



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

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

By:

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ID:

SGS1/0111/2004

**October 2013
Addis Ababa, Ethiopia**

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A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY COLLEGE, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

**October 2013
Addis Ababa, Ethiopia**

DECLARATION

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

Name

St. Mary's University, Addis Ababa

Signature

October, 2013

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SCHOOL OF GRADUATE STUDIES
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DEDICATION

This work is dedicated to my Sister, *Zelalem Alemu* who has laid the solid foundation of my education and her tireless effort and unquenchable love and support throughout my two years at the St. Mary's University College School of Graduate Studies.

My Mother *Haregewoin*, My Father *Alemu*, My Sisters *Lebeza* and *Aynalem*, and My Brothers *Addisalem* and *Weyante*, for their love, prayer, concern and encouragement throughout my period of study.

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ACRONYMS

CBE: - Commercial Bank of Ethiopia
HRD: - Human Resource Development
HRM: - Human Resource Management
SPSS: - Statistical Package for Social Science

Abstract

Human resource is the most valuable assets of any organization, with the machines, materials and even the money; nothing gets done without man-power. A human being is dynamic in nature, staff training and development is a necessity to keep them in track with the current competitive situation. Employee performance is the important factor and the building block which increases the performance of overall organization. A good training and development system ensure employees in every organization to understand what business the company is in what condition and keeps updated on the skills they need to possess to perform their day to day job so it brings in confidence and improves performance.

The objective of this study is to investigate the training practice of Commercial bank of Ethiopia and its effect on the performances of employees. Therefore, the research will be explanatory study in the form of cross sectional design in which data will collected across a population through stratified random sampling. The sources of data for the study were both primary and secondary. For this purpose 100 clerical employees of the bank were selected randomly. These primary data was collected using questionnaire and structured interview. After collecting the data through different techniques, the quantitative data analysis was done by the use of version 20-SPSS software. The research findings indicate that there is significant and positive correlation between training practices and all employees' performance variables under study except the correlation between training practices and efficiency which i.e. no correlation between them with ($r= 0.206$) and their relationship is moderate between training practices and Effectiveness, Commitment and Self-confidence i.e. ($r= 0.525, 0.436, 0.493$ respectively with $p < 0.01$).

Key words: Training practices, Performance, Effectiveness, Efficiency, Commitment, and Self-Confidence.

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Human resource is the most valuable assets of any organization, with the machines, materials and even the money; nothing gets done without man-power. Human Resource have played a significant role in the economic development in most developed countries such as United States of America, Britain and Japan among others (Hill and Stewart, 2000). A human being is dynamic in nature, staff training and development is a necessity to keep them in track with the current competitive situation. Therefore it can be concluded that if the appropriate attention is given to training of human resource, developing countries like Ethiopia can achieve such economic success.

Training consists of planned programs designed to improve performance at the individual, group, and/or organizational levels (Casio 2006). Organizations are spending increasing amounts of money to make sure that they have employees that are well qualified. A good training and development system ensure employees in every organization to understand what business the company is in what condition and keeps updated on the skills they need to possess to perform their day to day job so it brings in confidence and improves performance. Training and development enhances job satisfaction and productivity for organizations because the employees know what is expected of them as they are also equipped with the knowledge and tools to perform their jobs efficiently (Saleem 2011). Employee performance is the important factor and the building block which increases the performance of overall organization. Organizations should therefore make training and development of their employees a continuous activity (Obisi 2011). He also said that, " *last year I walked into a prominent bank in Lagos as the Head of Human Resource of the bank was going through some letters of employment. He picked one of the letters, admired the qualification and experience of a particular candidate and suddenly threw the applicant's letter into the trash basket. He said the candidate was over qualified, our organization cannot bend this candidate, he added. But I believe that with training, the candidate could become flexible, dynamic and adaptive to the organizations needs and environment*". This implies that the ultimate aim of every training and development program is to add value to human resource.

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

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

1.2. Statement of the problem

Nowadays, in this globalized world the banking sector becomes more profitable, competitive and plays a catalytic role in the economic advancement and development of the country. In our country Ethiopia also the banking sector becomes competitive and a key for economic growth and development. Commercial bank of Ethiopia is one of the leading banks in Ethiopia established in 1942 with the vision "*To Become a World Class Commercial Bank by the Year 2025*" (www.combanketh.com). The success of the banking sector is highly depends on its employees that facilitate financial transactions to its customers locally as well as globally. Lack of necessary skills competencies and qualities to perform banking transactions would result into poor performance that creates customer dissatisfaction. They must have the necessary skills and competencies required to do their jobs through training. Training and development is the tonic employees need to enhance their performance and potentials that will in turn enhance organization effectiveness.

Currently many organizations in Ethiopia and indeed the banking sector engaged in staff training. However, for a certain condition staff training practice effect on employee's performance appears little or negative. Hence, the main reason that the researcher wanted to

conduct this research was to investigate the effect of training practices on employee performance in Commercial bank of Ethiopia headquarter. Understanding the effect of training practices on employee job performance primarily helps to create competent and well performed work force. It will also enable the organization to design effective training system which is fit with the overall vision and mission. So far it also helps to minimize unnecessary costs which can be incurred as a result of less important training and development. The study, therefore, focused on how providing training for employees of CBE would improve their performance for the provision of timely, efficient, effective and quality of work life. Those organizations which develop a good training design according to the need of the employees as well as to the organization always get good results (Partlow, 1996; Tihanyi et.al., 2000; Boudreau et al., 2001), as well a bad training design is nothing but the loss of time and money (Tsaur et.al, 2004). It seems that training practices plays a very vital role in the employee as well as organizational performance in general. Effective training practices should be systematic and continuous i.e. training must be viewed as a long term process, not just an infrequent and/or haphazard event (Tannenbaum et.al 1992; Wexley et.al, 1991). Hence, the aim of this study was to identify the effects of training practices on employee performance by considering two aspects of training practices i.e. training process and delivery techniques.

1.3. Research Questions

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

- Does the bank undertake its training program according to the existing training policies and procedures?
- How the bank currently undertaken the training process?
- What effect does training practice of the bank on employee's performance?
- What type of training delivery technique (on the job training or/and off the job training) does the bank used?
- What the bank should do to eliminate its drawbacks if exist, in the future to improve its training practice/process and enhance employee's performance.

1.4. Objective of the study

1.4.1. General objective

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

1.4.2. Specific objectives

- To identify whether the bank undertake its training program according to the existing training policies and procedures.
- To analyze the current training process of the bank.
- To identify effect of the training practice of the bank on employee's performance.
- To identify training delivery technique (on the job training or/and off the job training) that the bank used.
- And finally, to forward conclusion and recommendations based on the findings of the study.

1.5. Theoretical framework of the study

To implement the study, the following theoretical framework was developed that demonstrates the dependent and independent variables which is developed by Abbas and Yaqoob (2009) and cited by Tazebachew 2011 and modified by the researcher for the purpose of convenience.

The theory that the researcher used is the social identity theory. As a sub-theory of social cognition, social identity theory developed with the purpose of understanding how individuals make sense of themselves and other people in the social environment. In addition to this, there are other theories which can show the relationship between training and performance of worker, such as the Identical Elements Theory. The theory of identical elements was proposed by Thorndike and Woodworth during 1901 (Wexley and Nemeroff, 1975). According to this theory, transfer is improved by increasing the degree of correspondence among the training setting stimuli, responses, and conditions and those related factors operative in the performance setting. They explained that if the task is

identical in both training and transfer, trainees are simply practicing the final task during training and there should be high positive transfer (Wexley and Nemeroff, 1975).

The other theory is the principles theory which suggests that training should focus on the general principles necessary to learn a task so that the learner can apply them to solve problems in the transfer environment (Spitzer, 1984). This theory suggests that it is possible to design training environments without too much concern about their similarity to the transfer situation, so long as it is possible to utilize underlying principles.

Although multiple factors influence how people work, social identity theory portends to be a unifying theory of organizational behavior because what and how people think as members of social groups influences subsequent behavior and attitudes in social systems. This influence has important implications for workplace learning (Hogg and Terry, 2000). Therefore, Commercial bank of Ethiopia as organization has its own different social groups that vary in their attitude, educational level, psychological behavior and other factors which influence and change their learning.

Generally, the researcher derived the following model from figure 1 above which is developed by Abbas and Yaqoob (2009) and cited by Tazebachew 2011 to see the relationship between training and performance of employees. Meaning that if, training is implemented then does it affect the employee performance. Hence, theoretical framework can be seen from the following model.

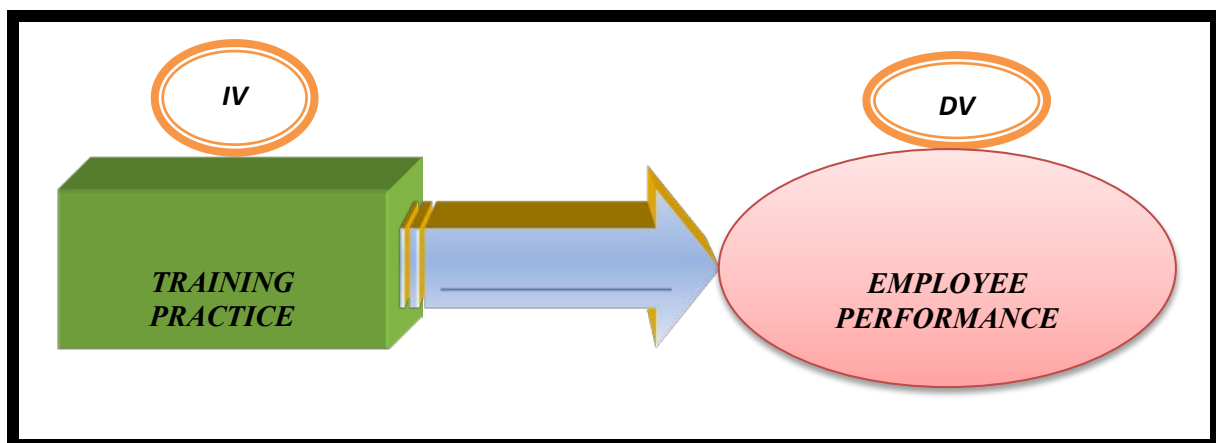


Diagram 1: Effect of training practice and employee performance

Source: - Tazebachew 2011, and modified by the researcher.

1.6. Conceptual Definition of terms

Training practice: - a planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities (Wilson, 2004).

Performance: - the quality of accomplishing a given job with the standard of the job.

Training process: - is the systematic approach for developing training and development program. It involves identifying training need assessment; setting training objective and developing training policy; designing the training and programs; conducting and implementing and evaluating the training.

Training policies and procedures: - A training plan of action adopted by the company or training organization and a process or series of acts especially of a practical nature involved in a training program.

Delivery technique: - Method of delivering the training to trainees i.e. on the job training and/or off the job techniques. On the job training is a training given at the work place under the supervision and guidance of a trained worker or instructor. Off the job training is a training method that trainees have to leave their work place and devote their entire time to the training.

1.7. Ethical considerations

The study was ethically cleared from St. Mary's university college school of Graduate studies department of Business Administration. Since the researcher used the data from employees which was collected through questionnaire, permission was obtained from the bank and respondents. To maintain the confidentiality of the information provided by the respondents, the respondents were instructed not to write their names on the questionnaire and assured of that the responses would be used only for academic purpose and kept confidential. Brief description of the central objectives or purpose of the study and the potential benefit of the research outcome to respondents and Commercial Bank of Ethiopia were clearly given in the introductory part of the questionnaire so as to motivate them and participate in the study and provide pertinent information about the company under study. All assistance, collaboration of others and sources from which information was drawn is acknowledged.

1.8. Significance of the study

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

1.9. Organization of the research report

The research report comprised of five chapters. Chapter one consists of background of the study which discuss briefly literature related to the study. Statement of the problem which define the problem that the study intends to. Basic research questions that clearly state the basic questions that will be answered based on the data collected and analyzed. Objective of the study that driven directly from the research questions. Definition of basic terms, significance of the study that states about the study intends to empirically inform decision – makers and others concerned about the problem at hand. Delimitation of the study tells about the boundary of the research in terms of geographical location, methods, variables, subjects or tools to be used. Chapter two contains relevant literatures about the study that helps to understand the whole research study i.e. it is a section what authors said about the subject matter. Chapter three consists of issues about the type and design of the research; the subjects/participant of the study; the sources of data; the data collection tools/instruments employed; the procedures of data collection; and the methods of data analysis used clearly. Chapter four summarizes the results/findings of the study, and interprets and/or discusses the findings by extensively using the literature and chapter five comprises conclusions, limitations of the study and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. INTRODUCTION

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

2.2. THEORETICAL LITERATURE

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

2.2.1. Definitions of Training

According to world web pro dictionary, training is an activity that leads to skilled behavior or it is the result of upbringing knowledge of correct social behavior. After the new appointed employees have joined the organizations the next phase of personnel program is to impart necessary training to them to make them fit for the growth and development of its employees (Kumar 2012). Training is equally necessary for old employees whenever new machines and equipment's are introduced. In fact, training is an ongoing process and organized activity for improving, changing, molding the employee's knowledge, skill, behavior, aptitude towards the requirements of job and organization.

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

2.2.2. Justification for training

Most organizations have long recognized the importance of training to its development and there should be training policies and procedures in place. Training policies and procedures are the expressions of the training philosophy of the organization that provide guidelines for training, and ensure a company’s training resources are allocated to predetermined requirements (Armstrong, 1996). Helping employees to become effective in their job is one of the most fundamentally important tasks in people management that any work organization have to undertake. Employers depend on the quality of their employee’s performance to achieve organizational aims and objectives; employees have motivational need for development, recognition status, and achievements that can should be meet through job satisfaction. Formal training is indeed only one of the ways of ensuring that learning takes place, but it can be justified in the following circumstances. The work requires skills that are best developed by formal instruction (Armstrong 2010).

Kempton, on his book also states some of the more positive reasons for training such as: adding value to the existing employees by developing them, rapid changes in systems due to technology may mean that staff needs to be kept up to date, a need for greater customer responsiveness and speed of action, to increase the motivation and commitment of staff, to

ensure that staff in new jobs become fully competent as soon as possible, responding to rapid change in the world-wide business environment and to improve individual, team and corporate performance (Kempton 1995). From individual view point, training is necessary as it will give them greater job security and an opportunity for advancement and the skill acquired through training is an asset for the organization (Kumar 2012). According to Kumar 2012, every organizations and individuals need training due to different reasons such as to much the employee specification with the job requirement and organization need, due to technological advancement, to react for quality conscious customers, greater productivity, stabling the workforce and to gives employees a security at workplace, to increase safety, for better management, and change in the job assignment of existing employees due to different reasons. Increased knowledge and skills for doing a job, Bridge the gap between 'job need' and employee skills, knowledge and behavior, Job oriented process is vocational in nature, Short term activities designed essential for operations, Useful for employees, Useful for organizations, Continuous process, and Brings changes in attitude of workers are some of the features of training which are derived from the above meaning and definitions of training.

2.2.3. Types of Training

Training programs or events are differs in their type and it could be concerned with manual skills including modern apprenticeships, IT skills, team leader or supervisory training, management training, interpersonal skills such as leadership, team building, group dynamics, personal skills such as assertiveness, coaching, communicating, time management, training in organizational procedures or practices such as induction, health and safety, performance management, equal opportunity or managing diversity policy and practice.

On the other hand, based on the need of the training we can classify training as Just in time training and Bit sized training (Armstrong 2010). Just-in-time training is training that is closely linked to the pressing and relevant needs of people by its association with immediate or imminent work activities. It is delivered as close as possible to the time when the activity is taking place. The training is based on an identification of the latest requirements, priorities and plans of the participants, who are briefed on the live situations in which their learning has to be applied. The training program takes account of any issues concerning the transfer of learning to the job, and aims to ensure that what is taught is seen to be applicable in the current work situation. Bite-sized training involves the provision of opportunities to acquire a

specific skill or a particular piece of knowledge in a short training session which is focused on one activity, such as using a particular piece of software, giving feedback or handling an enquiry about a product or service of the company. It is often carried out through e-learning and can be a useful means of developing a skill or understanding which is readily put to use in the workplace through a concentrated session or learning activity without diversions.

2.2.4. Systematic Training Process

Training should be systematic in that it is specifically designed, planned and implemented to meet defined needs. It is provided by people who know how to train, and the impact of training is carefully evaluated. The concept was originally developed for the industrial training boards in the 1960s, and consists of a simple four-stage model as illustrated below (Armstrong 2010). Likewise, According to Kempton, for training to be effective it is important that a systematic process is followed usually called the training cycle consisting of identifying training needs, formulating how the need will be satisfied, implementing the training and evaluating training effectiveness. The cycle will be influenced by the external environment like culture of the organization, the educational system in operation in the country or national considerations such as legislation and factors such as a social charter (Kempton 1995).

Identification of Training Need

According to Kempton 1995 a training need is an existing or anticipated shortfall or problem in performance where training is considered the most appropriate and effective solution. It can also be thought of as the 'gap' between what is happening and what should be happening. Identifying needs properly is obviously a very important part of the training cycle.

According to Kempton training needs can be identified at the individual and the organization level. At the individual level; Identification will need to begin with the job description which will provide a list of the skills and knowledge required and it compared with the actual skills and knowledge that the job holder possesses. Another approach could be to look at critical incidents over the past specific time period that were particularly challenging or stressful. Managers will also be able to identify training for their subordinates through the appraisal interview, where agreed training needs can be identified. Individuals may also request

training that they perceive will equip them for a change of job, either laterally or through promotion.

On the other hand training needs identified at the organization level; through the performance appraisal system. This may provide the key channel for feeding back individual needs. The information should be processed by a human resource professional in order to plan the overall needs of the organization. The management team or a training committee may identify areas from the corporate plan that they want included in the training plans.

Organizations may identify their training needs different methods based on their training policy and procedures laid down. In this section we look at Kempton's three different methods of how organizations might go about the actual process of identifying training needs (Kempton 1995). According to Kempton organizations can identify their training needs by conducting a fully comprehensive review, priority problem approach and the performance management approach.

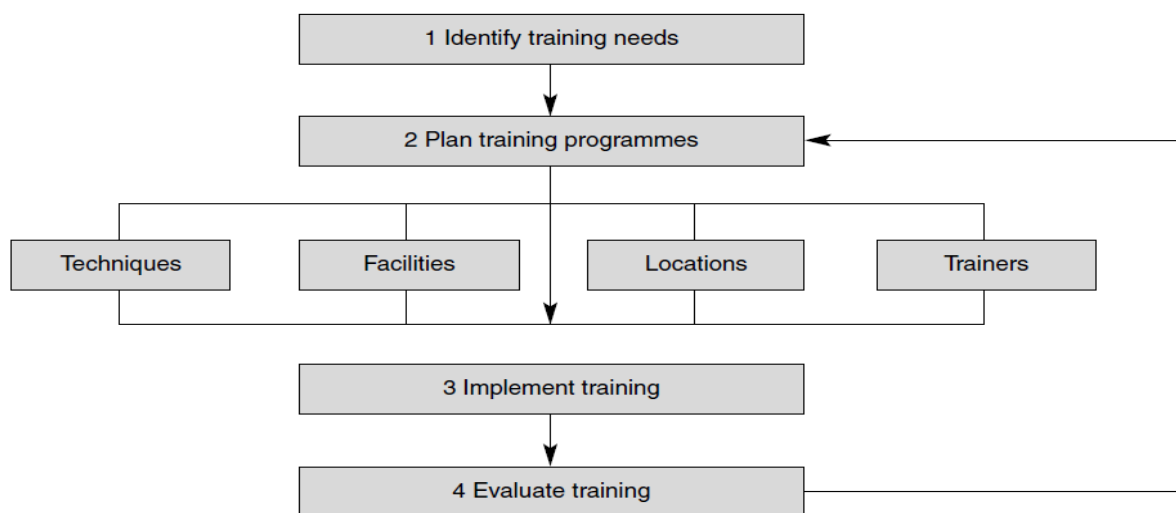


Diagram 2:- The Training Cycle

Source: - Michael Armstrong 2006, A Hand Book of Human Resource Management Practice.

Plan the Training Programs

Formulating how the needs can be met can be carried out in different ways through developing systematic training policies and aims proactively converting written training procedure into the practices of an organization that develop and communicate a training policy (Kempton 1995). The policy will reinforce the culture of the organization or the new culture if planned organization change is being implemented. The training and development

policy is based on the belief that people enjoy learning that assumes people do not need to be cajoled or coaxed into undertaking training or development activities which they naturally seek to increase their work based knowledge and to enhance their technical skills, in order to develop themselves and to maximize job satisfaction. The Aims will be to train all staff to carry out their present job effectively and efficiently, to develop those staff that has the potential to move across jobs or to take on increased responsibility as and when required by the company, to offer all staff the opportunity to keep up-to-date on matters which affect them i.e. changes and developments within the company and the marketplace, to spend the training budget prudently to ensure maximum return in terms of company performance. Formulation of training programs also involves training interventions that needs to be designed carefully to ensure that they meet the identified needs. Objectives, Location, Level and techniques are some of the issues that need to be considered in designing training.

Implement the Training Programs

In implementing training programs the training techniques used should be appropriate to the purpose of the course and to the characteristics of participants, their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to being taught or motivated to learn (Armstrong 2006).

The approaches that can be used fall broadly into on the job and off the job training techniques. A blend of different techniques should be used where appropriate (Armstrong 2006). On-the-job training includes coaching, under study, mentoring, job rotation, special assignment, and job instructional training and off the job training includes lectures, internship, conference, seminar, case study, role playing, programmed instructions and laboratory training. And there are other techniques such as vestibule, demonstration, simulation, apprenticeship, and electronic training (Kumar 2012).

Evaluate the Training Programs

Evaluation is a difficult process of training programs and some of the reasons why it is important to evaluate training effectiveness are that evaluation enables you to see whether you have met the training needs that were identified. Feedback might be gained about the training that could be used for future training and information on the venue and the trainer

might prove very useful. Evaluation can test that learning has taken place and equally importantly assess the costs/benefits of the training to the organization.

The very act of going to the trouble to evaluate the training is a demonstration of how important you think it is and it can be measured by validation i.e. the assessment of whether training has achieved its prescribed objectives and evaluation. The intention of evaluation is to improve the training provided by assessing which methods are successful.

2.2.5. Contemporary Techniques of Training

There is a wide range of training method and techniques that have been developed over the years by training organizations and training experts which are suitable for different categories of employees in the organization like managerial and non-managerial, technical, administrative, skilled, unskilled, senior and junior, and so on. The major techniques includes on-the-job training and off the job training technique.

On the job training

This type of training is most effective for operative personnel and given training at the work place under the supervision and guidance of a trained worker or instructor. It includes coaching which the supervisor imparts job knowledge and skills to his subordinates by giving a more emphasis on “*learning by doing*” and it involves direct personal instruction and guidance, usually with extensive demonstration and continuous appraisal and correlation, understudy is the superior gives training to his subordinates who are under his study (assistant) and its purpose is to prepare someone to fill the vacancy caused by death, retirement, promotion or transfer of superior, in mentoring senior person in the organization act as a teacher, guide, supporter and facilitator and assume the responsibility for training as well as grooming of a junior person, job rotation is the type of training that involves the movement of trainee from on job to another at a certain time interval, and the final technique is special assignment that includes committee assignment, group of trainers are assigned and trainees are asked to solve an actual organizational problem.

Off the job training

In this technique of training the trainees have to leave their work place and devote their entire time to the training and the trainee can place his entire concentration on learning rather than spending his time on performing it. The first one is Lectures that basic facts, concepts and principles, attitudes, theories and problem solving abilities are to be taught, the second one is Internship training, here selected candidates carry on regular studies for the prescribed period and it helps to provide a good balance between theories and practice, the conference method another method that is a group meeting conducted according to an organized plan, in which the members participate in oral discussion on a particular problem and thus develop their knowledge and understanding. It is an executive training device for conference members and conference leaders, similarly Seminar or group discussion (GD) is an established method for training conducted in many ways, such as paper presentation, statement made by someone in charge of seminar, a material distributed for the seminar in charge of it and valuable working materials provided to the trainees by actual files, the other method is case studies generally used to teach law, business management, human relations, marketing management, etc to let the trainee understand that there may be different solutions to a particular problem and finally Role playing, under this a conflicting situation is artificially created and two or more trainees are assigned different role to play. Here no dialogues are given in hand, the role player before playing provided a written or oral description of the situation and the role they have to play and they must then act their part spontaneously before the class.

2.2.6. Performance

Performance is often defined simply in output terms the achievement of quantified objectives. But performance is a matter not only of what people achieve but how they achieve it. The Oxford English Dictionary defines performance as *'The accomplishment, execution, carrying out, and working out of anything ordered or undertaken.'* This refers to outputs/outcomes (accomplishment), but also states that performance is about doing the work as well as being about the results achieved. High performance results from appropriate behavior, especially discretionary behavior, and the effective use of the required knowledge, skills and competencies. Performance management must examine how results are attained because this provides the information necessary to consider what needs to be done to improve those

results (Armstrong 2006). Performance is indeed often regarded as simply the outcomes achieved: a record of a person's accomplishments. Kane (1996) cited by Armstrong 2006 argued that performance is something that the person leaves behind and that exists apart from the purpose. Bernardin et al (1995) believe that 'Performance should be defined as the outcomes of work because they provide the strongest linkage to the strategic goals of the organization, customer satisfaction, and economic contributions.

The concept of performance has also been expressed by Brumbrach, as Performance means both behaviors and results. Behaviors emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviors are also outcomes in their own right the product of mental and physical effort applied to tasks and can be judged apart from results (Brumbrach 1988). This definition of performance leads to the conclusion that when managing performance both inputs (behavior) and outputs (results) need to be considered. It is not a question of simply considering the achievement of targets, as used to happen in "*Management by Objectives*" schemes. Competency factors need to be included in the process. This is the so-called mixed model of performance management, which covers the achievement of expected levels of competence as well as objective setting and review (Armstrong 2006).

Performance is about upholding the values of the organization "living the values" (an approach to which much importance is attached at Standard Chartered Bank). This is an aspect of behavior but it focuses on what people do to realize core values such as concern for quality, concern for people, concern for equal opportunity and operating ethically. It means converting espoused values into values in use ensuring that the rhetoric becomes reality. Borman et.al. (1993) cited by Armstrong 2010 put forward the notion of contextual performance, which covers non-job specific behaviors such as cooperation, dedication, enthusiasm and persistence, and is differentiated from task performance, covering job-specific behaviors. As Fletcher (2001) mentioned, contextual performance deals with attributes that go beyond task competence, and which foster behaviors that enhance the climate and effectiveness of the organization. Performance could therefore be regarded as behavior – the way in which organizations, teams and individuals get work done. Campbell (1990) stated that 'Performance is behavior and should be distinguished from the outcomes because they can be contaminated by systems factors (Armstrong 2010

Performance management

Performance management is essentially about the management of expectations. It creates a shared understanding of what is required to improve performance and how this will be achieved by clarifying and agreeing what people are expected to do and how they are expected to behave. It uses these agreements as the basis for measurement and review, and the preparation of plans for performance improvement and development. One of the most fundamental purposes of performance management is to align individual and organizational objectives. This means that everything people do at work leads to outcomes that further the achievement of organizational goals.

According to Fletcher (1993), cited by Armstrong (2006) this purpose was well expressed as the real concept of performance management is associated with an approach to creating a shared vision of the purpose and aims of the organization, helping each employee understand and recognize their part in contributing to them, and in so doing, manage and enhance the performance of both individuals and the organization. Alignment can be attained by a cascading process so that objectives flow down from the top and at each level team or individual objectives are defined in the light of higher-level goals. But it should also be a bottom-up process, individuals and teams being given the opportunity to formulate their own goals within the framework provided by the defined overall purpose, strategy and values of the organization.

Performance measurement

Performance measurement is the basis for providing and generating feedback, it identifies where things are going well to provide the foundations for building further success, and it indicates where things are not going so well, so that corrective action can be taken. Measuring performance is relatively easy for those who are responsible for achieving quantified targets, for example sales. It is more difficult in the case of knowledge workers, for example scientists. But this difficulty is alleviated if a distinction is made between the two forms of results outputs and outcomes. An output is a result that can be measured quantifiably, while an outcome is a visible effect that is the result of effort but cannot necessarily be measured in quantified terms.

The following performance measures are developed by CIPD survey of performance management in 2003 (Armstrong 2006) revealed that in order of importance, Achievement of objectives, Competence, Quality, Contribution to team, Customer care, Working relationships, Productivity, Flexibility, Skills/learning targets, Aligning personal objectives with organizational goals, Business awareness, and Financial awareness. There are components in all jobs that are difficult to measure quantifiably as outputs, but all jobs produce outcomes even if they are not quantified. It is therefore often necessary to measure performance by reference to what outcomes have been attained in comparison with what outcomes were expected, and the outcomes may be expressed in qualitative terms as a standard or level of competency to be attained. That is why it is important when agreeing objectives to answer the question: 'How will we know that this objective has been achieved?' The answer needs to be expressed in the form: 'Because such and such will have happened.' The 'such and such' will be defined either as outputs in such forms as meeting or exceeding a quantified target, completing a project or task satisfactorily ('satisfactory' having been defined), or as outcomes in such forms as reaching an agreed standard of performance, or delivering an agreed level of service. However, when assessing performance it is also necessary to consider inputs in the shape of the degree of knowledge and skill attained and behavior that is demonstrably in line with the standards set out in competency frameworks and statements of core values.

2.3. EMPIRICAL LITERATURE

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

Empirical Findings on Effect of Training on Performance

Tazebachew (2011) was conducted a study to determine the impact of training on worker performance in public sector organizations using Federal Democratic Republic of Ethiopia Ministry of Health. The objective of the study was to investigate the actual training practice and its effect in improving the performance of employees by collecting data through interview and questionnaire augmented by different literatures found in the organization. The researcher key findings indicated that employees training positively and significantly correlate and influence employees work effectiveness, efficiency and commitment collectively employee performance. In addition to this, the most significantly correlated and strong relationship of all the variables of employee performance is employee work efficiency ($r = 0.677$, $p < 0.01$) with employee training. In similar fashion, a correlation between the effect of employee training and combined of all variables, i.e. effectiveness, efficiency, and worker commitment into one variable (employee performance) resulted into strong positive relation with $r = 0.689$, $p < 0.01$. This value of correlation indicates a stronger relationship and significant at p value less than 0.01. Finally, the regression analysis result reveals that the Beta value is 0.689 which indicates a change of one standard deviation in the predictor variable i.e. training resulted in a change of 69 standard deviations in the criterion variable i.e. employee performance. Thus, there is a higher impact of training on employee performance. These results are also supported by Hwang (2003). Hwang suggests that it is top who view future to build competencies must develop ways to develop employees and he further discusses his strategies to training to increasing competencies and organizational members can develop the required know how and expertise.

Likewise, Khan et al (2011) conduct a research study on similar issue, impact of training and development on organizational performance. The focus of the study was to understand the effect of training and development, on the Job training, training design and delivery style on organizational performance. The back bone of this study is the secondary data comprised of comprehensive literature review. Four hypotheses are developed to see the impact of all the independent variables on the overall organizational performance. Results show that training and development, on the job training, training design and delivery style have significant effect on organizational performance and all these have positively affect the organizational performance. People learn from their practical experience much better as compare to bookish

knowledge and it is better for the organizations to give their employees on the job training because it is cost effective and time saving. Here we can point out that organizational performance emanates from employees performance and employee performance emanates from effective training i.e. training affect employee performance as a result organizational performance affected. So that training directly affect both employee performance and organizational performance in general.

Likewise, Sultana et.al. (2012) on their study on Training practices of Telecommunication Sector in Pakistan were examined to determine their impact on Employee performance. Based on a combination of literature review and questionnaire surveys, this paper explores that for any organization to succeed in achieving the objectives of its training program, the design and implementation must be planned and systematic, tailored towards enhancing performance and productivity. It has been observed that most organizations meet their needs for training in an ad hoc and haphazard way while others set about identifying their training needs, then design training activities in a rational manner and finally assess the results of training. The study concludes that if organizations invest in right type of employee training it can enhance employee performance as well as competencies and skills. In addition, training is seen as a useful means of coping with changes fostered by technological innovation; market competition, organizational structuring and most importantly it plays a key role to enhance employee performance.

Regarding to correlation, researchers find that the positive relationship between Training and Performance is 50.8% strong. All the relationships are significant at 1% level of significance for two tailed test and regression results show that the value of λ_1 in the regression table is .582 that indicates 1% change in predictive variable (training) can change outcome variable (performance) up to 58.2%. Hence, if training is increased by 1%, this will result in increase of performance by 58.2%. This relationship is positive and significant as shown by small p-value. The value of R^2 is .501 that explains training accounts 50.1% variation in performance and this can be viewed that there might be other factors that bring variation of 49.9% in the outcome variable. They conclude that Training enhances skills, competency, ability and ultimately worker performance and productivity in organizations.

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

Generally a number of other researchers also conduct a study regarding training and its effect on employees and organizational performance as a whole which are not fully discussed here. Their empirical findings almost show that training variables positively and significantly correlated with employee as well as organizational. In general speaking every organization has some expectations from the employees with respect to their performance. Efficiency and effectiveness are some of the ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance. And when they perform up to the set standards and meet organizational expectations they are believed good performers. Functioning and presentation of employees is also termed as employee performance. This means that effective administration and presentation of employee's tasks which reflect the quality desired by the organization can also be termed as performance. In the development of organizations, training plays a vital role, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top i.e. that there is a significant difference between the organizations that train their employees and organizations that do not, so that there exists a

positive association between training and employee performance (Sultana et.al. 2012). There is a positive relationship between training and employee performance. Training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior (Benedicta et al 2010). A researcher on judicial service of Ghana conclude that training and development in the Judicial Service of Ghana were mainly concerned with offering learning and development opportunities for staff and improvement of knowledge and skills at all levels in the organization (Kennedy 2009). This implies that organizational performance is the result of employee's performance that also supported by (Sultana et.al. 2012), training generates benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies and behavior. Likewise, other researchers support training and development improves the organizational performance and it has positive effect on Organizational Performance (Khan et.al. 2011).

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

CHAPTER THREE

RESEARCH METHOD AND METHODOLOGY

3.1. INTRODUCTION

The main purpose of the research was explaining the effect of training practice on employee's performance. Therefore, the research was explanatory study in the form of cross sectional design in which data was collected through simple random sampling. Simple random sampling (sometimes called just random sampling) involves selecting the sample at random from the sampling frame using random number tables, a computer or an online random number generator (Saunders et.al 2009). The units of analysis for the study are all departments of commercial bank of Ethiopia existed at the Headquarter for this purpose all non-manager clerical employees of 6 (six) departments are randomly selected based on their exposure to training among 18 departments.

The research was both qualitative and quantitative type. Questionnaires were distributed to the respondents to gather the primary data for the study and interview also conduct to Director training and development to gather information on t he subject to ascertain management view on how Commercial Bank of Ethiopia dealt with training practice. The training manual and other documents of the Bank on training was reviewed. This will help the researcher to ascertain whether Commercial Bank of Ethiopia has training policies in place, and also to check whether the processes of training are being dully followed according to the policies and procedures in place.

3.2. Sampling technique and sample size determination

The sampling technique used to select samples from the sampling frame was simple random sampling. As of March 2013 data at CBE Head Quarter there are about a total of 855 non-manager clerical employees who are currently working in different Head office department and divisions existed (CBE, Human Resource transaction management, March 2013). The units of analysis for the study are all departments of commercial bank of Ethiopia existed at the Headquarter for this purpose all non-manager clerical employees of 6 (six) departments are randomly selected based on their exposure to training among 18 departments i.e. CATS,

Credit appraisal, Portfolio management, Trade Service, HRD, Finance Process and strategy management. The sampling frames were a total of 176 employees of the six departments were the sampling frame for the study. First the researcher gives numbers each of the cases in the sampling frame with a unique number. The first case is numbered 0; the second 1 and so on to selects the case using a random number then cases are selected using random numbers until actual sample size is reached (Saunders et.al 2009).

The researcher determines the required sample size by deriving a formula from Kothari, (2004). Kothari, (2004) stated that in case of finite population the sample size determination formula is as follows;

$$n = \frac{z^2 \cdot p \cdot q \cdot N}{e^2(N - 1) + z^2 \cdot p \cdot q}$$

Where,

N = size of population

n = size of sample

e = acceptable error

p = sample proportion, $q = 1 - p$;

z = the value of the standard variance at a given confidence level

The size of the total sampling frame population is 176, where p is 0.5 because at this p value n will be the maximum and the sample will yield at least the desired precision. The z value at 95% of confidence level is 1.96.

$$n = \frac{1.96^2(0.5)(0.5)(176)}{0.05^2(176 - 1) + 1.96^2(0.5)(0.5)}$$

$$\underline{n= 120}$$

Thus, the sample size of this study is 120 clerical employees of the Commercial bank of Ethiopia headquarter. Here we can understand that the sample sizes of 120 clerical employees representing 69% of the sampling frames.

3.3. Instrument of data collection

The sources of data for the study were both primary and secondary. These primary data was collected using questionnaire and structured interview. The questionnaire was composed of Likers scale questions adopted and modified from project report on employee training and development (www.allprojectreports.com) and other related thesis. The questionnaire was modified so that it was possible to address the research question and objectives of the study. The secondary source of data was training manuals and other related documents of the Commercial Bank of Ethiopia on training.

3.4. Procedure of data collection

The form of questionnaire which was used in the study is structured close ended type. The questionnaires were distributed for employees who have been selected from the sample head office departments. In this closed form of questionnaire the respondents choose one of the alternatives as possible answers. The Likers scale had five scales ranging from **1** which represents “strongly disagree”, **2** refers to “disagree”, **3** “neutral”, four represents “agree” and **5** represents “strongly agree”. The questionnaires were directly distributed to the respondents. Thus the filled questionnaires were collected from each respondent according to the time line provided for data collection and ready for analysis.

3.5. Method of data analysis

After collecting the data through different techniques, the researcher has organized and prepared the various data depending on the sources of information. Moreover, in order to ensure logical competence and consistency of responses, data editing was carried out each day by the researcher. Identified mistakes and data gaps were rectified as soon as possible. Once editing has done, data were analyzed qualitatively and quantitatively. The quantitative data analysis was done by the use of version 20-SPSS software. The techniques for quantitative data analysis were the frequency distribution and percentages besides regression and correlation which used to determine the proportion of respondents choosing the various responses and to see the relationship between training and performance. This was done for each group of items relating to the research question and objectives. Finally, the analysis part

was presented in the form of tables and examined in narrative form to ensure easily understanding of the analysis. The information from interview and document analysis was analyzed in narrative form.

3.6. Reliability Analysis

Alpha reliability is regarded as a measure of internal consistency of the mean of the items at the time of administration of the questionnaire. Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively related to one another (http://en.wikipedia.org/wiki/Cronbach's_alpha). It is computed in terms of the average inter correlations among the items measuring the concept. Hence, according to Lombard (2010), Coefficients of .90 or greater are nearly always acceptable. The result of reliability test for the questionnaire is 0.94 with 22 items shown in the following table.

Table 3.1. Reliability Test Statistics

Cronbach's Alpha	N of Items
.936	22

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.1. INTRODUCTION

In this chapter, the collected data are presented in the table form, analyzed and the conclusion drawn from the findings of the study and finally the recommendations are forwarded. The analysis divided in to four parts to see the effect of training on performance and to address the specific objectives of the study. The four parts are respondent demographic analysis, training process, delivery technique and performance. Results are presented in respect of the effect of employee training on employee performance, in the form of effectiveness, efficiency, commitment and self-confidence within the context CBE.

4.2. Overview of Commercial Bank of Ethiopia

Commercial bank of Ethiopia, the leading bank in Ethiopia, established in 1942. Pioneer to introduce modern banking to the country. Currently, it has above 665 branches, spanning the entire breadth and width of the country. As on June 30th 2011, total deposits stood at birr 86.5 billion while total asset and capital of the bank reached birr 114 billion and 6 billion respectively. It Plays a catalytic role in the economic progress & development of the country. The first bank in Ethiopia to introduce Automated Teller Machine (ATM) service for local users. Currently CBE has about 2 million Account holders. It has strong correspondent relationship more than 50 renowned foreign banks and a SWIFT bilateral arrangement with 500 others. CBE combines a wide capital base with more than 13,700 talented and committed employees. Pioneer to introduce Western Union Money Transfer services in Ethiopia. CBE has reliable and long-standing relationships with many internationally acclaimed Banks throughout the world. Commercial Bank of Ethiopia has been playing a conspicuous role in economic development of the country for 70 years now. Today, more than ever before, the CBE has aggressively expanded its presence in all directions of the country. Despite the flourishing of private commercial banks, the CBE has remained in the lead in terms of assets, deposits, capital, and customer base and branch network.

The Vision of the bank is *“To become a world class commercial bank by the year 2025.”*

And its Mission is *“We are committed to best realize stakeholders' needs through enhanced financial intermediation globally and supporting national development priorities, by deploying highly motivated, skilled and disciplined employees as well as state-of-the-art technology. We strongly believe that winning the public confidence is the basis of our success.”*

4.3. DATA ANALYSIS AND DISCUSSION

For the purpose of the study a total of 120 questionnaires were prepared and circulated to the respondents out of which 102 questioners were fully collected, 13 questionnaires were discarded due to missing data. Therefore, 89 questionnaires were considered for the study. The sector is specify and defined for the research as the study is aimed to find the effect of training on employee performance. The data received from the respondents are analyzed with help of statistical software program SPSS-20. Correlations and Regression analysis are also performed for measuring the independent variables i.e. the effect of training practice on employee performance. In the coming sections below the researcher analyzed data on training process of the bank, delivery technique and then finally data on employee's performance.

4.3.1. Training Process of the Bank

Generally speaking, most organizations have long recognized the importance of training to its development. Helping employees to become effective in their job is one of the most fundamentally important tasks in people management that any work organization has to undertake. Training should be systematic in that it is specifically designed, planned and implemented to meet defined needs. The concept was originally developed for the industrial training boards in the 1960s, and consists of a simple four-stage model (Armstrong 2010). In this part the researcher analyzed and present the data collected from the respondents how the bank process and carried out the training programs to provide effective training to the employees. The researcher analyzed the collected data and presented as follows.

Table 4.1. Existence of Training Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	30	33.7	33.7	33.7
	DISAGREE	9	10.1	10.1	43.8
	NEUTRAL	5	5.6	5.6	49.4
	STRONGLY AGREE	41	46.1	46.1	95.5
	STRONGLY DISAGREE	4	4.5	4.5	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Respondents were asked about whether the bank has a separate department responsible for man power training. According to table 4.8, the majorities which are 46.1% and the second major 33.7% of the total valid respondents were strongly agree and agreed that the bank has a separate training department in the bank respectively. The remaining 10.1%, 4.5% and 5.6% of the total respondents are disagreeing, strongly disagreeing and no idea about the case or neutral about the presence of training department in the bank respectively. From the above analysis we can point out that the bank has a separate department responsible for man power training which were supported by 79.8% of the total respondents. It indicates that the bank gives value to staff training.

Availability of training policies and procedures

The interview was conducted with the Director training and development of the bank and it indicated that CBE has a training policies and procedures in place. According to the director training and development the bank strongly believes that helping employees to become effective in their job is one of the most fundamentally important tasks in people management that any work organization has to undertake. Employers depend on the quality of their employee's performance to achieve organizational aims and objectives; employees have motivational need for training and development, recognition status, and achievements that can should be meet through job satisfaction. Moreover, as the training director stated in his interview the training policy indicates that it contains some essential elements of training. It outlined the objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types and techniques of training.

Table 4.2. Training participation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	13	14.6	14.6	14.6
	DISAGREE	18	20.2	20.2	34.8
	NEUTRAL	7	7.9	7.9	42.7
	STRONGLY AGREE	14	15.7	15.7	58.4
	STRONGLY DISAGREE	37	41.6	41.6	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.9 shows that significant number of respondents representing 41.6% and 20.2% of the total strongly disagreed and disagreed that they were not participated in any form of training since they are joined the bank respectively i.e. they support that they have got the opportunity to participate at least one training session. The other groups which are 15.7% and 14.6% of the total respondents are strongly agreed and agreed that they are not get training opportunities yet. Only 7 respondents representing 7.9% of the total have no idea or neutral. From the above analysis we can depict that the bank provide training opportunities for employees which supported by 61.8% of the total but there are problems in selection of trainees i.e. which is unsystematic or unfair selection process. The reason why the researcher said so, 30.3% of respondents is not get training opportunities since they joined the bank.

Table 4.3. Participation in Designing of Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	10	11.2	11.2	11.2
	DISAGREE	15	16.9	16.9	28.1
	NEUTRAL	13	14.6	14.6	42.7
	STRONGLY AGREE	12	13.5	13.5	56.2
	STRONGLY DISAGREE	39	43.8	43.8	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

As per table 4.10 data 43.8% strongly disagreed and 16.9% of the total respondents disagreed the idea of employee's participation in designing of training programs. Other group of respondents i.e. 13.5% strongly agreed and 11.2% of the total respondents agreed that the bank involved and communicated to employees the designing and development aspect of training programs and the remaining 13 respondents representing 14.6% of the total respondents are neutral.

From the above analysis we can depict that the bank could not participate and/or communicate to employees the planning issues which are directly affect employees in our case training programs. This thought is supported by the majority of the respondent's i.e. 39 or 43.8% and 15 or 16.9% of the total. Participation, which is about employees playing a greater part in the decision-making process by being given the opportunity to influence management decisions and to contribute to the improvement of organizational performance and involvement, which is the process through which management allows employees to discuss with them issues that affect them. According to Williams and Adam-Smith (2006) cited by Armstrong, suggest that this term is most usefully applied to management initiatives that are designed to further the flow of communication at work as a means of enhancing the organizational commitment of employees (Armstrong 2009). Here we can conclude that the bank should have to apply employee relation management in every aspect of human resource management practices through the new HRM model composed of policies that promote mutuality i.e. mutual goals, mutual influence, mutual respect, mutual rewards, and mutual responsibility.

Table 4.4. Undertaking Needs Assessment

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	11	12.4	12.4	12.4
	DISAGREE	23	25.8	25.8	38.2
	NEUTRAL	28	31.5	31.5	69.7
	STRONGLY AGREE	15	16.9	16.9	86.5
	STRONGLY DISAGREE	12	13.5	13.5	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

The researcher also wants to know whether the bank undertaken training needs assessment in designing the training programs. Table 4.11 illustrates respondent’s reflection whether training needs assessment in place and its appropriateness and the majorities representing 31.5% of the total are neutrals or they don’t know about the case. The idea that the organization properly undertake training need assessment before the training program designed and implemented were supported by 16.9% and 12.4% of the total by voting to strongly agree and agreed respectively. The remaining 25.8% strongly disagreed and 13.5% disagree with the idea respectively.

Identifying needs properly is obviously a very important part of the training cycle. The content of the training should be related to the work contexts of the participants (Armstrong 2006). If your analysis is wrong at this stage then the later training activity will also be inappropriate. This may result in wasting money and de motivating staff. From the above analysis excluding neutrals, the majority vote is to strongly disagree and disagree and proportionally, others also agreed and strongly agreed about the case. This implies that the bank were undertaken training needs assessment but not properly undertaken the assessment to identify the real performance gap on employees i.e. between “what is” and “what should be” and what type of training will needed to fill the identified gap.

Table 4.5. Training Planning

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	33	37.1	37.1	37.1
	DISAGREE	18	20.2	20.2	57.3
	NEUTRAL	23	25.8	25.8	83.1
	STRONGLY AGREE	10	11.2	11.2	94.4
	STRONGLY DISAGREE	5	5.6	5.6	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

According to Table 4.12, the majority respondents representing 37.1% agreed that they reflect the bank properly plane the training program with respect to policies and aims and planning interventions and 11.2% of the total also share the idea by strongly agreeing with the previous respondents. Contrary, other group of respondents representing 20.2% disagreed

and their idea also shared by 5.6% respondents by being strongly disagree. And the remaining 25.8% of the total are neutrals.

The above analysis illustrates that a total 48.3% shares and support that the bank plan its training programs in compliance with policies, Aims, and training intervention i.e. objective, level, location, and techniques. The training and development director on his interview also proved the respondents idea that the bank properly plan the training program annually, semiannually and quarterly and revise it when the bank made changes and amendments on its corporate strategic plan. He also added that the bank is flexible on planning issues in general, but there is some deviation or gap may occur in planning as a result of other uncontrollable internal or external limitations.

Table 4.6. Training Implementation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	11	12.4	12.4	12.4
	DISAGREE	40	44.9	44.9	57.3
	NEUTRAL	5	5.6	5.6	62.9
	STRONGLY AGREE	7	7.8	7.8	70.8
	STRONGLY DISAGREE	26	29.2	29.2	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

The Table 4.13 portrays that 26 or 29.2% strongly disagree, 40 or 44.9% disagree, 11 or 12.4% agree, 7 or 7.8% strongly disagree, and only 5 or 5.6% of the respondents are neutral about the idea that the bank implement the training program based on the purpose and characteristics of employee's needs, experience, level of knowledge and skills and motivation to train.

In implementing training programs the training techniques used should be appropriate to the purpose of the course and to the characteristics of participants, their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to being taught or motivated to learn (Armstrong 2006). The above analysis depicts that the implementation of training program at CBE is not based on the intended purpose or according to the plan that already prepared on planning phase and characteristics of job, need,

experience, level of knowledge or skill and motivation to train and this were supported by the majority of the respondents 40 disagree and 26 strongly disagree representing 86.3% of the total respondents. And only 18 or 20.2% agreed and strongly agreed. Training program planning is composed of four continuous and related stages including training interventions. If your analysis is wrong at any of the above stage then the later training activity or stage will also be inappropriate. This may result in wasting money and de motivating staff. It can also set up negative attitudes towards future training. Therefore, the analysis portrays that because of inappropriateness and shortfalls on the prior stages i.e. need assessment, training interventions will affect the outcome of training implementation. Here we can conclude that the bank should have to revise and properly do every steps based on the objectives and goals before implementation of training programs.

Table 4.7. Feedback Request (Training Evaluation)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	24	27.0	27.0	27.0
	DISAGREE	35	39.3	39.3	66.3
	NEUTRAL	19	21.3	21.3	87.6
	STRONGLY AGREE	4	4.5	4.5	92.1
	STRONGLY DISAGREE	7	7.9	7.9	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.14 illustrates that the majorities 39.3% of the respondents disagree and 7.9% strongly disagree anticipation and feedback request about the training. On the other hand 27% agreed and 4.5% strongly agreed with idea and the remaining 21.3% are neutrals.

Requesting trainee's anticipation before training and feedback after training is important to know what trainees expect from the training and to evaluate training effectiveness that enables you to see whether you have met the training needs identified; feedback might be gained about the training that could be used for future training; information on the venue and the trainer might prove very useful.

From the analysis above, we can depict that the training management of the bank is not request feedback before and after training to solicit their expectation and how it was respectively to search out drawbacks that may adjusted and improved in the future. The intention of evaluation through trainee’s feedback is to improve the training provided by assessing which methods are successful.

Table 4.8. Trainees Selection

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	16	18.0	18.0	18.0
	DISAGREE	23	25.8	25.8	43.8
	NEUTRAL	22	24.7	24.7	68.5
	STRONGLY AGREE	4	4.5	4.5	73.0
	STRONGLY DISAGREE	24	27.0	27.0	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

According to table 4.15 the majorities 27% strongly disagree and 25% of the total respondents disagree the idea that the bank select trainee’s based on performance evaluation result not based on seniority. The other significant numbers of respondents which are 24.7% of the total are neutrals. And 4.5% and 18% of the respondents are strongly agree and agreed that the bank select trainee’s based on performance evaluation result.

The table portrays that the bank uses performance evaluation result and not seniority for selection of trainee’s and 24.7% respondents are neutrals because they are not clear how the bank select trainee’s or they are not yet asked about their performance or what problem encounter on their day to day job. Performance is a matter not only of what people achieve but how they achieve it. Performance management must examine how results are attained because this provides the information necessary to consider what needs to be done to improve those results (Armstrong 2006).

Table 4.9. Opinion on training program

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	21	23.6	23.6	23.6
	DISAGREE	37	41.6	41.6	65.2
	NEUTRAL	18	20.2	20.2	85.4
	STRONGLY AGREE	5	5.6	5.6	91.0
	STRONGLY DISAGREE	8	9.0	9.0	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Training should be systematic in that it is specifically designed, planned and implemented to meet defined needs. It is provided by people who know how to train, and the impact of training is carefully evaluated. The concept was originally developed for the industrial training boards in the 1960s, and consists of a simple four-stage model (Armstrong 2010).

Table 4.16 below illustrates the majority 37 respondents representing 41.6% of the total disagreed and also supported by 9.0% of the total strongly disagreed respondents that training at CBE is planned and systematic. Other respondents agreed and strongly agree that it is planned and systematic by voting 21 or 23.6% and 5 or 5.6% of the total respectively. And 18 respondents representing 20.2% of the total are neutrals.

From the above analysis we can depict that training at CBE is not planned and systematic which are supported by the majority of the respondents i.e. those who disagree representing 41.6% and 9.0% of the total strongly disagreed it is planned and systematic. On the other hand significant number, 23.6% are agreed and 5.6% strongly agreed on training is planned and systematic in the bank. Moreover, as the training and development director stated in his interview that the banks' vision is "to become a world class bank in the year 2025" to achieve its vision and to be competitive enough in the globalized world the currently the bank improves its all sided corporate strategic plan. Hence, currently the bank allocates a significant amount of budget for human resource training and development and training program is also planned and systematic because well trained and developed human resource is the key role players in achieving the banks' vision on the specified date. He also said that the bank uses both its own professionals and outsourcing available professional training institutions, but in the market the availability and quality of professional training institutions

are not as such blameless. He also states that the bank has its own training facilities like rooms and materials. The researcher also revised the training policy and procedures of the bank and the policy indicates essential elements of training i.e. objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training and training facilities. However, according to the training and development director but there is some deviation or gap may occur in planning as a result of other uncontrollable internal or external limitations and on implementation of the program there is some communication gap between the training and development department and other the bank's departments on identifying their skill gap, the appropriate training need and selection of appropriate trainees.

Table 4.10. Satisfaction level on training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	6	6.7	6.7	6.7
	DISAGREE	26	29.2	29.2	36.0
	NEUTRAL	19	21.3	21.3	57.3
	STRONGLY AGREE	5	5.6	5.6	62.9
	STRONGLY DISAGREE	33	37.1	37.1	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Respondents also asked about their satisfaction level or inference in relation to the training program of their organization. Table 4.17 below shows that the majority of the respondent representing 33 or 37% and 26 or 29.2% of the total strongly disagree and disagreed which implies that they are not satisfied with the training program of the bank and only 6 or 6.7% and 5 or 5.6% of the total are agreed and strongly agreed that they are satisfied with the existing training program of the bank. And 19 or 21.3% of the total are neutrals.

Employers depend on the quality of their employee's performance to achieve organizational aims and objectives; employees have motivational need for development, recognition status, and achievements that can should be meet through job satisfaction. From the above presentation we can conclude that the majorities representing 66.3% of the total respondents

of the employees are not satisfied with the existing training of the bank. It may affects quality of employee's performance to achieve organizational aims and objectives and job satisfaction.

Table 4.11. Effect of Training on performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	22	24.7	24.7	24.7
	DISAGREE	25	28.1	28.1	52.8
	NEUTRAL	12	13.5	13.5	66.3
	STRONGLY AGREE	0	0	0	0
	STRONGLY DISAGREE	30	33.7	33.7	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

The respondents are asked about training help them to improve their performance since they joined the bank. According to their response the majorities 30 or 33.7% respondents strongly disagree and 25 or 28.1% disagreed. The other 22 or 24.7% respondents agreed and 12 or 13.5% respondents are neutral. And there is no strongly agreed response.

According to the training and development director, the training is given to employees improve the skills, knowledge, abilities and competencies of customer servicing and job performance. The ultimate objective however is to help improve both individual and organizational performance. The concern therefore is about how the bank carries through its training and what impact the training has had on its employees in terms of improved performance.

The analysis depicts that training practice not helped them to improve their performance since they join the bank which are supported by 61.8% of the total respondents. This implies that employees and the bank are not benefited from the training program of the bank. Training and development enhances job satisfaction and productivity for organizations because the employees know what is expected of them as they are also equipped with the knowledge and tools to perform their jobs efficiently (Saleem 2011).

4.3.2. Training Delivery Technique

The training techniques used should be appropriate to the purpose of the course and to the characteristics of participants – their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to being taught or motivated to learn (Armstrong 2006). Here the researcher wants to know the banks’ training delivery technique used and how much it influence employee’s performance.

Table 4.12. On the job Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	4	4.5	4.5	4.5
	DISAGREE	22	24.7	24.7	29.2
	NEUTRAL	12	13.5	13.5	42.7
	STRONGLY AGREE	8	9.0	9.0	51.7
	STRONGLY DISAGREE	43	48.3	48.3	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

According to the above table the majorities of the respondents strongly disagree and disagreed that most of the times the bank doesn’t use on the job training technique for its employees which representing 48.3% and 24.7% of the total respondents respectively. Other group or respondents representing 9.0% and 4.5% of the total strongly agree and agreed respectively and the remaining 13.5% of the respondents are no idea.

From the above analysis we can depict that the bank doesn’t provide on the job training for its employees which is supported by the majorities of the respondents. On the job type of training is most effective for operative personnel and given training at the work place under the supervision and guidance of a trained worker or instructor (R. Kumar, 2012). People learn from their practical experience much better as compare to bookish knowledge and it is better for the organizations to give their employees on the job training because it is cost effective and time saving (Khan et al, 2011). Here the study was conducted on clerical employees who are operative personnel’s so that on the job training is most effective technique of training.

Table 4.13. Off the job Training

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	38	42.6	42.6	42.6
	DISAGREE	14	15.7	15.7	58.3
	NEUTRAL	6	6.7	6.7	65.0
	STRONGLY AGREE	21	23.6	23.6	88.6
	STRONGLY DISAGREE	10	11.4	11.4	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.19 shows that the majority of the respondents 38 or 42.6% and 21 or 23.6% agreed and strongly agreed respectively. The other groups of respondents 14 or 15.7% and 10 or 11.4% of the total respondents disagree and strongly disagreed respectively. And only 6 or 6.7% of the respondents are neutrals.

The analysis shows that the bank most of the time uses off the job training technique to train employees. In off the job training method, the trainees have to leave their work place and devote their entire time to the training. In this method the trainee can place his entire concentration on learning rather than spending his time on performing it (R. Kumar, 2012). Here a trainee focuses on theories rather than practicing it.

Table 4.14. Effect of on the job Training on Performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	44	49.4	49.4	49.4
	DISAGREE	10	11.2	11.2	60.7
	NEUTRAL	16	18.0	18.0	78.7
	STRONGLY AGREE	18	20.2	20.2	98.9
	STRONGLY DISAGREE	1	1.1	1.1	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

The table 4.21 illustrates that the majority 44 or 49.4 of the respondents agree and 20.2% strongly agree about on the job training technique preferred to enhance my knowledge, skill, competency, experience, career development or my performance in general. On the other hand 11.2% disagreed and only 1.1% strongly disagreed with idea and the remaining 20.2% are neutrals.

According the analysis above half percent the total respondents support that on t he job training technique affects their knowledge, skill, competency, experience, career development effectiveness, efficiency, commitment, self-confidence or in general my performance. This type of training is most effective for operative personnel and given training at the work place under the supervision and guidance of a trained worker or instructor (Kumar, 2012). This statement supports the above result of the analysis because the study was conducted on non-managerial positions i.e. operative clerical employees of the head quarter.

Table 4.15. Effect of off the Job Training on Performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	9	10.1	10.1	10.1
	DISAGREE	28	31.5	31.5	41.6
	NEUTRAL	16	18.0	18.0	59.6
	STRONGLY AGREE	12	13.5	13.5	73.1
	STRONGLY DISAGREE	24	26.9	26.9	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.22 s shows that off the job training technique preferred to enhance the knowledge, skill, competency, experience, career development or performance in general and this idea supported 9 respondents by being agreed and 12 respondents by being strongly agreed. On the other hand 16 respondents are neutral. The remaining 28 respondents disagreed and only 24 respondents strongly disagreed. From the analysis we can see that the majority of the respondents disagree and strongly disagreed about the idea because off the job training is all about the theoretical knowledge and it becomes difficult when they practice it at the office.

Table 4.16. Effect of Training Delivery technique on performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	19	21.3	21.3	21.3
	DISAGREE	32	36.0	36.0	57.3
	NEUTRAL	26	29.2	29.2	86.5
	STRONGLY AGREE	4	4.5	4.5	91.0
	STRONGLY DISAGREE	8	9.0	9.0	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.23 shows that the majority of the respondents 32 or 36.0% and 19 or 21.3% disagreed and agreed respectively. The other groups of respondents 8 or 9.0% and 4 or 4.5% of the total respondents strongly disagree and strongly agreed respectively. And 26 or 29.2% of the respondents are neutrals.

There is a wide range of training method and techniques have been developed over the years by training organizations and training experts which are suitable for different categories of employees in the organization like managerial and non-managerial, technical, administrative, skilled, unskilled, senior and junior, and so on. Each organization has to choose those methods and techniques which are relevant for its training needs (R. Kumar, 2012). From the analysis we can depict that the bank was not used training techniques according to the type and categories which are suitable for different categories of employees in the organization.

4.3.3. Employee's Performance

The concept of performance has been expressed by Brumbrach as Performance means both behaviors and results. Behaviors emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviors are also outcomes in their own right the product of mental and physical effort applied to tasks and can be judged apart from results (Brumbrach 1988). Thus, it is the knowledge and skills acquired for the job that makes employees effective and efficient. The questions and respondents response about performance are summarized and analyzed in the following tables below.

Table 4.17. Employee's Effectiveness

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	25	28.1	28.1	28.1
	DISAGREE	17	19.1	19.1	47.2
	NEUTRAL	28	31.5	31.5	78.7
	STRONGLY AGREE	13	14.6	14.6	93.3
	STRONGLY DISAGREE	6	6.7	6.7	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.24 reveal that majority of the respondents representing 31.5% had no idea or neutral for the importance of training to perform well their regular activities. The next major 28.1% respondents are agreed and 14.6% are strongly agreed that after training employees in the bank are working well their regular activities. However, 19.1% and 6.7% of the respondents are disagree and strongly disagreed. Hence, these responses indicated that the after training employees work effectiveness is improved.

Table 4.18. Employee's Efficiency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	22	24.7	24.7	24.7
	DISAGREE	30	33.7	33.7	58.4
	NEUTRAL	23	25.8	25.8	84.3
	STRONGLY AGREE	10	11.2	11.2	95.5
	STRONGLY DISAGREE	4	4.5	4.5	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

In addition to the above response, the researcher also proved that how much the training provided by the organization helped employees to perform their work quickly and efficiently. Therefore, as shown in the table 4.25 below, among the respondents 24.7% agreed and 11.2%

strongly agreed about the training relevance to work quickly and efficiently even if 33.7% disagreed and in addition to this, 4.5% strongly disagreed up on t his issue. The remaining significant numbers of respondents which are 25.8% are neutrals. Here from the above analysis we can say that training provided by the bank not helped employees to perform works quickly and efficiently.

Training is the means by which such skills; knowledge and attitudes are impacted to employees to enhance efficiency and effectiveness. The creation and transfer of knowledge in an organization has become a critical factor in an organizations success and competitiveness. Here we can say that work efficiency or adaptability will enhance through on the job training but the bank most of the time uses off the job training so that the bank should provide on the job trainings to employees to enhance their work efficiency.

Table 4.19. Employee's Accuracy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	25	28.1	28.1	28.1
	DISAGREE	27	30.3	30.3	58.4
	NEUTRAL	16	18.0	18.0	76.4
	STRONGLY AGREE	16	18.0	18.0	94.4
	STRONGLY DISAGREE	5	5.6	5.6	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Table 4.26 shows that the majority of the respondents representing 30.3% are disagreed and not feel that training enable them to perform their work with greater accuracy and precisely. While, 28.1% and 18.0% of the respondents respectively were agreed and strongly agreed for the significance of training to perform their work with greater accuracy and precisely. Only 5.6% of the respondents strongly disagreed about training effect on performing work with greater accuracy and precisely. And the remaining 18.0% are neutrals.

Table 4.20. Employee's Commitment

		Frequency	Percent	Valid Percent	Cumulative percent
Valid	AGREE	14	15.7	15.7	15.7
	DISAGREE	24	27.0	27.0	42.7
	NEUTRAL	33	37.1	37.1	79.8
	STRONGLY AGREE	10	11.2	11.2	91.0
	STRONGLY DISAGREE	8	9.0	9.0	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

In relation with employees are commitment, respondents were asked to indicate the banks training practice to bring a positive effect on their commitment to the organization and for the work, the majorities 37.1% of respondents as indicated in table 4.27 below, neutrals or have no idea about the issue. While 27% of the total disagreed that the training practice of the bank makes employees committed for their work and for the organization. Only 9% respondents were strongly disagreed and 15.7% of respondents agreed on the good training practice of the bank that makes them more committed for the work and for the organization. The analysis shows the majority of the respondent agreed the training practice of the bank don't make them committed to their work. Therefore, it can be concluded that, employees are not committed for their work and for the organization.

Table 4.21:- Employees Self Confidence

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	24	27.0	27.0	27.0
	DISAGREE	20	22.5	22.5	49.4
	NEUTRAL	27	30.3	30.3	79.8
	STRONGLY AGREE	12	13.5	13.5	93.3
	STRONGLY DISAGREE	6	6.7	6.7	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

In regard to on self-relying and self-confidence for a solution when things are looking difficult in the work, majority of respondents representing 30.3% were neutrals while 27% as shown in table 4.28, reported that because of the knowledge, skills and attitude that they learned from the training they do things easily when things are looking difficult and the issue also supported by 13.5% of strongly agreed respondents.

The analysis shows employees are not rely on themselves for a solution when things are looking difficult on their work because of the training and they are not confident enough on their job.

Table 4.22. Customer Servicing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	AGREE	15	16.9	16.9	16.9
	DISAGREE	36	40.4	40.4	57.3
	NEUTRAL	24	27.0	27.0	84.3
	STRONGLY AGREE	6	6.7	6.7	91.0
	STRONGLY DISAGREE	8	9.0	9.0	100.0
	Total	89	100.0	100.0	

Source: - Respondents Questionnaire Data, July 2013

Finally, table 4.28 shows the extent to which the culture of the organization is good enough to provide training on time and ultimately helps to employees in giving and delivering better services for clients of the bank. Therefore, from the total respondents majority were disagreed that represents 40.4% and the second largest respondents neutral that representing 27%. Where, 16.9% and 6.7% of the respondents agreed and strongly agreed on the issue which is stated earlier respectively. The remaining 9% respondents were strongly disagreeing on the issue. Here we can infer from the analysis that, the culture of the organization is not good in providing training on time that assists employees in order to capture the required skill and knowledge for the provision of excellent service for clients of the bank on time.

4.3.4. Interview and Document Analysis

The researcher also conducted a structured interview with CBE's Director of training and development department regarding the training practices of the bank. The director proves that the bank has a separate department responsible for manpower training and the department also works by using its own comprehensive written guidelines, policies and procedures in place that explains some essential elements of training. It outlined the objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training. The training and development director also said that the main purpose of training at CBE is improving their skills, knowledge, abilities and competencies of customer servicing and job performance. He added the ultimate objective however is to help improve both individual and organizational performance. The concern therefore is about how the bank carries through its training and what impact the training has had on its employees in terms of improved performance.

The bank allocates a significant amount of budget for employee training and development. This also indicates that the bank priority for its manpower. The bank properly plans the training program annually, semiannually and quarterly and revises it when the bank made changes and amendments on its corporate strategic plan. He also added that the bank is flexible on planning issues in general, but there is some deviation or gap may occur in planning as a result of other uncontrollable internal or external limitations. Moreover, as the training and development director stated in his interview that the banks' vision is "to become a world class commercial bank by the year 2025" to achieve its vision and to be competitive enough in the globalized world the currently the bank improves its all sided corporate strategic plan. Hence, currently the bank allocates a significant amount of budget for human resource training and development and training program is also planned but not systematic because well trained and developed human resource is the key role players in achieving the banks' vision on the specified date. He also said that the bank uses both its own professionals and outsourcing available professional training institutions, but in the market the availability and quality of professional training institutions are not as such blameless. He also states that the bank has its own training facilities like rooms and materials.

The researcher also revised the training policy and procedures of the bank and the policy indicates essential elements of training i.e. objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training and training facilities. However, according to the training and development director but there is some deviation or gap may occur in planning as a result of other uncontrollable internal or external limitations and on implementation of the program there is some communication gap between the training and development department and other the bank's departments on identifying their skill gap, the appropriate training need and selection of appropriate trainees. Generally, he said that training at CBE is planned and but not systematic and it results positive effect on employees performance but not as we expected to be with respect to other internal and external environmental limitations. Currently the bank conducts a research on this area to find out challenges and limitations of the training practice that results unsatisfactory result on the performance of employees of the bank.

4.4. CORRELATION ANALYSIS

Here the scale typed questionnaire entered to the SPSS software version 20, to process correlation analysis. Based on the questionnaire which was filled by the sample employees of Commercial bank of Ethiopia, the following correlation analysis was made.

Pearson correlation test was conducted to know the degree of relationship between the independent variable i.e. training Practices and the dependent variable i.e. employee performance variables. Then the researcher analyzes the result using the correlation rule that explain if the correlation coefficient is 1 variables are perfectly positively correlated and -1 perfectly negatively correlated, if it is between (1, 0.3] the correlation is positive, (-1, -0.3] negatively correlated, and (-0.3, 0.3) no correlation between variables.

Correlation between Training practices and Performance Variables

The results of the correlation analysis between the independent variable and dependent variable are shown in table 4.30 below; as it is indicated in the table at commercial bank of Ethiopia there is significant and positive correlation between training practices and all employees' performance variables except the correlation between training practices and efficiency which there is no correlation between them i.e. ($r= 0.206$). As shown on the table

the relationship is moderate between training practices and Effectiveness, Commitment and Self-confidence i.e. ($r = 0.525, 0.436, 0.493$ respectively with $p < 0.01$).

Table 4.23. Correlation between Training Practices and Variables of Performance

		Training Practices	Effectiveness	Efficiency	Commitment	Self-Confidence
Training Practices	Pearson Correlation	1	.525**	.206	.436**	.493**
	Sig. (2-tailed)		.000	.053	.000	.000
	N	89	89	89	89	89
Effectiveness	Pearson Correlation	.525**	1	.646**	.872**	.935**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	89	89	89	89	89
Efficiency	Pearson Correlation	.206	.646**	1	.620**	.713**
	Sig. (2-tailed)	.053	.000		.000	.000
	N	89	89	89	89	89
Commitment	Pearson Correlation	.436**	.872**	.620**	1	.878**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	89	89	89	89	89
Self-Confidence	Pearson Correlation	.493**	.935**	.713**	.878**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	89	89	89	89	89

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

Source: - Respondents Questionnaire Data, July 2013

According to the table the training practice is highly and significantly related with employee's effectiveness on their job i.e. ($r= 0.525$, with $p < 0.01$). The next high and significant relationship is existed with employees Self-Confidence to rely on them for a solution when things are looking difficult on their job ($r= 0.493$, with $p < 0.01$) and next training practice significantly related with commitment for their job and for the organization ($r= 0.436$, with $p < 0.01$). There is no correlation between training practices and efficiency i.e. ($r= 0.206$).

4.5. REGRESSION ANALYSIS

The researcher also conducted regression analysis to know by how much the independent variable explains the dependent variable. It is also used to understand by how much the independent variable training practices move the dependent variables of performance i.e. (Effectiveness, Efficiency, confidence and Commitment). The beta value is a measure of how strongly predictor variable influences the criterion variable. The higher the beta value the greater the impact of the predictor variable on the criterion variable. The results of regression analysis employee training practices against performance variables i.e. Effectiveness, Efficiency, Commitment and self-confidence can be seen in tables presented below.

Regression Analysis of Training Practices and Employee Effectiveness

The regression analysis result on Table 4.31A below shows that standardized Beta coefficient for employee training and effectiveness is 0.525.

Table 4.24A. Beta Coefficient of Training Practices and Employee Effectiveness

Model	Standardized Coefficients		Sig.
	Beta		
1	(Constant)		
	Training Practices	.525	.000

a. Dependent Variable: Effectiveness

Table 4.24B. R and R square of Training Practices and Employee Effectiveness

Model	R	R Square	Durbin-Watson
1	.525	.276	.192

a. Predictors: (Constant), Training Practices

b. Dependent Variable: Effectiveness

Source: - Respondents Questionnaire Data, July 2013

The Beta coefficient result indicates that a change of one standard deviation in the predictor variable resulted in a change of standard deviations in the criterion variable. Thus, a change of one standard deviation in training practices has 52.5% change of standard deviations on employee Effectiveness. Since the higher the beta value the greater the effect of the predictor variable on the criterion variable.

Moreover, when you have only one predictor variable in your model, then beta is equivalent to the correlation coefficient between the predictor and the criterion variable (www.SPSS for Psychologists). Hence, a 1 standard deviation change on training practices results a 52.5% move on employees Effectiveness. Hence, there is moderately higher impact of training practice on employee Effectiveness. Table 4.31B above also clearly shows the value of R and R². According to the table value of R is 0. 525, which is a measure of the correlation between the practical value and the predicted value of the dependent variable (employee Effectiveness). Whereas R Square (R²) is the square of this measure of correlation and indicates the percentage of the variance of employee effectiveness with the existence of training practices. Hence, R Square = 0 .276 implies that only 27.6% of effectiveness is described by training practices.

Regression Analysis of Training Practices and Employee Efficiency

The Results of regression analysis training practices against employee efficiency can be seen in table 4.32A and 4.32B below. In this case the results of Beta coefficient of training practices and employee efficiency is 0.206 that describes a change of 1% standard deviation in training practices has 20.6% change of standard deviations on employee Efficiency. On the other hand according to table 32B, the R is 0.206 that explains the correlation between training practices and employee efficiency and the R Square becomes 0.042 that indicates 4.2% of variance of employee efficiency with the existence of training practices.

Table 4.25A. Beta Coefficient of Training Practices and Employee Efficiency

Model	Standardized Coefficients	Sig.
	Beta	
1 (Constant)		
Training Practices	.206	.053

a. Dependent Variable: Efficiency

Source: - Respondents Questionnaire Data, July 2013

Table 4.25B. R and R square of Training Practices and Employee Efficiency

Model	R	R Square	Durbin-Watson
1	.206	.042	.142

- a. Predictors: (Constant), Training Practices
- b. Dependent Variable: Efficiency

Source: - Respondents Questionnaire Data, July 2013

Regression Analysis of Training Practices and Employee Commitment

Tables 4.33A and 4.33B below shows regression analysis training practices against employee Commitment.

Table 4.26A. Beta Coefficient of Training Practices and Employee Commitment

Model		Standardized Coefficients	Sig.
		Beta	
1	(Constant)		
	Training Practices	.436	.000

- a. Dependent Variable: Commitment

Source: - Respondents Questionnaire Data, July 2013

Table 4.26B. R and R square of Training Practices and Employee Commitment

Model	R	R Square	Durbin-Watson
1	.436	.190	.146

- a. Predictors: (Constant), Training Practices
- b. Dependent Variable: Commitment

Source: - Respondents Questionnaire Data, July 2013

From the table 4.33A we can see the Beta column under standardized coefficients below, and understand that the value of Beta for training practice and commitment is 0.436. Therefore, a change of one standard deviation in training practices results a 43.6% change of standard deviations on employee commitment.

Table 4.33B shows regression analysis R and R Square of training practices against employee commitment. The R Square value is 0.190 that point toward 19% of variance of employee commitment with the existence of training practices.

Regression Analysis of Training Practices and Employee Self-Confidence

Finally, the regression analysis tables 4.34A and 4.34B summarizes the Beta coefficient and model summary of training practices and employees Self-confidence. It indicates that training practices of the bank has related with employees self-confidence with the Beta value of 0.493 that is a change of 1% standard deviation in training practices has 20.6% change of standard deviations on employee self-confidence.

Table 4.27A. Beta Coefficient of Training Practices and Employee Self-Confidence

Model	Standardized Coefficients	Sig.
	Beta	
1		
(Constant)		
Training Practices	.493	.000

a. Dependent Variable: Self-Confidence

Source: - Respondents Questionnaire Data, July 2013

On Table 4.34B below the R square is the explained variance and it is actually the square of the multiple R (0.493)². Therefore, it is pointed out that 49.3% of training practices can explain the dependent variable that is self- confidence. As it is indicated in table 4.34B, training practice was considered as predictors of employee self- confidence and reported high level of significance $p < 0.01$. And also the R square value of 0.243 confirming that, 24.3% of the variation in self-confidence is explained by training practice.

Table 4.27B. R and R square of Training Practices and Employee Self-Confidence

Model	R	R Square	Durbin-Watson
1	.493	.243	.182

a. Predictors: (Constant), Training Practices

b. Dependent Variable: Self-Confidence

Source: - Respondents Questionnaire Data, July 2013

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1. Conclusions

The main purpose of the study was to examine the effect of training practices on employee's performance and performance is presented in the form of effectiveness, efficiency, commitment and Self-confidence of employees on their job in the case of commercial bank of Ethiopia. Hence, the researcher draw the following inferences based on the findings of the study.

Commercial bank of Ethiopia performs employee training programs through organizing a separate department which is responsible only for man power training and development with a formal policies and procedures that guide the whole practice of training programs and it indicates essential elements of training i.e. objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training and training facilities required. Regarding to training process and delivery techniques, the bank are not properly undertaken training process as it is indicated on the policy and procedure. The bank also doesn't used training delivery techniques according to the type and categories which are suitable for different categories of employees in the organization like managerial and non-managerial, technical, administrative, skilled, unskilled, senior and junior, etc. The bank focuses on off the job training technique that employees leave their work place and devotes their entire time to the training but as indicated on analysis this type of technique doesn't highly affects performance of employees under study (Clerical employees) as compared to the resources and time spent for training programs.

From the correlation analysis the researcher concludes that at Commercial bank of Ethiopia there is significant and positive correlation between training practices and effectiveness, self-confidence and commitment respectively and there is no correlation between training practices and efficiency i.e. ($r= 0.206$). The relationship is moderate between training practices and Effectiveness, Commitment and Self-confidence i.e. ($r= 0.525, 0.436, 0.493$ respectively with $p < 0.01$).

The regression analysis shows that a change of one standard deviation in training practices has 52.5% change of standard deviations on employee effectiveness and only 27.6% of effectiveness is described by training practices. In the case of training practices and employee efficiency the conclusion is Beta coefficient is 0.206 that describes a change of one standard deviation in training practices has 20.6% change of standard deviations on employee Efficiency and only 4.2% of employee efficiency explained by training practices. On the same manner a change of one standard deviation in training practices results a 43.6% change of standard deviations on employee commitment and 19% of variance of employee commitment with the existence of training practices. Finally the conclusion on regression analysis of employee self-confidence and training practices is a change of one standard deviation in training practices has 20.6% change of standard deviations on employee self-confidence and 24.3% of the variation in self-confidence is explained by training practice.

5.2. Delimitation of the study

This study was investigated the effect of training practices on employee performance of commercial bank of Ethiopia Headquarter. Commercial bank of Ethiopia has around 665 branches managed under its 15 districts offices stretched throughout the country. Because of time, financial and experience on the area the study was delimited to commercial bank of Ethiopia Head Quarter offices. Especially the time provided for the study from the university college makes the study to be tight. The researcher also encountered a limitation on data collection from respondents that some of the employees are not willing to fill the questioners.

5.3. Recommendations

The major goals of training practices are to enhance employee's performance and create standardized job performance throughout the organization. A well performed employee is the first requirement to survive in a competitive environment and to generate profit. Previous theories and researches on effect of training practices on employee's performance and also this study shows clear links between training practices and employee's performance which helps to deeply understand the relationship and interaction between training practices and employee's performance. Here under the researcher forward recommendations which help to improve the training practices that will results a higher positive effect on employee's performance.

- ❖ "Training Need Analysis" should be given primary importance to determine the real performance gap between what the employee presently do and what the employee should do i.e. between "what is" and "what should be" and what type of training will needed to fill the gap if any.
- ❖ The bank should have to revise and properly do every step and evaluate the training effectiveness through feedback.
- ❖ The creation and transfer of knowledge in an organization has become a critical factor in an organizations success and competitiveness. Since, bank should have to use training techniques according to the type and categories which are suitable for different categories of employees in the organization like managerial and non-manual, technical, administrative, skilled, unskilled, senior and junior, and so on.
- ❖ The bank should have to critically revise its training programs to enhance employee's job satisfaction because satisfied employees can perform more than those who are not satisfied in organizations.
- ❖ The bank should have to apply employee relation management in every aspect of human resource management practices through the new HRM model composed of policies that promote mutuality i.e. mutual goals, mutual influence, mutual respect, mutual rewards, and mutual responsibility.
- ❖ The management of CBE should exert their effort towards employee efficiency for better employee performance.

- ❖ Finally, this study directly focuses on the effect of training practices i.e. only process and delivery techniques on employee's performance i.e. only effectiveness, efficiency, commitment and self-confidence are studied. However, there are many training practice issues and performance dimensions which are not studied here. Therefore, this study can be further enhanced to explore that how training practices can be strategically designed and aligned with organizational goals to meet the desired performance. For example, this research can be further explored in terms of psychological factors involved in training such as their effect on attitude, behavior, and motivation.

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Appendix A

QUESTIONNAIRE

Dear Sir/Madam,

This questionnaire has designed to solicit information for purely academic purposes. This is to enable the student researcher Nebro Alemu who is a final year student at St. Mary's university college School of Graduate Studies department of MBA, conducting a thesis on the title; *The Effect Of Training Practice On Employees Performance: The Case Of Commercial Bank Of Ethiopia Head Quarter*, for the partial fulfillment of the degree Master of Business Administration. I would request you to kindly spare some time to fill up this questionnaire.

Thank you very much for your cooperation.

N.B:

1. You don't need to write your name.
2. The student researcher has scheduled to get the filled questionnaire back within 3 days.
3. All information given would be treated with utmost confidentiality.
4. CBE stands for Commercial Bank of Ethiopia.
5. Please Put in Side the Box.

Part 1:- Questionnaire on Training Practice and process

<i>S.No</i>	<i>Descriptions</i>	<i>Liker Scale</i>				
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	There is a separate department responsible for manpower training in my organization.					
2	Since I joined CBE I did not participate in any form of training.					
3	As an employee I was involved in the practices of training Programs in CBE.					
4	I think that my organization properly undertaken training needs assessment before					

	the training program designed and implemented.					
5	I think that my organization properly plan the training program with respect to policies and aims and planning interventions i.e. objective, location, level and techniques of the training.					
6	The bank implement the training program based on t he purpose of training and characteristics of employees jobs, needs, experience, level of knowledge, and skills and motivation to train.					
7	The management request feedback before and after training about the training program and the value added to my career, experience and performance.					
8	I think that the basis for the selection of trainees in the Bank is Performance evaluation result, not based on seniority.					
9	In my opinion, training practices at CBE is planned and systematic.					
10	I am satisfied with the training program of CBE.					
11	Generally, the training practice of the bank has helped me to Improve my performance since I joined CBE.					

Part 2:- Questionnaire on training delivery technique

<i>No</i>	<i>Descriptions</i>	<i>Likert Scale</i>				
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Most of the time the bank gives to the employees on the job training like job rotation, learning by doing (coaching), job instruction etc.					
2	Most of the time the bank use off the job training techniques like lecture, seminar, case study, group discussion etc.					
3	On the job training technique of the bank affects my knowledge, skill, competency, experience, career development effectiveness, efficiency, commitment, self-confidence or in general my performance.					
4	Off the job training technique of the bank affects my knowledge, skill, competency, experience, career development effectiveness, efficiency, commitment, self-confidence or in general my performance.					
5	Generally, The training techniques that the bank used helped me to enhance my job performance since I joined the bank.					

Part 4:- Questionnaire on Employees job Performance

<i>No</i>	<i>Descriptions</i>	<i>Liker Scale</i>				
		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	I can say that training practice of the bank helped me to perform and work <i>effectively</i> my regular activities.					
2	The training practice of the bank helped me to perform my work quickly and efficiently .					
3	I feel that training practice of the bank enable me to perform my work with greater accuracy and precisely .					
4	Because of the good 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 bank makes me to feel self-confidence on my work.					
6	Since the culture of the bank is good enough to provide training on time, I am so specialized in the services that will be delivered to the clients.					

INTERVIEW QUESTIONS

1. Is there a separate department or unit in the bank that is responsible for manpower training?
2. Does the bank currently have a written comprehensive training policies and procedures?
3. Can you please briefly describe the training policy and procedures of the bank?
4. What are the major purposes of training that the organization need to attain?
5. How the bank currently plan and implement the training program?
6. Regarding to the training program;
 - a. What are the kinds of training used?
 - b. What methods of training are used?
 - c. Do the bank has its own professional training providers or used outside training organizations or both?
 - e. How the training, trainees, the lessons, and trainers are determined?
 - f. How is the training program evaluated?
7. Does training have an effect on e mployee performance? How do you measure training effect on employee performance?
8. Do you think that the training programs in CBE are planned and systematic? If your answer is no why?

DECLARATION

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

Name

St. Mary's University, Addis Ababa

Signature

October, 2013