNE, 2022  
ADDIS ABABA, ETHIOPIA**

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PERFORMANCE,**

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**BY: AGERIE TESERA AYALEW**

**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF  
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**ADDIS ABABA, ETHIOPIA**

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**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
SCHOOL OF BUSINESS**

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### **List of Acronyms:**

**SPSS**- Statistical Package for Social Science

**ANOVA** - Analysis of Variance

**VIF** – Variance Inflation Factor

**TNA** \_ Training Need Assessment

**TD**\_Training Design

**TI** \_ Training Implementation

**TEV**\_ Training Evaluation

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## ABSTRACT

*The main objective of this study was to examine the effect of training process on employee performance in Nile Insurance Company. The research was in the form of explanatory and descriptive research design and used both primary and secondary sources of data. Population of the study was employee of Nile Insurance Company with total head count One hundred sixty (160) with sample size of 114 by using simplified formula of Taro Yemane (1967) sample size determination that helps to calculate sample size and used stratified sampling design technique which helps to draw sample representative from population of the study.*

*Researcher used questionnaire and interview method of data collection. Questionnaires were distributed to total sample size of 114; off which 78.95% (90 Respondents) were filed the questionnaires and returned. The data was analyzed using descriptive research method, correlation and regression analysis. From the descriptive analysis, all explanatory variables play a fundamental role for Employee performance in selected samples. The results of correlation analysis shows positively and significantly correlated with the dependent variable. The overall result obtained from the regression model indicates that Independent Variables (Training Need Assessment and Training Design) have positive and significant effect on Dependent Variable (Employee performance). However, Training Implementation, and Training Evaluation have no significant effect on Employee performance. Based on the findings of the study, it is recommended that Nile Insurance Company should follow systematic training need analysis to employees and strictly choose which training technique or design is more effective for certain training program to enhance employees' performance.*

**Key words:** *Training, Training Need Assessment, Training Design, Training Implementation, Training Evaluation Training Practices, Employee Performances*

# CHAPTER ONE

## INTRODUCTION

The first chapter serves as an introduction to the research under review and gives a broad summary of the background of the study, the problem statement, objective of the study and the research questions. The scope of the study, significance of the study and limitation are also covered on this chapter.

### 1.1. Background of the study

Helping employees to become effective in their job is a fundamentally important task in people management that any organization has to undertake. Employers depend on the quality of their employees' performance to achieve organizational aims and objectives.

The quality of the human resource of an organization is essential to its success. Thus, every organization must seek to improve the quality of its workforce. One way of achieving this is through training. The importance of training can only be appreciated with a clear understanding of its direct impact on employee performance. An improvement in employee performance also leads to an improvement in the company's performance.

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 mold 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.

A well- organized training should incorporate four phases: Training need Assessment, training design, training delivery or implementation and training evaluation. The first step is Training need Assessment, and the second step is training design to conduct. The training need assessment begins with “need” which can be identified as a gap between what is currently in place and what is needed. The result of the need assessment allows the training manager to set the training objective by answering two basic questions: who needs training and what training is needed. After training design training implementation will follow. The final phase of training program is evaluation of the program to determine whether the training objective were met. Information gather from the training evaluation is a greater input for the next cycle of training needs assessment. It is important to note that, training needs assessment, training design, implementation and evaluation process are a continuous process for an organization(Furjanic and Trotman, 2000).

In the Insurance industry, human resources, skills, and expertise are crucial assets that drive productivity and performance. This is because, as a service industry, the service provided by Insurance Company is delivered through its personnel. Insurance company personnel (human resource) stand for the service. Training helps both individual and organizations to improve their performance and to achieve their ultimate objectives. Grizzell (2003), states that the contribution of training in organizations growth is also emphasized in theories and empirical findings. Training enables companies to adapt to fluctuating conditions and be operative in the market. Thus, Nile Insurance Company S.C. is one of the pioneer private insurers established on April, 1995 with a capital of birr 12.5 Million. Currently, Nile’s branch network in Addis Ababa and regional towns have reached 48, making it one of the leading insurance companies in terms of accessibility. It has more than 50,000 customer base across the country. However, in Nile Insurance Company employee participate in some training but, the delivery of the specific service will be implemented after long period elapsed and after employee forget the knowledge, and skill acquired from the training, and also systematic training approach were not feasible. It is not performing as expected. Therefore, the study seeks to investigate the effect of training process in line with training need analysis, design, delivery or implementation and evaluation of its practice. The topic is important to investigate Training process effect on employee performance in Nile insurance company S.co. So, today, we are witnessing an overwhelming number of research studies from both descriptive and prescriptive traditions, focusing on several

characteristics of training programs as well as their costs and benefits for business organizations (Becker and Gerhart, 1996). At the same time, organizations have come to better understand the significance of training for their survival in knowledge-intensive and volatile markets of this era, and thus have increasingly acknowledged the profitability of developing their human resources through various forms of training (Berge, 2001; Salas and Cannon-Bowers, 2001). Human resource capital of any organization plays an important role, thus training and retraining helps in fortifying employees (Khan, Khan and Khan, 2011).

## **1.2. Statement of the problem**

The perception of employees on training has a greater impact on the success of any organization. If the employees are satisfied with the training policies of the organization, this will have a positive impact on the organization's productivity. The perception or attitude of employees is transformed into positive or negative behavior. How do the employees see employee training policies of the organization? How seriously does the Management take the Training Policy of its organization? Some see training and development as a waste of time and resources that would have been employed in the production of goods and services that will yield profit to the organization. Sometimes, the fear that an employee could leave the organization after training affects the employees training and sometimes makes it unplanned and unsystematic.

The procedure and process usually adopted by some Human Resource Departments in the identification of those employees that require training are worrisome. Employees sometimes go for training for personal reasons which include enriching themselves; preparing themselves for other positions in other organizations; power play/politics; because he/she knows the person in-charge of training and not necessarily because there is an identified skill gap which needs to be filled through training. Often times, the HR Department does not conduct training needs assessment. Employees' training selection criteria ought to be systematic and free from bias. It must follow a lay down procedure to ensure that the right candidates are sent for training for positive effect on employees' performance and organizational performance.

It is found that previous researchers have concentrated on the importance and benefits of training and no study has been carried out on the challenges faced by the HR departments of insurance company on the process of training. In order to fill this gap, the researcher is compelled to conduct a study on the effect of training process on employee's performance with

focus on processes and procedures of identifying skill gaps training need assessment, training design , delivery style and evaluation methods of training in Nile insurance company.The study, therefore, focused on how providing training for employees and process of training of Nile Insurance Company would improve their performance.

Having the above facts in mind, conducting this research is important to know the effect of training process on employee performance in Nile Insurance Company.

### **1.3. Research questions**

Research question of the study was:

1. How does the organization Conduct Training needs assessment?
2. What are the methods used to design training programs?
3. To what extent does training delivery style affect Employees performance?
4. To what extent does training evaluation method affect Employees performance?
5. What is the effect of Training process on Employee performance at Nile Insurance Company?

### **1.4. Objectives of the study**

#### **1.4.1. General objective**

The general objective of the study was to assess effect of training process on employee performance, at Nile Insurance Company.

#### **1.4.2. Specific objectives**

The specific objectives of the study were:

1. To ascertain the extent how organization conduct training need assessment;
2. To determine the extent of effect of training design on employee performance;
3. To ascertain the extent to which training delivery style affect employee performance;
4. To determine the extent to which training evaluation method affect employee performance;



5. To determine the extent to which employee training process affects organizational performance.

### **1.5. Significance of the study**

The study deals with effect of training process on employee performance. It helps the management of the Nile Insurance Company to concentrate on training variables that have significant effect on employee's performance. Therefore, this study may have important implications, as it helps Nile Insurance Company to practice training based on need analysis to enhance their employee's performance. It may also be assumed that the result of this study may be helpful for top management of the Company to make proper decisions in relation to training and employee performance.

The research findings are expected to help:

- ✓ In identifying the current training process at Nile insurance company;
- ✓ As a bench mark for designing and implementing effective and efficient training process for similar organizations;
- ✓ The study organizations ( Nile insurance ) to have better training process practices;
- ✓ The study will help the Human Resource Department in proper planning and execution of training and development programs;
- ✓ As a reference for further study in the area;

### **1.6. Scope of the study**

The study gives Emphasis on the effect of training process at Nile Insurance company. Conceptually, this study mainly focuses employees of Nile insurance company not refers to consultants, shareholders and board of directors. Geographically this study confined in Nile insurance company head office not refers to other branches. And the subject under study was confined to training process practice of one organization; the findings cannot be used as a generalization to all organizations

## 1.7. Limitation of the study

This study was examined the effect of training processpractice on employee performance of Nile Insurance Company and forwards the possible recommendations accordingly. However, the researcher faced the following difficulties while conducting the study;

- **Late response:** unreturned questionnaires by the respondents
- **Lack of reliable data:** The Respondents' unwillingness to give out available and reliable data was major constrain in the course of the study.
- **Unavailability of Research materials:** The researcher was constrained in the search of research materials. Most current books and journals on the related area are not free, and so the researchers was limited to those materials she could afford.

## 1.8. Organization of the study

The paper consists of five chapters. **Chapter One** includes background of the study, background of the organization, statement of the problem, definition of terms, research questions, objectives of the study, significance of the study, scope of the study, limitation of the study and organization of the study. **Chapter Two** covers literature review for the subject matter under study. Under **Chapter Three**, the methodology of the study is described in detail. The findings of the study are presented, analyzed, and discussed in **Chapter Four**. Finally, in **Chapter Five**, summary of findings, conclusions, and recommendations were stated.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

This chapter reviews different books, articles, published thesis and other secondary data to define and give background to the meaning and importance of training, effective training practice, training techniques, type of training, the training process and importance of training for Nile insurance company S.Co.

#### **2.1. Theoretical literature**

Human resources are the most valuable assets of any organization. With machines, materials and even money, nothing gets done without manpower. One major area of the human resource management function of 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 decisionmaking skills (Casio 2006).

##### **2.1.1. Concept of Training**

An important upbringing area of every Human Resource Management role is training for a capable use of human resources. It is also known that some improved capabilities, knowledge, and skills of the workforce proved to be a major source of competitive advantage in every organization. Training refers to bridging the gap between the current performance and standard desired performance. Training increases the knowledge and skill of an individual for doing a job. In the current condition pertaining to training is increasingly seen as a means of not only aiding the growth of the individual employee but as an incorporated part of organizational growth. Ngirwa (2009) defined training as a learning process in which employees acquire knowledge, skills, experience, and attitudes that they need in order to perform their job better for the achievements of their organizational goals. It simply means that changing what employee knows how they work, their attitudes towards their jobs and organization.

Training is a planned process of increasing the knowledge and skills of the employees for doing a specified job by providing a learning experience. Armstrong, (2008), defined training as the planned and systematic modification of behavior through learning events, programs, and instructions, which enable individuals to achieve the levels of knowledge, skill and competence needed to carry out their work effectively.

Training is not only to develop employees but also help an organization to make best use of their human resources in favor of gaining competitive advantage. This means that training helps the employees or trainees acquire new skills, technical know-how and problem-solving capabilities, thereby improving the performance of the employees. Training is also trying to amend skills and increase to the existing level of knowledge so that the employee is better fitted out to do is present job, or to equip him/her to be fit for a higher job involving higher responsibilities. This is to say that Employee training is the planned and systematic modification of behavior through learning events, activities and programs which results in the participants achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively (Gordon 1992). Rowden (2002), suggest that training may also be an efficient tool for improving one's job satisfaction, as employee better performance leads to appreciation by the top management, hence employee feel more adjusted with his job. According to Rowden and Conine (2005), trained employees are more able to satisfy the customers and (Tsaielal; 2007) employees who learn as a result of training program shows a greater level of job satisfaction along with superior performance. Armstrong (1996) expressed an understanding of training by emphasizing that training should be developed and operated within an organization by appreciating learning theories and approaches if the training is to be well understood.

Sherman et al (1996), added that, the success of a training program will depend more on the organization's ability to identify their needs and care with which it prepares the program so that if the trainees do not learn what they are supposed to learn, the training has not been successful. They also indicated that training experts believe that if trainees do not learn, it is probably only because some important learning principle had been overlooked. This simply means that the progress or failure of a training program oftentimes related to the acknowledgment and practical application of some basic psychological principles of learning. In other words, it means that organizations might have done all the necessary planning to ensure a successful training program, where the wrong employee would have been selected for the training program.

### 2.1.2. Benefits of Training

The best way to answer the question why organizations should train people is to answer the question what will happen if they are not well trained. Training becomes important if there are deficiencies that should be addressed through training, or if there are changes in the organization which have to be put in place by having well trained employees. Training is required if there is a change in technology, working conditions, products, inadequate performance, and shortage of staff. Training has many advantages for the individual, the department and the organization because, it is expected to provide a skilled pool of human resources, improvement of existing skills, and increase in knowledge and experience of employees, improve employees' motivation, job performance, customer service, and personal growth and opportunity for career development. (Itika, 2011) The main purpose of training is to acquire and improve knowledge, skills and attitudes towards work related tasks. There are so many benefits associated with training. (Cole, 2002) Summarize these benefits as below:

- 1) **High Moral** – employees who receive training have increased confidence and motivations;
- 2) **Low cost of production** – training eliminates risks because trained personnel are able to make better and economic use of material and equipment thereby reducing and avoiding waste;
- 3) **Lower turnover** – training brings a sense of security at the workplace which in turn reduces labor turnover and absenteeism is avoided;
- 4) **Change management** – training helps to manage change by increasing the understanding and involvement of employees in the change process and also provide the skills and abilities needed to adjust to new situations;
- 5) **Provide recognition**, enhanced responsibility and the possibility of increased pay and promotion;
- 6) **Help to improve the availability and quality of staff.**

### 2.1.3. Types of Training

Dubois and Rothwell, (Dubois & Rothwell, 2004) in their book states that there are various types of training. These are:-

**Remedial Training:** helps people meet the basic screening or entry-level requirements for a job.

**Orientation Training:** – helps to socialize individuals into a corporate culture.

**Qualifying training:** - assists individuals with meeting basic performance expectations and thus increased their productivity.

**Second-chance training:** - is provided to those who may be transferred or terminated because they are not meeting organizational work standards.

**Cross Training:** - is for people who are trying to master new jobs or job skills. Retaining provides upgrading to keep skills current as technological or organizational conditions change.

**Outplacement training:** - prepares individuals for departure from an organization in the wake of retirement, or organizational staffing changes. There are also other types of training, namely:-

**Skill training:** - Focus on job knowledge and skill for: Instructing new hires, overcoming performance deficits of the workforce.

**Retraining:** - Maintaining worker knowledge and skill as job requirements change due to: Technological innovation and Organizational restructuring.

**Cross-Functional training:** - Training employees to perform a wider variety of tasks in order to gain. Flexibility in work scheduling, Improved coordination.

**Team Training:** - Training self-directed teams with regard to: Management skills, Coordination skills and cross-functional skills.

**Creativity Training:** - Using innovative learning techniques to enhance employee ability to spawn new ideas and new approaches.

**Literacy Training:** - Improving basic skills of the workforce such as mathematics, reading, writing, and effective employee behaviors such as punctuality, responsibility, cooperation, etc.

**Customer Service Training:** - Training to improve communication, better response to customer needs and ways to enhance customer satisfaction.

## **2.1.4. Methods 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).

### **I. On-the-job training Methods:**

According to Greer (2003) under these methods new or inexperienced employees learn through observing peers or managers performing the job and trying to imitate their behavior. These methods do not cost much and are less disruptive as employees are always on the job, training is given on the same machines and experience would be on already approved standards, and above all the trainee is learning while earning. Some of the commonly used methods are:

- 1. Coaching:** Coaching is a one-to-one training. It helps in quickly identifying the weak areas and tries to focus on them. It also offers the benefit of transferring theory learning to practice. The biggest problem is that it perpetuates the existing practices and styles (Dessler&Varkkey, 2010).
- 2. Mentoring:** The focus in this training is on the development of attitude. It is used for managerial employees. Mentoring is always done by a senior inside person. It is also one-to- one interaction, like coaching (Dessler&Varkkey, 2010).
- 3. Job Rotation:** In which an employee moves from job to job at planned interval to broaden their understanding of all parts of the business and to test their abilities (Dessler&Varkkey, 2010)
- 4. Apprenticeship:** Is a process by which people become skilled workers, usually through a combination of formal learning and long term on the job training (Dessler&Varkkey, 2010) 2.

### **II. Off-the-job Training Methods**

Off-the-job training methods are conducted in separate from the job environment, study material is supplied, there is full concentration on learning rather than performing, and there is freedom of expression (Geer, 2003).

## **Types or methods of off the Job**

### **training:-**

- 1. Classroom Lectures and Seminars:**Traditional forms of instruction revolve around formal lecture courses and seminars. These help individuals acquire knowledge and develop their conceptual and analytical abilities. Many Organizations offer these in-house, through outside vendors, or both. (Decenzo& Robbins, 2010)
- 2. Simulated training (Vestibule training):** is a method in which trainees learn on the actual or simulated equipment they will use on the job, but are actually trained off the job. It is necessary when it's too costly or dangerous to train employees' on the job. (Dessler&Varkkey, 2010).
- 3. Multimedia Learning:** can demonstrate technical skills not easily presented by other training methods. This may include videos and DVDs that may be offered online. (Decenzo& Robbins, 2010).

### **2.1.5.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 to improve the overall systems process.

### **Systematic Approach of Training**

Training should be systematic in that it is specifically designed, planned and implemented to meet defined needs. It is provided by people who knows how to train and the impact of training is carefully evaluated (Armstrong, 2006). As (Stredwick, 2005) points out, the model of training consists of a simple four Stages,

Stage 1. Assessing training needs

Stage 2. Planning the training

Stage 3. Carrying out the training

Stage 4. Evaluating the training

### **Non-Systematic Approach of Training**

Adamu (2008) argues that the traditional approach of training of staff in organizations is not a systematic one. Training follows a process and that process makes it systematic. But most of the time, human resource departments in most organizations ignore the process and conduct training in an ad-hoc and haphazard ways without training need analysis. (Olaniyan and Ojo, 2008). The following approaches are non-systematic but are sometimes used by HR Department to identify who attend training Olaniyan and Ojo (2008):

1. Administrative approach: This approach is based on establishment of budget and policies. Employees are sent on training based on the availability of funds.
2. Welfare approach: This approach is based on extraneous considerations whereby some organizations send employees on training with a view to improving their financial wellbeing or their skills to enable them secure employment elsewhere.
3. Political approach: This approach makes use of political powers. In this case loyalist and favorites of Managers and the likes are more likely to be sent on trainings. The Managers and those in power use their positions to secure training opportunities for those who are loyal to them over and above their colleagues who in most cases merit the training programs available.
4. Organizational development approach: This approach uses departmental training needs as consideration for selection.

### **2.1.6. Key Element or phase of Effective Training process**

The first element requires correctly designed and developed training. However, even though properly designed and developed to a defined set of job relevant criteria, if the recipients are already qualified to do the job, this training will not be effective, resulting in a waste of time and resources. The second element is addressed using a defined set of activities and methods to evaluate training delivery effectiveness. The third element is critical to help management allocate resources most effectively. This element addresses activities and methods that will ensure that training to be developed is needed and that it has resulted in improved performance. This section will address these two elements and methods and activities to determine whether training is the appropriate solution to improve performance.

According to Mathis and Jackson (2004), the systematic training process is made up of four phases namely, assessment, design, delivery and evaluation.

#### **1. Training needs assessment**

Training is designed to help the organization accomplish its objectives. Consequently, assessing organizational training needs represents the diagnostic phase of setting training objectives. The assessment phase considers employee and organizational performance issues to determine if training can help. When doing the training needs assessment, it is important to consider non-training factors such as compensations, organization structure, job design, and physical work

settings. Mathis and Jackson (2004) further note that organizational analyses, job analyses and individual analyses could be used to identify training needs.

After training needs have been identified using appropriate analyses, then training objectives and priorities must be established by identifying a skill gap or training need, which is the distance between where an organization is with its employee capabilities and where it needs to be. Training objectives and priorities are set to close the gap.

## **2. Training Design**

Once training objectives have been identified, the next stage is to develop the training design. Training must be designed to address the assessed needs. Effective training design considers learning concepts, legal issues, and different approaches to training.

## **3. Training Delivery**

After the development of the training design, then begins the actual delivery of training. It is generally recommended that the training be pilot-tested or conducted on a trial basis in order to ensure that the training meets the needs identified.

## **4. Evaluation of Training**

This stage compares the post-training results to the objectives expected by managers, trainers and trainees. Often times, training is conducted with little thought of measuring and evaluating it later to see how well it worked. Mathis and Jackson (2004) suggest that because training is both time-consuming and costly, it is imperative that there is evaluation after training.

### **2.1.7. Identification of Training Needs in an Organization**

The popular saying that ‘a problem identified is half solved’ suggests the need to enumerate the different ways of identifying employee training needs in an organization. Nielson (2010) opines that an overall organizational training needs assessment is a thorough examination of what is currently being trained, what knowledge, skill and abilities should be added presently and in future. Depending on the matter, assessment methods could vary (Nielson, 2010).

Nielson (2010) further notes that training needs could be identified in the following ways:

1. A felt or perceived need: This is an overall desire for improvement in a certain subject area.
2. Comparative needs: These are needs that are identified by comparing the training audience to a set of criteria.

3. Response to a failure of some type. This could be as a result of the organisation's inability to meet a set goal for a particular period.
4. Critical Incident needs: This need could occur because of a catastrophic failure such as a factory explosion.
5. The final needs: This is an anticipated need that will occur base on organizational changes, such as new products, new services etc.
6. If current training is not meeting its objective, there becomes a need to retrain.
7. When there is a gap in the job. This occurs when performance is below specification or standard.

### **2.1.8. Training Needs Assessment**

Training needs assessment methods differ from one organization to another. Depending on the goals, the timeline for the intervention, staffing and budget, but the most common needs assessment tool is a survey (written or online) (Nielson, 2010). Job analysis is another method of identifying training needs and this has to do with the comparison of job being performed with job descriptions or manager's description, or even expected output.

Other tools as enumerated by Nielson (2010) are:

- Competency identification; and
- Operational measurements.

### **2.1.9. Benefits of Training Needs Assessment**

CommLab (2013) highlighted the following as the importance of training needs assessment to organizations:

1. It explores ways in which the competency, capability and potential of organization can be enriched;
2. It enables organizations obtain better out outcomes with optimum utilization of resources;
3. It establishes relevance of training for employees as data obtained from the assessment reveals training requirements;
4. It aligns organizational goals with training;
5. It enlists standards that need to be followed for ideal competency levels;

6. It helps to work on areas in which employees need skills development; and
7. It identifies the list of skills or knowledge that employees need in order to achieve organizational goals.

#### **2.1.10. Training Design and Organizational Performance**

It is very necessary for the organization to design training in a very careful manner (Armstrong, 2000). The design of the training should be according to the needs of the employees (Khan, Khan and Khan, 2011). Those organizations which develop a good training design according to the need of the employees as well as the organization always get good results (Partlow, 1996). Effective training design considers learning concepts, legal issues, and different approaches to training (Mathis and Jackson, 2000:225). Training design plays a very crucial role in the employee as well as organizational performance. A bad training design is nothing but the loss of time and money (Tsaur and Lin, 2004).

Mathis and Jackson (2000) assert that there are three primary considerations when designing training. They are (1) determining learner's readiness, (2) understanding different learning styles, and (3) designing training for transfer. For training to be successful and capable of influencing organizational performance, the trainees must have the basic skills necessary for learning, the motivation to learn and possess self-efficacy.

Since the objective of training is to assist learners acquire the behavior necessary for effective work performance, it is therefore imperative that a clear understanding of the ways in which learning theories are applied when designing training programs are explained.

Flippo (1984) opines that the more highly motivated the trainee, the more quickly and thoroughly a new skill or knowledge is learned. People learn if they accept the need for training and commit to it. For instance, if their motivation is weak and they doubt their ability to learn; no matter how well their training is designed and implemented, its effectiveness will be limited. This is to say that training must be related to something which the trainee desires. The drive could be the need which the trainee feels that training will help him or her solve. For example, job promotion, recognition, and so on (Bryan, 1990). The second requirement is cue. Through training the learner recognizes relevant cues and associates them with desired responses. The third is response. Training should be immediately followed with positive reinforcement to enable the learner feel the response. If reinforcement is not timely, positive and consistent; then

there is every tendency that it will not produce the desired result. Feedback is another important requirement. The information the learner receives indicating the quality of his response is the feedback. It should be made available as quickly as possible to ensure possible effective learning. Although, these learning principles are good, the author, nevertheless, failed to discuss its practicability, where the learner actively participates in using the skills and knowledge acquired and did not mention that the level of aptitude and intelligence of individuals are different and that could affect the methods of training (Bryan, 1990).

#### **2.1.11. Implication of Training Delivery Style on Employees Performance**

Training delivery style is a very important part of training (Carlos, 1995). Employees are very conscious about the delivery style (Armstrong, 2000)). Thus, if someone is not delivering the training in an impressive style and not capturing the attention of the audience, it means the trainer is wasting the time (Mark and Andrew, 2000). Therefore, it becomes imperative for a trainer to engage its audience during the training session (Phillip and Eves, 2005). Delivery style means so much in the training because it is what goes into making the change expected in the trainee. The HR Department must ensure that no matter the type of method used, it must be able to catch the trainees' interests.

Once training has been designed, then the actual delivery of training can begin. The general recommendation is that training be pilot-tested or conducted on a trial basis in order to ensure that the training meets the needs identified and that the design is appropriate (Mathis and Jackson, 2004).

#### **2.1.12. 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.

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 (FakharUIAfaq, Anwar Khan, 2008).

There are several 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. It is expressed as the ratio of gross profit to sales or return on capital employed (Wood & Stangster 2002). 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 (Stoner 1996). (Aidan, 2013).

## **2.2. Empirical Review**

Empirical findings are one of the important components of literature review in the research study of any type. This type of literature contributes 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 get insight into what and how to assume the investigation he/she stands for.

Khan et al (2011) conduct a study on, impact of training on organizational performance. The focus of the study was to understand the effect of training, 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 design and delivery style have significant effect on organizational performance, and all these have positively affected the organizational performance.

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.

Generally, several other researchers also conduct a study regarding training and its effect on employees and organizational performance 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. 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). 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 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. (Khan et.al. 2011).



### **2.2.1. Relationship between Training and Employee performance**

It is 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. Myles (2000) states that a company that seeks to train and develop its employees well and reward them for their performance has its employees in turn motivated and thus are more likely to be engaged in their work hence improving performance and loyalty to their company. These same employees, being the point of contact with customers will provide better service, leading to more business and more referrals from the satisfied customers. The increase in sales through referrals and repeat businesses will translate into an increase in business profits thus improving shareholders' investment. The shareholders are therefore benefiting from increased returns on their investment in the business.

Learner (1986), to further illustrate this reciprocal relationship, conducted an eleven year study and found that organizations with cultures that emphasized training and ethical values in every area with regards to employees, customers and stakeholders, as well as leadership from managers, outperformed companies that did not have this cultural characteristics by a huge margin. According to Noe (2001), organizations that embrace training practices can retain customers, suppliers, employees, stakeholders, and shareholders in the long run as they are deemed more trustworthy and better custodians of the interests of the various stakeholders. This translates into better financial performance of the business.

### **2.2.2. Role of Training in Insurance Sector**

We know this fact very well that Insurance comes under the broader services sector. Services sector is such that where people involvement is at the maximum. Customers interact with the

employees and the first impression of the Insurance is built during this interaction. So, this is the reason for which Guest (1997, as cited in Glaveli&Karassavidou, 2011) declared people to be the most vital factor contributing to the organizational productivity, sustainability, and image building. People are, without any suspicion, an organization's ultimate strengthening asset. Customers undergo a complicated experience in gaining a service that involves both the mental and physical interaction (Haynes & Fryer, 2000) with the service providers i.e. the employees. These facts lead us to conclude that employees must be skilled enough to provide the delighting services to the customers that least chances remain there for customer switching or customer dissatisfaction. Skills are obviously injected into the workforce through some systematic process of competency training. Banks and Insurance Company focus in their strategy building and philosophy that how and when to train their employees. They plan out that what training methods to be used at the various levels of the organizational workforce.

### **2.2.3.Effects of Employee Training on Employee Motivation vis-à-vis Organizational Performance**

Stoner, Freeman and Gilbert (2007) affirm that “managers and management researchers have long believed that organizational goals are unattainable without the enduring commitment of members of the organization”. There will be no improvement on employees' performance without employees being motivated to perform.

Several authors have given many definitions to motivation. However, a general understanding from the various definitions of Motivation is that motivation is what causes one to act (Stoner, Freeman and Gilbert, 2007, p.468). It is the process that guides and maintains goal-oriented behaviour. Motivation is a human psychological characteristic that contributes to a person's degree of commitment. Eisenbower defined “Motivation as the art of getting people to do what you want them to do because they want to do it” (Brany Quote).

Training is an excellent source of motivation. When an organization sends an employee for training, obviously, that employee will be motivated to perform. Advance Team Concepts, a training firm based in the USA opine that trained employees have a greater capacity to be empowered and perform with excellence, which also motivates them since it builds their sense of ownership, confidence and willingness.

No matter the size of an organization, having a team of motivated, hard-working employee is crucial to business success. Similarly, when people lose their motivation, their productivity

suffers. They become less productive, less creative, less of an asset to the organization (AllBusiness.com).

Training has always been seen as a positive impact in every organization. Employee training increases employee motivation to perform which in-turn increases organizational performance. Looking back to the original experiment by Elton Mayo in Chicago from 1927 - 1932, the mere fact that an organization has paid attention to people (employee) spurs them to better job performance. For instance, suppose a management trainee has been given specialized training in skills show that such employee is valued in the organization. The feeling that he/she is on track to the top will motivate him/her to work harder and better (www.accel-team.com).

From the argument thus far, training has an important role in motivating employee to increased performance. Besides, employees need to be constantly motivated to ensure that there is no shortfall in productivity.

### **2.3. Conceptual Framework of the Study**

Training has been defined differently by different authors. It is “a systematic acquisition and development of the knowledge, skills, and attitudes required by employees to adequately perform a task or job or to improve performance in the job environment” (Tharenou, Saks and Moore, 2007:252). Another concept opines that training primarily focuses on teaching organizational members on how to perform their current jobs and helping them acquire the knowledge and skills they need to be effective performers (Jones, George and Hill, 2000). Other scholars view training as, “a planned process to modify attitude, knowledge or skill behaviour through learning experience to achieve effective performance in any activity or range of activities”(Beardwell and Holden, 2001:324). Its purpose is to develop the abilities of the individual and to satisfy the current and future needs of the organization.

These definitions did not consider the dynamic and changing nature of the environment in which organizations operate (Okanya, 2008). It also implies that training automatically translates to employees performance. Skills needed by employees are continuously changing; besides, the ever changing improvement on information and technology makes knowledge and skills obsolete in a short while. This implies that employees should align their needs to that of the organization's requirements and their own long term development and the Human Resources Department should

consider the current and future needs of the organization when planning for employee training (Holden, 2001).

These divergent views notwithstanding, all the scholars seem to point to one fact that the training aims at improving employee's performance.

Depending on the previously assessed related literatures, the researcher has selected the under explained factors as measurement scales for the study under investigation about the effect of Training process on Employee Performance in the case of Nile Insurance Company S.Co particularly in Addis Ababa Head office.

**Independent Variable**

Training Need Assessment (TNA)

Training Design (TD)

Training Implementation (TI)

Training Evaluation (TEV)

**Dependent Variable**

Employee Performance (EP)



**Figure 2.1 conceptual frame work**

Source: - Compiled by the researcher from above literature(Okanya, 2008).

## **2.4. Hypothesis**

In order to evaluate the effect of training process on employee's performance, a case study in Nile insurance Company had been taken. The following hypotheses had been developed:-

### **Dependent variable:**

#### **Employee performance**

Performance, the main criteria of measuring success, could be defined as quite a wide concept that evaluates the ability to achieve the organization's targets successfully. Performance can be evaluated with qualitative criteria such as job satisfaction, organizational Commitment, perception of justice and quantitative criteria such as profitability, investment return ratio, sales growth in the studies (Dawit, 2017). Hence, the study used operational performance measurement based on Paul (2015) and Omar & Stephen (2018) empirical evidences.

### **Independent Variables:**

#### **Training Needs Assessment**

**H<sub>1</sub>: Training Need Assessment has significant and positive effect on Employee performance.**

Training Needs Assessment is the process of gathering data to determine what training needs employee have so that training can be developed to improve the effectiveness of employees and thereby help the organization meet its business objectives (Brown, 2002). Thus, the study hypothesized Training Needs Assessment has significant and positive effect on Employee performance.

#### **Training Design**

**H<sub>2</sub>: Training Design has significant and positive effect on Employee performance.**

Employee training designs often substantially improve employee performance, productivity and skills, and they can also help build your team's confidence and overall morale. According to (Gusdorf, 2009), training design begins with the decisions made in the needs analysis process and ends with a model for the training program. Thus, the study hypothesized Training Design has significant effect on Employee performance.

### **Training Implementation/Delivery**

**H<sub>3</sub>: Training Implementation/Delivery has significant and positive effect on Employee performance.**

Organizations can use many different types of training and delivery methods to engage their employees. The training methods depend on the resources available for employee training, the type of company and the emphasis that company places on training. Studies have shown that when effective training takes place, a company not only decreases its turnover rate, but employees also perform better in their roles (RasoolSomji, 2018). Thus, the study hypothesized Training Delivery has significant effect on Employee performance.

### **Training Evaluation**

**H<sub>4</sub>: Training Evaluation has significant and positive effect on Employee performance.**

Evaluation of training compares the post training results to the retraining objectives of managers, trainers, and trainees. Too often, training is conducted with a little thought of measuring and evaluating it later to see how well it worked (Mathis and Jackson, 2011). Thus, the study hypothesized Training Evaluation has significant effect on Employee performance.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter focuses on the research design and methodology applied in this research. The research population and sample, as well as the research method were explained under this chapter. The research tools utilized in this research was discussed. Generally, this part deals with the research methodology; sources of data, sample size and sampling techniques, instrument and procedure of data collection, and methods of data analysis that were employed to analyze the gathered data.

#### **3.1. Research Approach**

In this research both qualitative and Quantitative methods involve the processes of collecting, analyzing, interpreting, and writing the results of a study. Quantitative approach was applied by sending questioners to the employee and helps researchers to test relationships between variables and to present numerically. And, qualitative approach was also used for answers collected from interview, opinion and observations. In this research the questioners was developed using nominal scale and interval scale ( i.e. likert scale) present and interpret data analyzed numerically.

#### **3.2. Research Design**

Most writers write exclusively on research methodology. The underlining factor in most studies that the selection of methodologies is based on the research problem and stated research questions. Unlike theories, methodology cannot be true or false; only more or less useful. As the study mainly focused on describing and assessing the training practices at Nile insurance company; explanatory research design was applied.

### 3.3. Population of the Study

The research population was Nile Insurance Company employees found at head office. Currently there are One hundred Sixty (160) employees at Head Office.

(Source, Nile Insurance Company Human Resource Department, October 2021).

### 3.4. Sample size Determination

For this study purpose, the researcher was used simplified formula of Taro Yemane (1967) sample size determination that helps to calculate sample size.

Taro Yamane's formula for sample size determination stated that a simplified formula to calculate

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

Where: N= Total population

n= Sample size

e= Acceptable error, 5% sampling error i.e. 95% confidence level.

The sample size calculated by:

$$n = \frac{160}{1 + 160(0.05)^2}$$

= 114. Hence out of the total population of 160 employees of head office a sample size of 114 will be used as sample representative.

### 3.5. Sampling Method

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample (Kothari, 2004). For this study purpose the researcher was used stratified random sampling method.

The researcher used stratified sampling design technique which helps to draw sample representative from population of the study that does not constitute homogeneous group based on their departments. Stratum will be formed using departments. To determine sample size from



each stratum researcher were followed proportional allocation techniques. And after allocating the sample size of each stratum researcher draw items using simple random sampling.

**Table 3.1 Table which shows sample size from each stratum**

Division	Population from each strata (Ni)	Proportion of population in strata (Pi)= Ni/N	Sample size from each strata (ni) = n*pi (n= 114)
Human Resource Management	30	30/160 = 0.187	21
Marketing and Branch Operation	7	7/160=0.04	5
Finance and Investment	20	20/160=0.125	14
Information Technology	4	4/160=0.025	3
Internal Audit	8	8/160=0.05	6
Legal	15	15/160=0.09	11
Clint Management	40	40/160=0.25	29
Planning and Evaluation	2	2/160=0.0125	1
Risk Management	2	2/160=0.125	1
Re-Insurance	2	2/160=0.0125	1
Engineering	12	12/160=0.075	9
Project	4	4/160=0.025	3
Recovery Unit	14	14/160=0.0875	10
<b>Total</b>	<b>160</b>	<b>100%</b>	<b>114</b>

**Source:** Own Survey, Nile Insurance Company S.C, HR Report October 2021

To collect relevant data, 114 questionnaires distributed to employees selected as representative from the population of the study. The researcher collected 90 properly filled questionnaires in which the response rate is 78.94 percent and the remaining missed questionnaires were incomplete

### **3.6. Source of data and collection Technique**

The researcher used both primary and secondary source of data to achieve objective of the study. The researcher used stratified sampling design technique. Primary data is important for all areas of research because it is undistorted information about the result of an experiment or observation. As it were, it is unique examination information in its basic structure without any dissection or handling. Secondary data is data which have already been collected and analyzed by someone else. The researcher used secondary data because it helps to enrich primary data collected for the study purpose.

Primary data collected from Nile Insurance Company employees that were selected as a representative. The study applied a well-designed Five-point Likert scale questions to gather primary information, this was completed by sample representatives. Because questionnaire method of data collection is important to collect big enquires, low cost, respondents have adequate time to respond, respondents who are not easily approachable can also be reached carefully and large samples can be made use of and thus the results can be made more dependable and reliable. Besides to that, structured interview questions was developed and conducted with Training section team to enrich data collected using questionnaire from sample representative.

### **3.7. Methods of data Analysis**

The questionnaires distributed, collected, coded and analyzed using the statistical package for social science (SPSS 20). The data are analyzed using both descriptive and inferential statistics. Descriptive analysis includes frequency of distribution (to interpret demographic variables of respondents) and means (to find the mean sores of performance) and inferential analysis was sued for hypothesis testing that include correlations and regression.

To examine the relationship between Employee performance and independent variables, Pearson correlation is used. Multiple Regression analysis is used to test hypotheses and identify the significant factors of Employee's performance. Multiple regression analysis is used to examine the relationship between the four independent variables and one dependent variable.

### 3.8. Validity and Reliability

Test of Validity and reliability are discussed as follows

#### 3.8.1. Validity

Validity is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Numbers of different steps are taken to ensure the validity of the study:

- Data is collected from the reliable sources that are employees and who had experience and working at Nile Insurance Company S.C particularly in Head Office.
  - Survey question are made based on literature review and frame of reference to ensure result validity.

#### 3.8.2. Reliability Test

Reliability is the degree to which the measure of a construct is consistent or dependable (Bhattacharjeend, 2012). Measurement reliability of a scale may be obtained by one of the following methods: test-retest, alternative forms and internal consistency. To measure internal consistence cronbach's alpha is the most widely used measure to assess the reliability. In this study Cronbach's coefficient alpha will be executed.

Alpha coefficient ranges in value from 0 to 1. The higher the score, the more internally reliable the generated scale is Cronbach's coefficient alpha value over 0.7 is believed to be acceptable reliability coefficient (Pallant, 2005).

**Table 3.2. Cronbach Alpha Coefficient for each item**

#### Item-Total Statistics

	Scale Mean if Item Deleted	Cronbach's Alpha if Item Deleted
TNA	19.0481	.819
TD	18.7259	.802
TI	19.6111	.849
TEV	19.0222	.727
EP	18.8259	.710

Source: Own Survey, computed in SPSS, 2022

The above table illustrates that the values of Cronbach's alpha for each of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's alpha ranged between 0.710 and 0.849 which is highly acceptable according to Malhotra, et.al. (2007). In addition to this the overall reliability statics for five items is 0.809. Hence, based on the above reliability statistics, it is above the minimum required threshold and showed that the high reliability of the questionnaire.

### **3.9. Ethical Consideration**

In order to keep the confidentiality of the data to be given by respondents, the respondent are not be require to write their name and assure the anonymity and confidentiality of their response. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, the researcher did to avoid misleading or deceptive statements in the questionnaire and the questionnaires are handed out up on their consent only.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

#### **4.1.INTRODUCTION**

This chapter presents the discussion of data analysis and interpretation. During the study, questionnaires and interview were conducted to collect the necessary data. The data collected from employees using the questionnaire distributed is presented using tables. The respondent's characteristics such as gender, age, education level, and service year and employee response on questions related to the effect of training on employee performance was presented.

The results and analysis of the findings contains three sections. The first section presented descriptive and correlation analysis on variables of the study; the second section presented fulfillment of the assumptions; the third section laid down the results of regression analysis that constitute the main findings of this study.

The primary focus of the study was on the effect of Training on Employee performance in case of Nile Insurance Company S.C particularly in Head Office. Therefore, this chapter presents the analysis of responses that were received via questionnaires distributed to selected 114 employees. The researcher was able to get back ninety (90) out of 114 questionnaires administered which gives 78.95% response rate. This was done in order to obtain a larger response rate. At the end, all the returned questionnaires were successfully processed for the analysis.

Hence, in this chapter, the data collected from respondents were analyzed and interpreted using quantitative analysis which involves analysis of the demographical information of respondents and the descriptive as well as inferential statistics employed to test the hypothesis and to investigate the influence of independent variables on the dependent variable. A total of 114 questionnaires were personally handed to the respondents with close follow up and guidance in filling the questioners. All respondents completed the questionnaires in suitable form. Several questions were asked related about the effect of Training on Employee performance in case of Nile Insurance Company S.C particularly in Head Office. The study used four independent variables to measure Employee performance i.e., Training Need Assessment, Training Design,

Training Implementation, and Training Evaluation as independent variables; and Employee performance as dependent variable.

A multiple regression modeling approach was proposed as an effective method for studying the relationships. The result of this multiple regression model is analyzed and discussed in this chapter. The statistical analysis of this study was done by SPSS software, version 20. And the results of the study were shown in descriptive and inferential section. In descriptive section, tables and statistics were including where as in inferential section and the result of multiple liner regression was also analyzed.

#### 4.2. Response rate

**Table 4.1: Response Rate of Distributed Questioners**

Categories	Target Respondents	Responses No.	Response Rate
<b>Sex of Respondents:</b>			
Male	73	58	64.4%
Female	41	32	35.6%
<b>Age of Respondents:</b>			
21-30	38	30	33.3%
31-40	54	43	47.8%
41-50	18	14	15.6%
51-60	4	3	3.3%
<b>Education level of Respondents:</b>			
Certificate/Diploma	11	9	10%
First Degree(BA/BSC)	76	60	66.7%
Second Degree (MA/MSc)	27	21	23.3%
<b>Service Year within the organization:</b>			
1-5	49	39	43.3%
6-10	45	35	38.9%
11-15	20	16	17.8%
>16	-	-	-

**Source:** Own Survey Data, 2022

As shown in the above Table 4.1, Employee gender composition shows that from the total questioners distributed, 58 of the response are male and 32 of them are female; who were filed and returned the questioners. This shows that 64.4% of them are male whereas 32 (35.6%) of the respondents are females. From the data we understand that gender composition of our respondent as well as Nile insurance Company male to female segregate data and gender may have own effect on training practice.

The age composition of employees who filed and returned the questioners in the study shows that 30 employees 33.3% found between 21-30 whereas 43 (47.8%) found between 31-40, around 14 employees (15.6%) found between 41-50 age range and the remaining percentage belongs to 50 and above age group. Form this data we understand that most of Nile Insurance Company employee is productive age group and age has own effect on training of employee's readiness, acceptable and implement quickly after they took training related to their jobs.

Regarding qualification 23.3% of the response had second degree, 66.7% were first degree holder and the remaining 10% is diploma and certificate holder. From this data we understand that there is qualified manpower in Nile Insurance Company, and they understand the importance of training in relation to their performance.

Regarding respondent service year within the organization the largest portions 39 (43.3 %) of the response has 1-5 service years' experience. Also, the next largest response number 35 (38.9 %) have 6 to 10 years of service. In addition, the remaining 16 (17.8 %) of the response served the organization for 11-15 years. Therefore, based on their service year data we can conclude that employees were familiar with training practice of their organization.

### **4.3. Demographic Profile of Respondents**

The questionnaire included a segment on employee's profile, as an assortment of demographic and other factors which likely to influence the training practices on employee's performance. The demographic profile of the respondents is described in below table

**Table 4.2 Demographic Profile for Selected Employees**

<b>Educational Status</b>		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Certificate or College Diploma	9	10.0	10.0	10.0
	Degree	60	66.7	66.7	76.7
	Master's Degree	21	23.3	23.3	100.0
	Total	90	100.0	100.0	
<b>Age</b>					
Valid	20-30 Years	30	33.3	33.3	33.3
	31-40 Years	43	47.8	47.8	81.1
	41-50 Years	14	15.6	15.6	96.7
	51 and above Years	3	3.3	3.3	100.0
	Total	90	100.0	100.0	
<b>Gender</b>					
Valid	Male	58	64.4	64.4	64.4
	Female	32	35.6	35.6	100.0
	Total	90	100.0	100.0	
<b>Service Years</b>					
	1-5 Years	39	43.3	43.3	43.3
	6-10 Years	35	38.9	38.9	82.2
Valid	11-15 Years	16	17.8	17.8	100.0
	Total	90	100.0	100.0	

Source: Own Survey, Computed in SPSS, 2022

As shown from the above table, the gender distribution which covers 35.6% for female and



64.4% for male. Related to the educational level of the respondents, the respondents were Certificate or College Diploma, Degree and Master’s Degree holders which cover 10%, 66.7% and 23.3% respectively from the total sample responses under consideration.

In line with employee experiences, employees have worked 1-5 years which covers 43.3%, next to this employee who worked 6-10 years covers 38.9%, and employee who worked 11-15 years covers 17.8%. In short, from the above demographic data, males have more coverage than females and most the respondents are degree holders than masters’ degree and diploma holders. Besides, most of respondents are found in junior positions than others and also most of them they have worked one up to five years as compare to other employee’s years of experiences.

#### 4.4. Analysis of Collected Data

##### 4.4.1. Descriptive Analysis Mean and Standard Deviations

Descriptive statistics (mean and standard deviations) of the respondents’ scores were computed and analysis has been done by comparing these mean scores and standard deviations among respondents. The reason for using descriptive statistics is to compare the effect of Training practices on Employee performance in case of Nile Insurance Company S.C by using means and standard deviations values.

**Table 4.3 Mean and Standard Deviations**

	N	Mean	Std. Deviation
	Statistic	Statistic	Statistic
EP	90	3.9741	.45791
TNA	90	3.7519	.44007
TD	90	4.0741	.45463
TI	90	3.1889	.36736
TEV	90	3.7778	.50620

Source: Own Survey, Computed in SPSS, 2022

As shown in table 4.3, the standard deviation 0.45791 indicates that there was moderate variability on Employee performance in the data. The table also suggests that all employee performance determinant rated as above satisfactory. As far as the mean values are concerned, out of the determinant Training Need Assessment (mean of 3.7519), Training Design (mean of 4.0741), Training Implementation (mean of 3.1889) and Training Evaluation (mean of 3.7778) have relatively major roles on Employee performance. As the above table depicted, all explanatory variables play a fundamental role for Employee performance in selected samples.

#### **4.4.2. Inferential Analysis**

Like the descriptive statistical methods, i.e. demographic and other related factors, the scale typed questionnaire has been entered to the SPSS software version 20 and inferential statistics methods such as: simple correlation and multiple regression methods has been employed to test the hypothesis.

##### **4.4.2.1. Correlation Analysis**

Pearson correlation test was conducted to know the degree of relationship between the independent variables i.e. Training Need Assessment, Training Design, Training Implementation, and Training Evaluation; and dependent variable i.e. Employee performance. Based on the questionnaires which were filled by the employees and the results of correlation analysis between these variables are shown in table below.

**Table 4.4 Correlation Analysis**

		EP	TNA	TD	TI	TEV
EP	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	90				
TNA	Pearson Correlation	.485 **	1			
	Sig. (2-tailed)	.000				
	N	90	90			
TD	Pearson Correlation	.504 **	.130	1		
	Sig. (2-tailed)	.000	.221			
	N	90	90	90		
TI	Pearson Correlation	.133	.100	-.010	1	
	Sig. (2-tailed)	.000	.348	.926		
	N	90	90	90	90	
TEV	Pearson Correlation	.756 **	.338 **	.508 **	.178	1
	Sig. (2-tailed)	.000	.001	.000	.093	
	N	90	90	90	90	90

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

Source: Own Survey, Computed in SPSS, 2022

As the results shown in Table 4.4, the independent variables (Training Need Assessment, Training Design, Training Implementation, and Training Evaluation) are significantly and positively correlated with the dependent variable: Training Need Assessment (Pearson Correlation = 0.485,  $p < .001$ ), Training Design (Pearson Correlation = 0.504,  $p < .001$ ), Training Implementation (Pearson Correlation = 0.133,  $p < .001$ ) and Training Evaluation (Pearson

Correlation = 0.756,  $p < .001$ ). The results of correlation analysis shows positively and significantly correlated with the dependent variable i.e. Employee performance at 99 percent confidence level ( $P < 0.01$ ). The finding on table 4.4 above further indicates that the highest significant relationship is found between Training Evaluation and employee performance (Pearson Correlation = 0.756,  $p < .001$ ), however the lowest statistically significant relationship is found between Training Implementation and Employee performance (Pearson Correlation = 0.133,  $P < 0.01$ ).

#### **4.4.2.2. Regressions Analysis**

##### **Assumptions of Testing in Regressions analysis**

The basic assumptions should be satisfied in order to maintain data validity and robustness of the regressed result of the research under the multiple regression models. Hence, this study has conducted the assumption tests such as, multi-Collinearity, linearity, homoscedasticity and normality.

##### **Multi Collinearity**

Multi Collinearity is checked using correlations between the variables in the model. Independent variables show at least some relationship with dependent variable. In this case all of the scales (Training Need Assessment, Training Design, Training Implementation, and Training Evaluation) with Employee performance correlate substantially (0.485, 0.504, 0.133 and 0.756) respectively. As it can be seen from the table, these requirements are validated and there is no issue of Multi Collinearity. Collinearity diagnostics on the variables as part of the multiple regression procedure is done using tolerance and variance inflation factor (VIF). If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity (Pallant, 2010) furthermore, the other value given is the VIF, which is just the inverse of the tolerance value (1 divided by tolerance). According to Pallant (2010), VIF values above 10 would be a concern, indicating multi Collinearity.

**Table 4.5 Multi Collinearity Diagnosis**

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
TNA	.873	1.145
TD	.716	1.397
TI	.950	1.053
TEV	.340	2.940

Source: Own Survey, Computed in SPSS, 2022

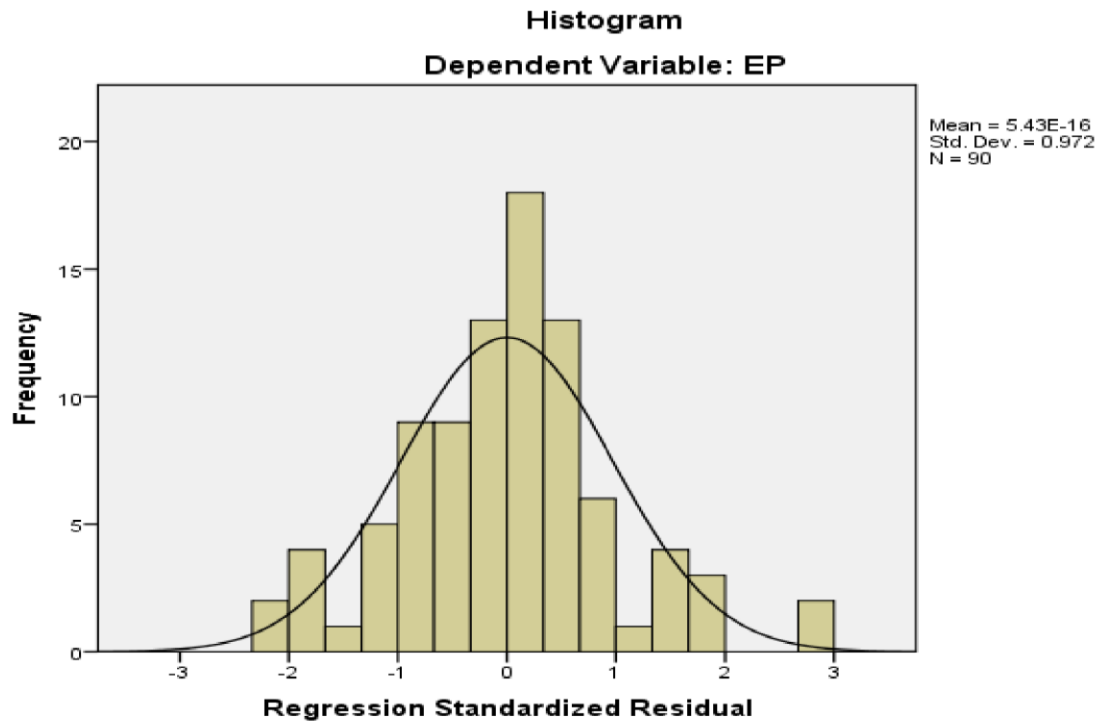
The result shows that the tolerance value for each independent variable is (0.873, 0.716, 0.950 and 0.340) respectively which are not less than 0.10; therefore, multi Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.145, 1.397, 1.053 and 2.940 which is well below the cut-off 10 as shown in the coefficient table.

**Normality, linearity of residuals:** one of the ways that these assumptions can be checked is by inspecting the residuals scatter plot and the normal probability plots of the regression standardized residuals that were requested as part of the analysis. These are presented in normal P-P Plots of regression standardized residuals graph. In normal probability plots the points will lie in reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The finding from normal P-Plot reveals no violation of normality assumptions.

### **Test of Normality**

The study used both methods of assessing normality; graphically using Normal Probability Plot (P-P) graph and using Skewness and Kurtosis numerically. Figure 4.1 depicted that the scores are normally distributed.

**Figure 4.1: Frequency Distribution of Standardized Residual**



Source: Own Survey, Computed in SPSS, 2022

### **Kurtosis and Skewness**

As Field (2009) and Garson (2012) noted, many statistical procedures assumed that the sampling distribution is normally distributed and so, if the sample data are approximately normal then the sampling distribution will be also. In this regard, it is useful to test for normality of the sample data. Therefore, it was checked for the data to see if they are normally distributed through quantify aspects of a distribution (i.e. skewness and kurtosis) and presented as follows.

**Table 4.6. Kurtosis and Skewness**

**Descriptive Statistics**

	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Std. Error
EP	-.253	.254	-.379	.503
TNA	-.367	.254	-.513	.503
TD	-.142	.254	-.253	.503
TI	.213	.254	-.406	.503
TEV	-.553	.254	1.075	.503

Source: Own Survey, Computed in SPSS, 2022

According to Garson (2012), as a rule of thumb, for normality skew should be within the +2 to -2 range, when the data are normally distributed. Some statisticians also prescribe +1 to -1 as a more stringent criterion when normality is critical. In this regard, as shown in the above table, the skew value is perfectly fit within the limit and ranges between -0.553 and 0.213. Thus, in this research, is said to be normally distributed.

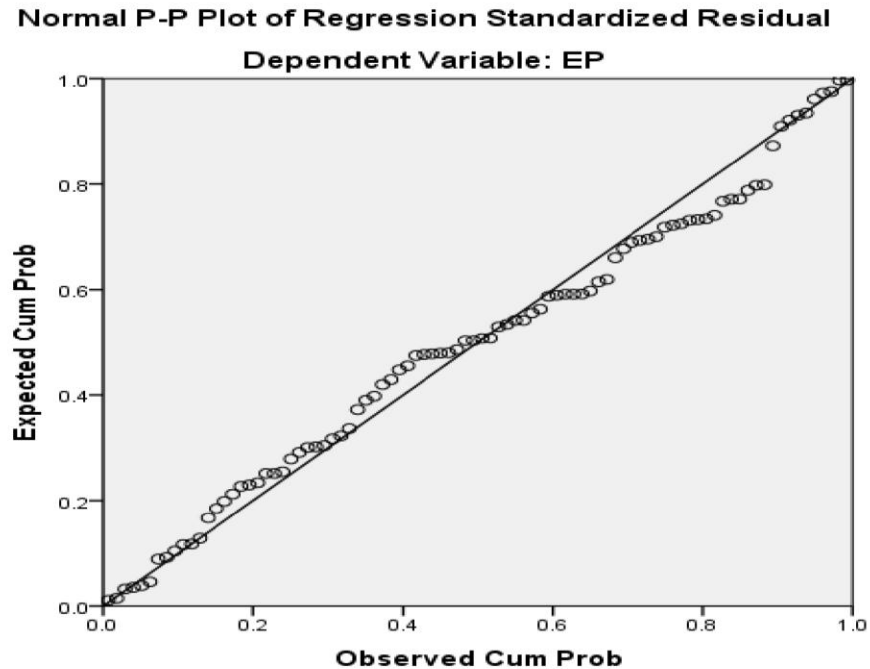
Furthermore, as Garson (2012) suggests, kurtosis should be within the +2 to -2 range when the data are normally distributed, while some statisticians prescribe +1 to -1 as a more stringent criterion when normality is critical. Taking both options in to consideration, when we look at table 4.6, the kurtosis value is perfectly fit within the limit and ranges between -0.513 and 1.075. Therefore, it can be explained that, abnormality of the data distribution cannot be a problem for this study.

**Test of linearity**

In the Normal Probability Plot it will be hoped that points reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The study applied Normal P-PPlot of regression Standardized Residual (See Figure 4.2) to test linearity. Since the points were symmetrically distributed around diagonal line, linearity pattern was

observed. Hence, the straight line relationship between the residuals and the predicted dependent variable scores depicted that linearity was achieved.

**Figure 4.2: Normal Point Plot of Standardized Residual**



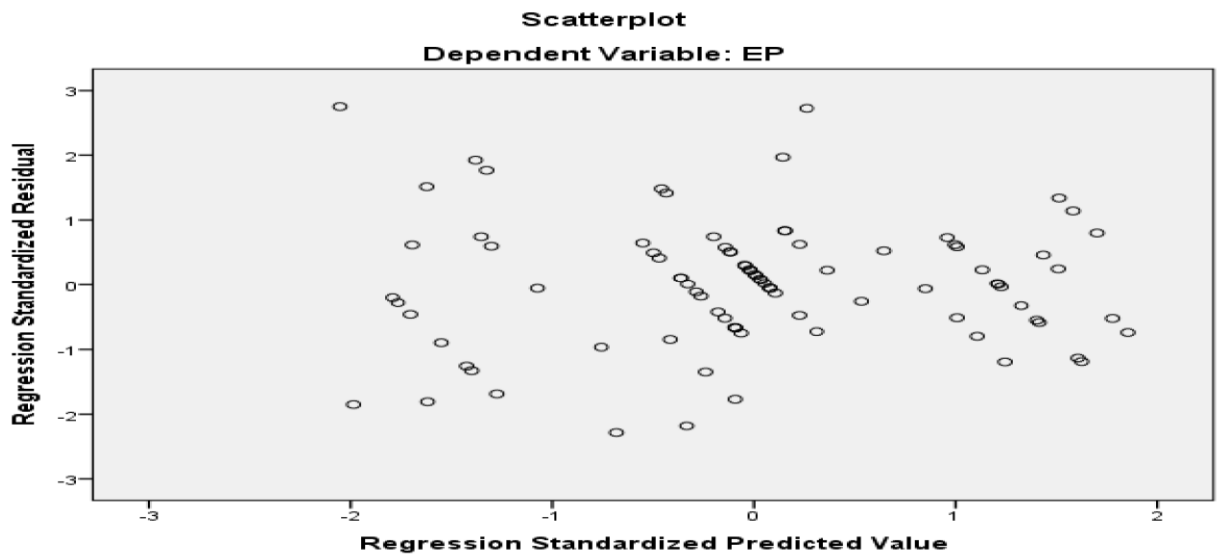
Source: Own Survey, Computed in SPSS, 2022

### **Homoscedasticity**

Homoscedasticity is the extent to which the data values for the dependent and independent variables have equal variances, as Saunders, et al. (2009) noted. Based on the explanation by Field (2009), at each level of the predictor variables, the variance of the residual terms should be Constant which means the residuals at each level of the predictors should have the same variance, therefore checking for this assumption is helpful for the goodness of the regression model. Field (2009) suggested that it should plot the standardized residuals, or errors (ZRESID) on the X axis and the standardized predicted values of the dependent variable based on the model (ZPRED) on the Y axis to get the homoscedasticity result.



**Figure 4.3: Scatter Plot of Standardized Residual**



Source: Own Survey, Computed in SPSS, 2022

According to Garson (2012), homoscedasticity help as to check for the relationship under investigation is the same for the entire range of the dependent variable and lack of homoscedasticity is shown by higher errors (residuals) for some portions of the range, which can be seen on the scatter plot. In this regard, as Field (2009) describes, the graph of \*ZRESID and \*ZPRED should look like a random array of dots evenly dispersed around zero, if the assumption of homoscedasticity has to be met.

Likewise, as shown in the above figure, the points are randomly and evenly dispersed throughout the plot and there are no obvious outliers on this cloud of dots which are spaced around zero. Therefore, it can be conclude that the assumptions of random errors and homoscedasticity have been met.

**Regressions Results**  
**ANOVA Test**

**Table 4.7 ANOVA**

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.742	5	3.348	146.550	.000 <sup>b</sup>
	Residual	1.919	84	.023		
	Total	18.662	89			

a. Dependent Variable: EP

b. Predictors: (Constant) TNA, TD, TI, TEV,

Source: Own Survey, Computed in SPSS, 2022

The significant level in ANOVA table shows that the combination of variables significantly predicts the dependent variable. ANOVA that tests whether the model is significantly better at predicting the outcome than using the mean as a best guess; specifically, the F-ratio represents the ratio of the improvements in prediction that results from fitting the model, relative to the inaccuracy that still exists in the model.

For these data, F is 146.550, which is significant at  $p < 0.001$ . This result tells us there is less than 0.1% chance that an F-ratio is larger would happen by chance alone. Therefore, it can be said that the regression model results in significantly better prediction of Employee performance.

## Model Summary

**Table 4.8 Model Summary**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.947 <sub>a</sub>	.897	.891	.15116	.897	146.550	5	84	.000	1.975

Source: Own Survey, Computed in SPSS, 2022

The Durbin-Watson number shows 1.975 which is approach to 2; so that it indicates that there is no autocorrelation problem. Overall, the given table revealed that all independent variables accounted for about 94.7% of the contribution for Employee performance (R = 0.947). Thus, 94.7% of the variation in Employee performance can be explained by four determinant and other factors may limit contribution of those determinant to the Employee performance which accounts for about 5.3%, as shown in the table.

From the finding in table 4.9, the study can develop the following regression model

$$EP = \alpha + \beta_2TNA + \beta_3TD + \beta_4TI + \beta_5TEV + \varepsilon$$

$$EP = .482 + .214TNA + .095TD + -0.26TI + -0.004TEV + \varepsilon$$

Where,

EP = Employee Performance

$\alpha$  = Constant

$\beta$  = Coefficient of estimate

TNA = Training Need Assessment

TD = Training Design

TI = Training Implementation

TEV = Training Evaluation

$\varepsilon$  = the error term

Regression model was applied to test how far determinants have effect on Employee performance. Coefficient of determination  $R^2$  is the measure of proportion of the variance of dependent variables about its mean that is explained by the independent or predictor variables. It is conducted to investigate the effect of independent variable on the dependent variable and identify the relative significant influence; i.e. Independent variable (Training Need Assessment, Training Design, Training Implementation, and Training Evaluation) to the dependent variable; i.e. Employee performance.

Higher value of  $R^2$  represents greater explanatory power of the regression equation. The proposed hypotheses were tested using multiple regression analysis. The results of the regression analysis are depicted in the following table

**Table 4.9 Regression coefficient analysis of the model**  
**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.482	.228		2.114	.037
	TNA	.223	.039	.214	5.719	.000
	TD	.096	.042	.095	2.303	.024
	TI	.033	.045	.026	.733	.465
	TEV	.004	.054	.004	.068	.946

Source: Own Survey, Computed in SPSS, 2022

**H<sub>1</sub>: Training Need Assessment has significant and positive effect on Employee performance.** The result of multiple regression analysis of the above table clearly indicates that Training Need Assessment has significant and positive effect on Employee performance.

( $p < 0.01$ ). Besides, the value of beta in Training Need Assessment ( $\beta = 0.214$ ) shows the positive effect of on employee performance. This implies that a one unit increase in Training Need Assessment results in 0.214 unit increase in employee performance. Thus, the above proposed hypothesis is accepted.

**H<sub>2</sub>: Training Design has significant and positive effect on Employee performance.**

The result of multiple regression analysis of the above table clearly indicates that Training Design has significant effect on Employee performance ( $p < 0.05$ ). Besides, the value of beta in Training Design ( $\beta = 0.096$ ) shows the positive effect of on Employee performance. This implies that a one unit increase in Training Design results in 0.096 units is increase in Employee performance. Thus, the above proposed hypothesis is accepted.

**H<sub>3</sub>: Training Implementation has significant and positive effect on Employee performance.**

The result of multiple regression analysis of the above table clearly indicates that Training Implementation has no significant effect on employee performance ( $p < 0.05$ ). Besides, the value of beta in Training Implementation ( $\beta = -0.026$ ) shows no significant effect of on Employee performance. This implies that a one unit increase in Training Implementation results in 0.026 units is not increase in Employee performance. Thus, the above proposed hypothesis is rejected.

**H<sub>4</sub>: Training Evaluation has significant and positive effect on Employee performance.**

The result of multiple regression analysis of the above table clearly indicates that Training Evaluation has no significant effect on Employee performance ( $p < 0.05$ ). Besides, the value of beta in Training Evaluation ( $\beta = 0.004$ ) shows that no significant effect of on Employee performance. This implies that a one unit increase in Training Evaluation results in 0.004 units is not increase in Employee performance. Thus, the above proposed hypothesis is rejected.

**Discussion of Findings**

**Training Need Assessment**

According to the regression result of Training Need Assessment has a positive and significant relationship with Employee performance. This means that holding other independent variables constant and when increases in Training Need Assessment, consequently it improves Employee performance. Accordingly, the result supports the working hypothesis that Training Need Assessment has significant and positive effect on Employee performance. It entailed that Training Need Assessment has a great role for one company Employee performance development.

### **Training Design**

According to the regression result of Training Design has a positive and significant relationship with Employee performance. This means that holding other independent variables constant and when increases in Training Design, consequently it improves Employee performance. Accordingly, the result supports the working hypothesis that Training Design has significant and positive effect on Employee performance. It entailed that Training Design has role for one company Employee performance development.

### **Training Implementation**

According to the regression result of Training Implementation has no significant and positive relationship with Employee performance. This means that holding other independent variables constant and when increases in Training Implementation, consequently it cannot improves Employee performance. Accordingly, the result didn't support the working hypothesis that Training Implementation has significant and positive effect on Employee performance. It entailed that Training Implementation has less role for one company Employee performance development.

### **Training Evaluation**

According to the regression result of Training Evaluation has no significant and positive relationship with Employee performance. This means that holding other independent variables constant and when increases in Training Evaluation, consequently it cannot improves Employee performance. Accordingly, the result didn't support the working hypothesis that Training Evaluation has significant and positive effect on Employee performance. It entailed that Training Evaluation has less role for one company Employee performance development.

Generally, the overall result is depicted in the following table.

**Table 4.10 Summary of the overall outcome of the research hypotheses**

<i>Hypothesis</i>	<i>Result</i>	<i>Reason</i>
<b>H<sub>1</sub>: Training Need Assessment has significant and positive effect on Employee performance</b>	<b>Accepted</b>	$\beta=0.214$ , $p<0.01$
<b>H<sub>2</sub>: Training Design has significant and positive effect on Employee performance</b>	<b>Accepted</b>	$\beta=0.095$ , $p<0.05$
<b>H<sub>3</sub>: Training Implementation has significant and positive effect on Employee performance</b>	<b>Rejected</b>	$\beta=0.026$ , $p<0.05$
<b>H<sub>4</sub>: Training Evaluation has significant and positive effect on Employee performance</b>	<b>Rejected</b>	$\beta=0.004$ , $p<0.05$

To summarize, all hypothesis developed based on the research objective and the conceptual framework were tested. Moreover, aiming in validating the hypothesis testing, several assumptions were checked. Accordingly, the hypotheses were tested through appropriate statistical procedures and the results obtained from the statistical analysis are said to be successful in achieving the desired objective and in answering the research questions.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The preceding chapter presented the results and discussion, while this chapter deals with conclusion and recommendations based on the findings of the study. Accordingly, this chapter is organized into three subsections.

#### 4.1. Summary of Major findings

From the above demographic data, males have more coverage than females and most the respondents are degree holders than masters' degree holder. Besides, most of respondents are found in junior positions than others and also most of them they have worked one up to five years as compare to other employee's years of experiences. The findings on correlation indicate that the highest significant relationship is found between Training Evaluation and Employee performance. However, lowest statistically significant relationship is found between Training Implement and Employee performance

The dependent variable is Employee performance and independent variables are Training Need Assessment, Training Design, Training Implementation, and Training Evaluation in order to attain the objective of the study. Thus, the overall result obtained from the regression model indicates that Training Need Assessment, and Training Design have positive and significant effect on Employee performance. However, Training Implementation, and Training Evaluation have no significant effect on Employee performance.

#### 5.2 Conclusions

The result point out Training Need Assessment has significant and positive effect on Employee performance which implies that an increase in Training Need Assessment certainly lead to improve Employee performance. And from the result Training implementation has no significant effect on Employee performance which implies that an increase in Training Implementation has less role to improve Employee performance. And Training Design has significant and positive effect on Employee performance which implies that an increase in Training Design lead to improve Employee performance



The outcome indicates Training Evaluation has no significant effect on Employee performance which implies that an increase in Training Evaluation is not lead to improve Employee performance. In general, Training Need Assessment and Training Design have significant and positive effect on Employee performance. However, Training Implementation and Training Evaluation have no significant effect on Employee performance. From this it does not mean that implementation and evaluation have no role. But, they have fewer roles in employee's performance.

### **5.3 Recommendation**

The findings of the study showed that Training Need Assessment, Training Design have significant and positive effect on Employee performance. However, Training Implementation and Training Evaluation have no significant effect on Employee performance. Hence, focusing and taking the necessary action on these variables could improve the probability containing the effect on Employee performance. Based on the findings which are obtained from regression analysis, the researcher has drawn the following recommendations.

- ❖ The analysis indicated that Training Need Assessment has a significant and positive effect on Employee performance. Therefore, Nile Insurance Company S.C has to provide relevant and timely base training Need Assessment for all employees according to their position. By doing this, Nile Insurance Company can enhance its Employee performance.
- ❖ The analysis indicated that Training Design has a significant and positive effect on Employee performance. Therefore, Nile Insurance Company S.C has to select and provide relevant and appropriate training design. By doing so, Nile Insurance Company can enhance its Employee performance.
- ❖ The finding explained that Training Implementation, and Training Evaluation have no significant effect on Employee performance. However, Nile Insurance Company S.C should focus on Implementation and Evaluation of training practices to increase the performance of its employees and the organization performance. Even if the statics shows that Implementation and Evaluation have no positive effects on employee performance the company should implement and evaluate the need assessed and the designed training programs on time to increase their employee performance.

Therefore, Nile Insurance Company S.C should effectively consider the above determinants by performing more work on those factors to have a better Employee performance.

#### **5.4. Direction for future research**

This study was conducted solely in Head office in Addis Ababa and the composition of the sample may not be analogous to the whole out lets in Ethiopia. Therefore; additional studies in different regions of the country are needed to investigate the hypotheses. Moreover, this study investigates the effect of Training on Employee performance using only limited variables as performance measurements. In addition, variables included in the study were not exhaustive and therefore, future researches should be carried out to determine the effect of other variables which are not identified in the present study but affect Employee performance regarding Insurance industry.

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## Part II. Examining the effect of Training on Employee performance

The following question aims to examine the effect Training Practice on Employee performance.

After you read each of the factors, evaluate them in relation to your performance and then put a tick mark (√) under the choices below. Where, 5 = strongly agree, 4 = agree, 3 = Neutral 2 = disagree and 1= strongly disagree.

### I. Training Need Assessment

S. No	Description	Likert scale				
		1	2	3	4	5
1	My organization properly undertaken training needs assessment before the training program designed and implemented					
2	I think that the basis for the selection of trainees in Nile Insurance Company is Performance evaluation result, not based on seniority.					
3	I am satisfied with the training program of Nile Insurance Company					
4	In my opinion, training practices at Nile Insurance Company is planned and systematic					

## II. Training Design

S. No	Description	Likert scale				
		1	2	3	4	5
1	In my organization there is training policy and procedure.					
2	As an employee I was involved in the practices of training Programs in Nile Insurance Company					
3	There is a separate department responsible for manpower training in my organization					
4	Most of the time Nile Insurance Company use off the job training techniques like lecture, seminar, case study, group discussion etc.					

## III. Training Implementation

S. No	Description	Likert scale				
		1	2	3	4	5
1	Nile Insurance Company implements the training program based on the purpose of training.					
2	Nile Insurance Company implements the training program based on the characteristics of employee's jobs, needs, experience, level of knowledge, and skills and motivation to train.					
3	Most of the time Nile Insurance Company gives to the employees on the job training like job rotation, learning by doing (coaching), job instruction etc.					
4	Since I joined Nile Insurance Company, I did not participate in any form of training					



#### IV. Training Evaluation

S. No	Description	Likert scale				
		1	2	3	4	5
1	Generally, the training practice of the organization has helped me to improve my performance since I joined Nile Insurance Company.					
2	The management request feedback before and after training about the training program and the Value added to my career, experience, and performance.					
3	On the job training technique of Nile Insurance Company affects my knowledge, skill, and my performance.					
4	Off the job training technique of Nile Insurance Company affects my knowledge, skill, and my performance					

### Part III. Questionnaire on Employee Performance

After you read each of the factors, evaluate them in relation to your performance and then put a tick mark (√) under the choices below. Where, 5 = strongly agree, 4 = agree, 3 = Neutral 2 = disagree and 1= strongly disagree.

#### Employee Performance

S. No	Description	Likert scale				
		1	2	3	4	5
1	I can say that training practice of Nile Insurance Company helped me to perform and effectively work my regular activities.					
2	The training practice of Nile Insurance Company helped me to perform my work quickly.					
3	I feel that training practice of Nile Insurance Company enable me to perform my work with greater accuracy					
4	Because of the training practices of the organization, employees are committed for their work and for the organization					
5	I feel I am better-off to rely on myself for a solution when things are looking difficult in my work because of the training practices. So, the training practices of the mkes me to feel self-confidence on my work.					
6	Since the culture of the Nile Insurance Company is good to provide training on time, I am so specialized in the services that will be delivered to the clients					

#### **Part IV Interview questions**

1. Is there a separate department or unit in the Nile Insurance Company that is responsible for manpower training?
2. Does the Nile Insurance Company currently have a written comprehensive training policies and procedures? If your answer is yes, can you please briefly describe the training policy and procedures?
3. What are the major purposes of training that the organization need to attain?
4. How Nile Insurance Company currently plans and implements the training program?
5. Regarding to the training program.
  - a. What are the kinds of training used?
  - b. What methods of training are used?
  - c. Do the organization has its own professional training providers or used outside training organizations or both?
  - e. How is the training program evaluated?
6. Does training influence employee performance? How do you measure training effect on employee performance?

## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Asst. Professor ShoaJemal. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of earning any degree.

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Name

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

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Signature

**May, 2022**

## **ENDORSEMENT**

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

Asst. Professor ShoaJemal \_\_\_\_\_

Advisor

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

Signature

**May, 2022**