

Addis Ababa University
College of Educational and Behavioral Studies
Department of Educational Leadership and Management

**ASSESSMENT OF TRAINING PRACTICES AT Head Office OF
COMMERCIAL BANK OF ETHIOPIA**

BY

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Addis Ababa

**ASSESSMENT OF TRAINING PRACTICES IN COMMERCIAL BANK OF
ETHIOPIA**

**By
Hamzya Kemal**

**A Thesis submitted to the Department of Educational Planning and
Management In Partial Fulfillment of the Requirement for the Master of Arts
Degree in Educational Leadership**

ADDIS ABEBA

July, 2018

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This is to certify that this thesis is prepared by hamzya kemal entitled “Assessment of Training and development practices in Commercial Bank of Ethiopia and submitted in partial fulfillment of the requirement for the Degree of Master of Arts in Educational Leadership and Management complies with the regulation of the University and accepted standards with respect to originality and quality.

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Acronyms and Abbreviations

CBE Commercial Banks of Ethiopia

ATM: Automatic Transfer Machine

HRD: Human Resource Development

HRM: Human Resource Management

SPSS: Statistical Package for Social Sciences

ASTTD: American Society Training and Development

Abstract

Employee training and development are becoming an increasingly important function of HRM as they help organizations to enhance human capital and compete in a rapidly changing business world. Moreover, it's important to note that aligning an organization's training scheme to its objectives and goals is very fundamental. Similarly, an evaluation is carried out to ascertain the current status of the organization's training. This paper examined the status of training and development in Commercial Bank of Ethiopia in relation to its ties with the Bank's objectives. The researcher raised three basic questions which were addressed at the end of the study. Data for the study was collected from employees and supervisors at the Bank's Headquarter. The sample size was kept at 100 with an 88 percent response rate. Two types of questionnaires and a documentary analysis was applied as relevant data collecting tools. The data collected was properly sorted out to frequency tables and analysis was given under each domain of the questionnaires as well as the documents retrieved from the bank for analysis. Findings also show that the employees approached for this study have a remarkably positive outlook on the relevance, applicability, objectivity, motivation, knowledgeableness, satisfactoriness and effectiveness of the trainings offered by the Bank. The Bank also has set out a training evaluation mechanism and has conducted some of them, however the evaluations were found to be limited in showing impacts of trainings in a full scale. Therefore, it is recommended in this research that CBE should consider conducting trainings in greater frequency than it currently does with balanced distribution to all employees and do extensive training evaluation to measure their effects.

Chapter One

1.1. Introduction

This part of the thesis as an introductory chapter aims at giving brief and precise background information on the essence of training and development in the financial environment with particular focus on banks. The researcher looks in to theoretical discussions with regard to training and development and its impact on organizational success. Empirical studies were also reviewed to the link between training and development with organizational effectiveness. Similarly, it was important to look at the knowledge gap the researcher happens to encounter through study and extensive reading in the area of concern.

The researcher also tried to clarify why, how and to whom the research would be important vividly stating the major objectives of conducting the study. Including reviewing related literatures, both published books and thesis reviews were covered. The research also tried to bring forth findings and recommendations at the end of the study.

1.2. Background of the study

Human resource management regards training and development as a function concerned with organizational activity aimed at bettering the job performance of individuals and groups in organizational settings.

The formal educational system does not adequately teach specific job skills for a position in a particular organization. Few employees have the requisite skills, knowledge, abilities and competencies needed to work effectively. As a result, many require extensive training to acquire the necessary aforementioned requisites to be able to make substantive contribution towards the organization's growth.

Human resources (Armstrong, 2009) have played a significant role in the economic development in most developed countries. Developing countries like Ethiopia, can adopt these lessons to their growing economy. To manage an organization both large and small requires staffing them with competent personnel. Training is imparting a specific skill to do a particular job while

development deals with general enhancement and growth of individual skill and abilities through conscious and unconscious learning.

The main purpose of training and development is by improving the employee competencies so that organizations can maximize efficiency and effectiveness of their human assets.

Armstrong (2009) clearly stated in his book that organizations could benefit from training and development through winning the “heart and minds of” their employees to get them to identify with the organization, to exert themselves more on its behalf and to remain with the organization.

If employees are to experience flexibility and effectiveness on the job, they need to acquire and develop knowledge and skills, and if they are to believe that they are valued by the organization they work for, then they need to see visible signs of management’s commitment to their training and career needs. Training and development are the processes of investing in people so that they are equipped to perform well. These processes are part of an overall human resource management approach that hopefully will result in people being motivated to perform. It goes without saying therefore that the training and development of employees are an issue that has to be faced by every organization, as many scholars would agree.

However, the amount, quality and quantity of training carried out vary enormously from organization to organization. According to Cole (2002), factors influencing the quantity and quality of training and development activities include: the degree of change in the external environment, the degree of internal change, the availability of suitable skills within the existing work-force and the extent to which management see training as a motivating factor in work.

Many organizations meet their needs for training in an ad hoc and haphazard way. Training in Commercial bank of Ethiopia is more or less unplanned and unsystematic. Other organizations however set about identifying their training needs, then design and implement training activities in a rational manner, and finally assess results of training. It is worth noting that CBE is one of the largest employers in the county’s economy embracing a significant number of human resources with diversified skills.

1.2.1. Background of CBE

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942. BE was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country.

Pioneer to introduce modern banking to the country. It has more than 1160 branches stretched across the country. The leading African bank with assets of 384.6 billion Birr as on June 30th 2016. Plays a catalytic role in the economic progress & development of the country. It is the first bank in Ethiopia to introduce ATM service for local users. Currently CBE has more than 13.3 million account holders and the number of Mobile and Internet Banking users also reached more than 1,352,000 as of September 30th 2016 (68% active users). Active ATM card holders reached more than 3 million (61% active users).

It has strong correspondent relationship with more than 50 renowned foreign banks like Commerz Bank A.G., Royal Bank of Canada, City Bank, HSBC Bank. CBE has a SWIFT bilateral arrangement with more than 700 others banks across the world. CBE combines a wide capital base with more than 30,000 talented and committed employees. Pioneer to introduce Western Union Money Transfer Services in Ethiopia early 1990s and currently working with other 20 money transfer agents like Money Gram, Atlantic International (Bole), Xpress Money.

CBE has opened four branches in South Sudan and has been in the business since June 2009. CBE has reliable and long-standing relationships with many internationally acclaimed banks throughout the world.

1.3. Statement of the Problem

Trainings are not given for the sake of giving trainings. They should rather be channeled in a way they could bring professional development, increased employee performance and elevated organizational success. Hence, as far as assessing the status of training and development is concerned, it is quite necessary to look through the impacts of such efforts had and is having on the effectiveness of employees and the success of the organizational goals.

It turns out to be essential to analyze the whole scheme of training and development plans, budget and execution to assess the attainment of goals the training efforts of the Bank which is basically expected to be developing and qualifying employees to enable them to meet the increasing demands of both the bank and its customers.

As companies spend so much of their budget on employees training, it is crucial that they are able to measure the added value from the training expenditure. Evaluation of training success is also considered as one of the most important phase of training. Hence, it is also important to assess how the organization strives in evaluating its training and development activities.

Training activities are not usually tailored towards employee job needs. There is a gap between employee job needs and training activities making it very difficult to facilitate performance in banks. Hence, it is important to assess how big banking firms like the CBE are handling the issue of training and development.

The influences of training and development on organizational objective in the banking industry has not been substantially investigated and documented. This is in spite of the significant contribution of this sector to economic development; training and development activities have been shown to be unreasonably low. The success of the banks is highly dependent on the caliber of its employees and how effective they are trained in order that they help the organization achieve its objectives. This make the matter an issue of concern.

Accordingly, the study tries to investigate on the following basic questions:

- What is the state of current training practices at CBE?
- How effective are the training impact assessment mechanisms currently set in place in CBE in measuring successes emanated from training and development?
- How are the current training and development practices linked with the CBE's aims and goals?

1.4. Objectives of the Study

This study was intended to assess the current status of training and development and its influence on employee performance at CBE. The data were collected from employees such as customer service officials, administrative personnel, and training and development officials. Accordingly, the study aims at the following specific objectives:

- Assessing the positive influences of training and development in CBE on the staff in particular and the organization in general.
- Analyzing the manner training and development is planned and executed in CBE.
- Investigating the indicators of linkages between organizational objectives and the practice of training.

1.5. Significance of the Study

The results of this study could be significant in many ways. Financial organizations, particularly public and private banks can benefit from the results of this study by analyzing the manner by which trainings are administered and the impacts they have in boosting success for their business. Policy makers would also use the results of the study as a resource in drafting regulations of professional development whereas practitioners will benefit from it by looking at their training and development programs and practices.

Besides, organizations might be able to plan their training and development programs in a way it could significantly influence the success of their organizations through continuous post training impact assessment. Further, the study could come in handy for other researchers who might be interested in digging deep in to studying training and development as related to the banking business.

Theoretical Framework

The theoretical foundation for the study is the system approach to training by Eckstrand (1964). This approach is regarded suitable not only in term of the total organization in which the individual performed his task but also training objectives and goals. The system theory was first developing in the engineering and biological sciences before it was employed by social scientists in explaining organizational and social features.

Nwakwo (1988) adopted the system approach in his book entitled “Education and training for public management in Nigeria”. Katz & Khan (1966) utilized the open system approach in studying “the social psychology of organizations” Easton (1965) used the approach in his study of political structure.

A system seems to re-energizes or modifies itself via the process of information feedback from its environment; another system moves to arrest the entropic process by importing more energy from its environment than expected in order to survive. In the light of the general perspective of system theory, the system approach to training as propounded by Eskstrand (1964) is considered appropriate approach for this study.

In the approach, the development of a training program is linked to the development of a weapon system. In this aspect, the system engineer commences with an operational requirement; a precise statement of the objectives to be attained by the system. The systems engineer then works a backward from these objectives to produce an arrangement of sub-systems which when operated based on some operational plan, will fulfill the requirement. The design of a training system can proceed in the same manner.

These are behaviors that can be attained by the training system. The job of the training designer then is to select the sequence or series of learning experience which will produce its desired behavior. An evaluation phase is needed to assume that the training program succeeds in producing individuals capable of performing as specified.

Thus, this study also looks at how trainings are selected, planned and channeled in the bank. Besides, the study clearly assesses what feedbacks are obtained by the training and development department of the bank through evaluation of training results.

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1.6. Delimitations of the study

With due considerations to the fact that CBE is a large corporation with a vast number of professional employees and a remarkable history of training and development practices, the

study is delimited to assessing the effects of the current practices of training and development in the bank.

Moreover, it is clear that it is not feasible to try and investigate the whole history and overall training and development practices at CBE within this study only. Therefore, it is found to be crucial to delimit the study in to assessing the current practices of training and development at CBE and its influence on the employees and the bank.

1.7. Organization of the Study

The paper was organized in to five chapters. The first chapter introduces the background of the study, briefing the statement of the problem and setting up the objectives of the study with basic research questions.

The second chapter reviews related literatures on the area. As the study deals with training, professional development and its impact on organizational success, issue related to this were reviewed briefly from different published and unpublished sources.

In the third chapter, which is methodology of the study, matters related with regard to data collection, sampling and analysis were briefly elaborated.

In chapter four, descriptions and analysis of the data collected was presented and the last chapter, chapter five contains conclusion and recommendations to wrap up the study.

Chapter Two

Review of Related Literatures

2.1 Concept and Definition of Training

One major area of the Human Resource Management function of particular relevance to the effective use of human resources is training and development. It would be surprising these days to find someone who would argue against the importance of training as a major influence on the success of an organization. Employees are a crucial and expensive resource. In order to sustain effective performance, it is important to optimize the contribution of employees to the aims and goals of the organizations.

The importance of training as a central role of management has been recognized by research studies. For instance, Jehanzeb and Beshir (2013), confer one contribution of an organization's manager is to give others vision and ability to perform. The general movement towards downsizing, flexible structures of organizations and the nature of management moving towards the devolution of power to the workforce give increasing emphasis to an environment of coaching and support.

Training is necessary to ensure an adequate supply of staff that is technically and socially competent and capable of career development into specialist departments or management positions. There is therefore a continual need for the process of staff development, and training fulfills an important part of this process. Training should be viewed therefore as an integral part of the process of total quality management.

For any organization to function effectively, it must have money, materials, supplies, equipment, ideas about the services or products to offer those who might use its outputs and finally people, which is the human resource, to run the organization. The effective management of people at work is Human Resource Management, Shen (2004).

Human Resource Management has emerged as a major function in most organizations and is the focus for a wide-ranging debate concerning the nature of the contemporary employment relationships. Managing human resources is one of the key elements in the coordination and

management of work organizations. Shen (2004) defines Human Resource Management as the involvement of all management decisions and actions that affect the nature of the relationship between the organization and its employees-the human resources. According to Shen generally management make important decisions daily that affect this relationship.

Defining Training

Training has been defined by many scholars as follows:

Training refers to instruction that promote knowledge, skills and attitude of employees in order to carry out their duties more efficiency (Farahbakhsh, 2010).

According (Mathis, 2008) training is a process whereby people acquire capabilities to aid in the achievement of organizational goals. Training is a systematic development of knowledge, skills and attitudes required by employees to perform adequately on a given task or job (Olaniyan, 2008).

In fact learning should be distinguished from training. Training is one of several responses an organization can undertake to promote learning. Whereas Learning is the process by which a person constructs new knowledge, skills and attitude these are necessary for them to perform their jobs satisfactorily (Armstrong, 2010).

Learning could be formal or informal. Formal learning is planned and systematic. It makes use of structured training program consisting of instruction and practice which may be conducted on the job or off the job.

Learning is the means by which a person acquires and develops new knowledge, skills, capabilities, behavior and attitudes. Learning effectiveness depends on the extent to which the organization believes in learning and supports it.

In the learning process ways individuals learn will differ, and the extent to which they learn will depend largely on how well they are motivated or self-motivated. Discretionary learning can take place when individuals of their own volition actively seek to acquire the knowledge and skills they need to carry out their work effectively. It should be encouraged and supported to be effective from it.

2.2 The Importance of Training and development

McDowall (2010) argue that the recognition of the importance of training in recent years has been heavily influenced by the intensification of competition and the relative success of organizations where investment in employee development is considerably emphasized. They add that technological developments and organizational change have gradually led some employers to the realization that success relies on the skills and abilities of their employees, and this means considerable and continuous investment in training and development.

It is the view of Beardwell and Holden (1993) that Human Resource Management (HRM) concepts such as commitment to the organization and the growth in the quality movement have led senior management teams to realize the increased importance of training, employee development and long-term education. Such concepts require not only careful planning but a greater emphasis on employee development.

Training could be justified to be important in the following circumstances, according to Beardwell and Holden (1993):

- The work requires skills that are best developed by formal instruction.
- Different skills are required by a number of people which have to be developed quickly to meet new demands and cannot be acquired by relying on experience.
 - The tasks to be carried out are so specialized or complex that people are unlikely to master them on their own initiative at a reasonable speed.
 - Critical information must be imparted to employees to ensure they meet their responsibilities.

A learning need common to a number of people has to be met and can readily be dealt with in a training program: for example induction, essential IT skills, and communication skills.

2.3 Purpose, Process and Outcomes of Training

According to Cole (2002), training is a learning activity directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or task. The focus of training is

the job or task for example, the need to have efficiency and safety in the operation of particular machines or equipment, or the need for an effective sales force to mention but a few. To develop the desired knowledge, skills and abilities of the employees, to perform well on the job, requires effective training programs that may also effect employee motivation and commitment.

Employees can make or break their organizational reputation and profitability. And they are responsible for the bulk of the activities which can affect client satisfaction, the quality of the product and event.

According to Garavan (1997) and Berge (2002) training is the planned and systematic modification of behavior through learning events, activities and programs which results in the participants achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively. A formal training program is an effort by the employer to provide opportunities for the employee to acquire job-related skills, attitudes and knowledge.

This means 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. Most organizations have long recognized the importance of training to its development. As new technology progresses, making certain jobs and skills redundant, an increasing emphasis is being placed on the need for a skilled and highly trained workforce. Many of the jobs being replaced by machines have been of an unskilled and semi-skilled nature, and this emphasizes the need for higher education and skills for those wishing to gain employment in the future.

According to Blain (2009) research shows that in Europe, 44% of employees receive job-related technical skills training and 33% receive information technology (IT) skills training. 18% of employees have undertaken sales related training in the past year, while 25% have undertaken personnel development skills training, 21% management skills training and 15% leadership skills development.

2.4 Evaluating Effectiveness of Training

Training Evaluation Training evaluation is the systematic collection of descriptive and judgmental information necessary to make effective training decisions related to the selection, adoption, value and modification of various instructional activities (Werner & DeSimone, 2006). This definition mentions both descriptive and summative information which are available and equally present in any given training and development intervention.

Training evaluation includes the systematic collection of information according to a predetermined plan to ensure the information is appropriate and useful. According to Merwin (1992), training evaluation is the means used to determine the worth or value of the training. It is a process of assessing the results or outcomes of training (King, King & Rothwell, 2001).

It determines the significance of the training including to what extent and how well the training met the individual or organizational needs. Training evaluation shows the benefits of training with regards to learning and job performance, and these benefits should be informed to the top management as well as the stakeholders of their investments in terms of money, time and effort (Merwin, 1992).

Seeing that training evaluation focuses exclusively on learning outcomes, it gives a micro view of training results (Alvarez, Salas & Garofano, 2004). Every training program must be evaluated since there is no alternative way of ensuring that investments on training are worthwhile without doing evaluation. Evaluation is a difficult process to do well but it must be attempted in order to improve the standard and effectiveness of the programs being offered (Aminuddin, 1997). It must occur throughout the training program in order to achieve training goals.

The experts of training evaluation believe that the evaluation is not just another element to the training program but must be incorporated within any training process in order to examine the effectiveness of the training program, Kirkpatrick, (1998). As such, training evaluation cannot be ignored. Effective evaluation is well-planned and reliable. Therefore, organizations must closely study the data obtained from the training evaluation to upgrade the present training programs rather than obtain data just for training evaluation purposes, particularly for organizations who

have invested millions of USDs and will continue investing more in training programs, Abdel-Wahab (2008).

Training evaluation has provided numerous benefits which all training practitioners and academics alike agree. According to Philips (1996), training evaluation can help to:

- I. determine whether a program is accomplishing its objectives;
- II. identify the strengths and weaknesses of HRD program, which can lead to changes, as needed;
- III. determine the cost-benefit ratio of HRD program;
- IV. decide who should participate in future HRD programs;
- V. identify which participants benefited the most or the least from the program;
- VI. gather data to assist in marketing future programs; and
- VII. Establish a database to assist management in making decisions.

Likewise, Kirkpatrick and Kirkpatrick (2006) suggested three key benefits of evaluating training programs: (i) to justify the existence and budget of the training department by showing how it contributes to the organization's objectives and goals; (ii) to decide whether to continue or discontinue training programs; and (iii) to obtain information on how to improve future training programs.

2.5 Training Effectiveness

While training evaluation is a systematic process of assessing the outcomes of training programs, King, (2001), training effectiveness is a study of characteristics of the individual, training and organizational that affects training processes, before, during and after training, Alvarez (2004).

According to Alvarez (2004), training effectiveness focuses on the learning system as a whole thus providing a macro view of training outcomes whereas, training evaluation focuses only on the learning outcomes therefore it provides a micro view of training results. Many past studies have been done on the relationship between training effectiveness and performance. For instance, De Meuse, Hostager and O'Neill (2007) examined the effectiveness of workplace diversity training on employee performance.

The findings revealed that workplace diversity training had a positive impact on the employees. Haslinda and Mahyuddin (2009) investigated the effectiveness of training and development in the public sector. They found similar results as De Meuse (2007), suggested that training programs conducted in the public sector helped the employees to contribute significantly to their organization by applying the knowledge and skills learned in the training.

Based on the empirical evidences found in studies, researchers admitted that it is important for each training program to receive positive feedback from the participants with regards to satisfaction. If training programs fail to show a reasonable return on the organization's time and money investment, probably the organizations will discontinue to invest more time and money in training and consequently the future training programs will be at risk. Therefore, training evaluation is essential to ensure the effectiveness of a training program.

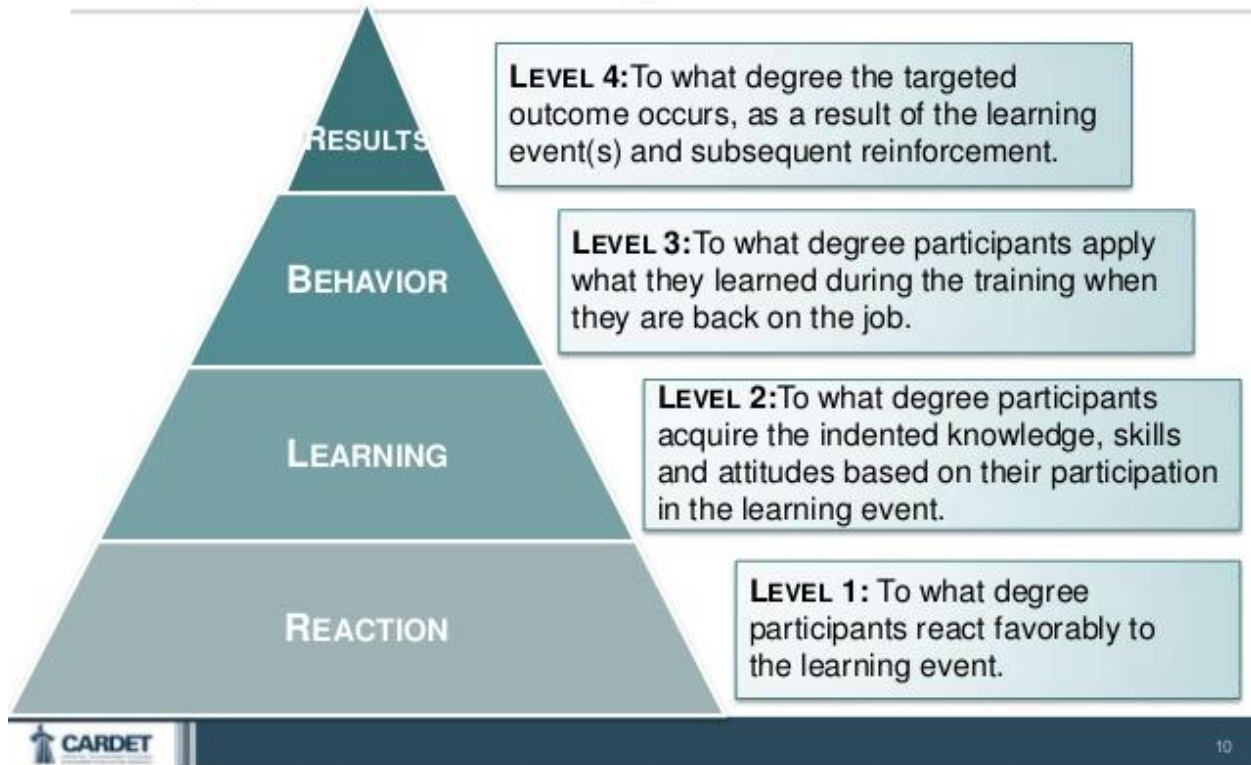
2.6 Training Evaluation models

There are various of evaluation models that have been proposed in the literature such as Galvin's CIPP (1983), Brinkerhoff's model (1987), Kraiger, Ford and Salas' model (1993), Holton's model (1996) and Phillip's model (1966) however, the most widely used evaluation model is the four levels of evaluation model by Donald Kirkpatrick in 1967.

2.6.1 Kirkpatrick's Model of Evaluation

This model comprises of four levels of evaluation namely: Level 1- Reaction, Level 2-Learning, Level 3-Behavior, and Level 4-Results. According to Kirkpatrick, each level is essential and has an impact on the next level. The process becomes more complicated and time consuming as the assessor move from one level to the next (Kirkpatrick & Kirkpatrick, 2006). As such, not many organizations manage to measure beyond level 2. For example, as reported by the American Society for Training and Development, ASTD (2003) in its State of Industry Report, a survey of 276 organizations reports that 75% of organizations have collected reaction measures, 41% learning measures, 21% job behavior measures and only 11% collected business impact measures (Werner & DeSimone, 2006).

Kirkpatrick's Training Evaluation Model



Kirkpatrick's four levels of evaluation model

The Reaction level or level 1 focuses on the participants' perceptions of the training program. Kirkpatrick called this level as a measure of customer satisfaction. Questions such as, Did you find the training beneficial to your work? Did the course objectives clearly communicated?; and Was the classroom setting suitable for the course?; are used to collect information on how the participants felt about the training they received. A positive reaction would mean that the participants were happy and satisfied with the training program and more likely to use the skills and knowledge.

Measuring this level is important as the top management's decisions possibly based on what they have heard about the training program. Therefore, it is important for the HR department to have factual data that reactions are favorable because if the participants' reactions are negative, probably they will not be motivated to learn (Kirkpatrick & Kirkpatrick, 2006).

The next level of evaluation is the Learning level or level 2. Learning is defined as the acquirement of knowledge, behavioral change, skills and attitudes, Schneckenberg (2010).

Based on this definition, there are three things that a training program can do: (i) increase knowledge, (ii) improving skills and (iii) changing attitudes. Level 2 aims to evaluate how much the participants have learned from before to after the training program. The assessors could use pre-tests and post-tests if a training program is measuring what knowledge was learned. If a training program aims to improve the participants' skills, the assessors can use performance tests and if a training program is measuring what attitudes were changed, it is recommended the assessors to use attitude surveys which include all relevant attitudes the organizations want participants to have after attended the training program.

At the end of the training program, if the participants' knowledge has increased, skills have improved or their attitudes have changed then it is considered that learning has taken place. The Behavioral level or level 3 measures whether the knowledge, skills and attitudes learned were transferable to the workplace to reflect positive changes in behavior and job performance. As Kirkpatrick emphasized, if learning does not transfer to the job, then it cannot have any impact to the job and organization. However, there are other conditions that may influence the transfer of training of the participants.

For instance, there are four important conditions for change to occur, which are: (i) The person must have a desire to change; (ii) The person must know what to do and how to do it; (iii) The person must work in the right climate; and (iv) The person must be rewarded for changing. Obviously, a training program can do the first two conditions by giving the required knowledge and skills. However, the third and fourth conditions are depending on the immediate supervisors and the top management. For instance, if a manager has learned about how to conduct an effective employment selection interview, the manager cannot apply the learning until an interview is carried out, according to Schneckenberg (2010).

The Results level or level 4 is the effect on the business or environment resulting from the improved performance of the participants. This level seeks to determine whether the learning impacted the business such as by providing more profit, high sales and reducing numbers of customer complaints. This is the answer most sought after by the stakeholders and certainly the most challenging to provide since there are many other reasons beyond employee performance that lead to organizational performance.

Questions such as, What tangible benefits have we received for all the money we have spent on training programs on leadership, time management and decision making?; and How much did productivity increase because we conducted a program on diversity in the workplace for all supervisors and managers?; usually stay unanswered because the assessors do not know how to measure the results and compare them with the cost of the programs and if they do, they cannot provide absolute evidence that the good results come from the training programs (Kirkpatrick & Kirkpatrick, 2006). To successfully implement this model, Kirkpatrick and Kirkpatrick (2006) have suggested some tips.

Firstly, the assessors should start the evaluation with level 1 and continue with other levels one after another. Each level has its own impact on the next level therefore, each of the level is important. The higher the level, the more challenging the process is and needs more time to accomplish but it offers more meaningful results.

Secondly, the organizations may use the overall reactions ratings to decide whether to continue or discontinue the training program. If there are suggestions to improve the future training programs, the organizations should use them. Thirdly, the level 2 can be done easily if the assessors know what knowledge, skills and attitudes they want participants to have after completed the training programs.

Pre-test and post-test are essential to ensure that learning has taken place. However, if the topics covered in the training programs are new topics therefore pre-tests are not important. Finally, level 3 and 4 are the challenging levels thus; organizations may consider to appoint consultants, Kirkpatrick and Kirkpatrick (2006).

Models for Training Evaluation

There are different models to evaluate training, still training evaluation is the weakest and most under developed aspect of training. There are number of issues which lead to ignorance of evaluation as well as faced in the course of evaluation. It causes expenses that can be ill afforded in a constrained financial area and also it takes time to practice (Iyer, 2009). There are several reasons for underdeveloped evaluation. They are; evaluation means different things to different people, it is perceived to be difficult, tedious and time consuming task which trainers do not like to pursue, people tend to assume the training will simply work, trainers feel threatened by the prospect of an objective evaluation of training and its outcome (Sims, 1993).

Scholar states that the main reasons for failure of evaluations are: inadequate planning, lack of objectivity, evaluation errors of some sort, improper interpretation and inappropriate use of results. Other issues are failure to train the evaluators on the techniques of evaluation, inappropriate data gathering instrument and focus on unimportant details. Different models are used by organizations to evaluate training effectiveness according to the nature and budgets of the business.

2.7 Difference between Training and Development

Training is the acquisition of knowledge and skills for present tasks which help the individual contribute to the organization in their present positions. Training must give rise to a change in behavior such as the use of new skill and knowledge on the job. Development, on the other hand, provides the employee with skills and knowledge that are intended to be used in the future. Training is used to give employees the job-specific experience, skills and knowledge with which they do their job or improve employee job performance (Eze, 2005).

Training is much more limited in aspects of scope and overall impact on the organization. The contents of training program can lose relevance quickly. It is a one-time event while development means the broadest view of knowledge and skills acquisition. Development is typical and on-going. Training is a long-term process in which individual employee learning technical knowledge skill for a define purpose.

Development is a long-term educational and theoretical knowledge for general purpose. The Relationship between Training and Performance: Performance refers to how the worker is able to effectively manage and present their tasks to reflect their quality and quality service preferred by their organization (Olaniyan& Lukas, 2008).

It therefore follows that there is a direct relationship between staff training development and staff performance if the employee would be more trained or more developed, the employee would be more satisfied with the job, more committed to the job and the employee performance would also be enhanced.

When staff performance increases, it will give rise to the organization effectiveness (Camnathes, 2006). Sometimes, workers feel that training do not provide them with adequate knowledge in skills. The improper trainings can result into conflict between workers and their organization and this would impact on the organization performance and effectiveness, Sahinidis (2002).

Staff performance may be related to many factors within the organization like management, knowledge and overall job satisfaction. Ngirwa (2009) identified key factors that can address problems related to performance in the organization such as knowledge, innovation, satisfaction, and career orientation.

Importance of Training Needs Assessment in the Banking Sector

Training needs assessment is traditionally regarded as a diagnostic process that occurs before training. The purpose of formal needs assessment is to identify the training targets (Kozlowski & Salas, 2003).

In the past, there has been disagreement about the appropriate terminology to describe this process. Some authors choose to distinguish needs assessment from needs analysis. For example, Kaufman and Valentine (1999) refer to needs assessment as the process for identifying and prioritizing gaps in performance. In contrast, they define needs analysis as the process for attributing cause to identify performance gaps.

Hence, the entire process will be referred as needs assessment. So, once training has been conducted, a comprehensive evaluation should follow. The primary purposes of training evaluation are to examine the viability, success rate and utility of implemented training programs. Without this information, no clear conclusions about the effectiveness of programs can be made. Nor can organizations make informed decisions regarding where to make revisions or updates to current programs (Robbins and Coulter, 2005).

Although the terms training evaluation and effectiveness are sometimes used interchangeably, several authors have noted subtle differences between the two (Kraiger et al. 2003). Hence, training effectiveness is a broad construct that identifies situational or contextual factors impacting learning, retention and transfer. This focus is critical for uncovering whether a training program was effective or ineffective due to characteristics of the program or to factors outside the control of the training system (Ford, 2006).

Training evaluation is concerned with the achievement of a desired level of proficiency and the attainment of requisite knowledge and skills. Therefore, training evaluation is a two-fold

process that involves establishing indicators of learning or training transfer and determining exactly what job related changes have occurred as a result of training (Goldstein, 2001).

The choice of the most appropriate level of evaluation is related to the ultimate goals of the training and evaluation efforts. For example, in some instances, it may be sufficient to only determine if trainees actually acquired knowledge and skill during the training intervention. The more likely scenario is one in which the organization would like to determine if what has been learned in training is actually used on the job.

Hence, it is clear that the training function for most organizations is not as effective or efficient as it could be. To truly be effective or successful, training programs must incorporate more of the established best practices. All of the steps in the process are important (Tyson, 2006).

However, Goldstein (2001) claims that, of all of the best practices, needs assessment is probably the most important part of the process. Therefore, training needs assessment is the foundation of the entire instructional design process. It establishes the content of subsequent training. If not done correctly, or at all, the job-relatedness, effectiveness and validity of any training program is jeopardized. In addition, needs assessment provides a database to support or justify resource allocation for other human resource functions.

Chapter Three

Research Design and Methodology

This chapter deals with the research design and methods of conducting the research including data collection tools, sample size and sampling techniques and the population. The chapter also describes the techniques of data analysis and interpretation.

3.1 Research Design

The study was a survey type in the form of descriptive study in which data were collected once from a population through random sampling technique. According to Yin (2003), case research is particularly useful when the phenomenon of interest is of a broad and complex nature and, hence, is best studied within the context in which it occurs. Hence, the researcher chose a survey research design.

3.2 Research method

The overall method of the study was survey method, since this method enables the researcher to scan wide area among the subjects of the study and to collect the required data from larger population with particular focus on the domain, training.

As the study mainly depends on a quantitative data to obtain information, it is necessary to widen the area included in the survey within the given organization. Accordingly, the researcher took a 985 of population about a 100 subjects for the study with a diversity of gender, educational status, profession and experience.

3.3 Sources of Data

Employees of Commercial Bank of Ethiopia including middle level managers but excluding the support staff (security, janitorial service) are targets of the study and they were approached for data collection.

However, the target population, which are a 985 employees of CBE Head Office of which 100 samples were selected through simple random sampling are supposed to be the primary sources of information for the study, different documents of the Bank such as training plans, assessments

and evaluation of trainings conducted, feedback forms of trainee, need assessment portfolios...etc. are also considered as sources of secondary data.

3.4 Sample Size and Sampling Technique

The data collection was done on the Head Office of Commercial Bank of Ethiopia in Addis Ababa. The sample size was kept at 100, which was applied through randomly selecting from different departments and professional levels using probability sampling. Study participants were selected using simple random sampling techniques from the selected departments and professional levels. Therefore, it is a blend of two sampling techniques, Probability and Simple Random Sampling.

3.5 Data gathering

Two types of data collecting instruments were designed and employed in order to acquire the necessary information from the selected sample population. These instruments were questionnaire and document analysis.

Questionnaire - Closed ended questionnaire was employed to collect quantitative data from the employees of CBE where as a separate open ended questionnaire was designed for line managers. This is because questionnaire is convenient to conduct survey and to acquire necessary information from large number of sample in short period of time.

Since the number of participants from employees is 100 but line managers are limited to a few number, they were approached by an open ended questionnaire where they can give their responses in a flexible and detailed manner. Interview was not applied because the respondents were too busy to be able to participate in it.

Document Analysis - In addition to the questionnaires, document analysis on the banks archive in relation to training and professional development was used to authenticate the information gathered. These documents were training manuals, outcome evaluation documents, trainee

feedback forms, and other training and development related documents accessed from the banks archive.

3.6 Data Analyzing techniques

The data which were obtained through different data collection instruments were analyzed quantitatively and qualitatively, but most importantly quantitatively using SPSS software. The reason qualitative analysis is added is because the open ended questionnaire should be analyzed qualitatively. Hence, data tables and frequency percentages were applied to accurately determine the proportion of respondents to every questions as the percentages are crucial in determining the findings of the study in line with the basic research questions raised.

Chapter Four

Analysis and Interpretation of Data

The primary focus of this study was to assessing the practices of training and development based on data obtained from Commercial Bank of Ethiopia through different instruments of data collection; such as questionnaire (open and close ended), and review of secondary data by the researcher. And the data were described, analyzed and synthesized in tables, percentage, frequency distribution, with the application of SPSS.

4.1 Respondents Background

Data for the analysis was collected from employs in different levels at the head office of Commercial Bank of Ethiopia. Hundred (100) questionnaires were distributed for employees and supervisors (line managers) out of which eighty eight (88) questionnaires were returned, and the researcher found it suitable for further analysis. Meaning 88 percent response rate was recorded. And these data were supplemented with the data which was obtained through open ended questionnaires distributed to twenty (20) line managers with fourteen turn ups and review documents of the sample organizations regarding the training budget that allocated by them for training.

Table 4.1 Distribution of Respondents could suttees by sex and age group

Respondents	Sex	Age category of the respondents			Total
		18-25	26- 35	>36	
Employee	M 67	17	33	38	88
	F 21				
Supervisor	M 11	0	6	8	14
	F 3				
Total					102

As table 1 depicts, only 21 (23.8%) of the respondents were female and the remaining 67 (76.2%) of the respondents were male. Especially the numbers of female respondents were very low at supervisory level, it was 2(6.45%) of the total respondents from supervisors. The remaining 29(93.55%) of the respondents were male supervisors.

Regarding the age composition of the respondents, the largest group of the respondents 38 (45.2%) were at the age of more than 36 years age group. The second largest group 33 (39.3%) indicated their age as between 25-36 years old. But the remaining 13 (15.6%) of the respondents were in the 18-25 age group.

Table 4.2 Distribution of Respondents by the Service year and Educational Levels

Respondents Service year									
	1-5 years	6-10	11-15 years	16-20 years	More than 20	Diploma	Degree	>Masters	Total
Employees	20	22	12	23	7	22	62	3	
Supervisors	0	0	3	6	5	0	12	2	

The largest group of respondents 30 (35.7 %) indicated that they had been working in the organization for more than 16 years. 22 (26.2%) and 20 (23.8%) of respondents indicated a tenure with the organization of between 6 and 10years and less than five years respectively. 12 (14.3 %) of the respondents reported their stay in the organization 11 -15 years.

Regarding to the educational level of the participants the majority of the respondents were degree holders that is 62 (70.4%) and the second largest group of the respondents were diploma holder that is 22 (25 %). The remaining few are Certificate holders and Master’s Degree holders.

4.2. Description and analysis of data obtained from employees

Table 4.3 Position of the Respondent in the Banks

Position	Frequency	Percent
Account/Bank clerk	23	26.1
Secretary	4	4.6
Senior Accountant	21	23.8
Computer operation	7	7.9
Others	33	37.5
Total	88	100

The sample respondents’ position in the respective organization, as the above table illustrates 23 (26.1%), 4 (4.6%), 21 (23.8%), 7(7.9%) of the respondents were from account/bank clerk, secretary, senior accountant, computer operation, respectively. Whereas the rest 33 (39.2 %) respondents were from other offices like Human Resource, Credit, security, Client Relation etc...

Table 4.4 Methods used by organizations for giving trainings

Methods	Frequency	Percent
Seminar	32	38.1
On-the-job	33	39.3
Formal lectures	37	44.1
Demonstration	27	32.1
Other	19	22.6
Total	148	-

In order to be effective from the training program which offered by the organizations for their employees, organizations should implement right training methods and should be aware of the training methods and their effectiveness (Alipour et al, 2009).

As the above table showed that organizations used different methods of training to train the employee as 44.1%, 39.3%, 38.1% of the respondent responded that they have taken the training on formal lectures, on-the-job, and seminar respectively. While 32.1% and 22.6% responses indicate that they were trained with, demonstration and other methods.

In fact there is no one method which is always effective or best over the others in all condition or time, since training is a situational process that is why no single method is right for every situation. While some objectives could be easily achieved through one method, other objectives could necessitate other methods (Alipour et al, 2009). At the same time the organization has to know the method that employ by the organization has its own effect on the effectiveness of the organization from the training expenditure. That is why; companies are increasingly searching for the right blend of training methods to maximize the effectiveness of learning. Others are looking for more cost-effective alternatives to online learning which for some enterprises has proven to be a more expensive route than anticipated.

However, the data obtained here shows that CBE uses a variety of training methods which most of them are focused on practically involving trainees.

Table 4.5 No. of times employees have had training since they have joined the organization

No of times	Frequency	Percent
1-3	52	61.9
4-6	22	21.4
7-9	9	10.7
10 +	4	4.8
Total	88	100

As the table shows a great majority of the respondents 52 (61.9 %), have taken training from only from 1 to 3 times whereas 18 (21.4%), 9 (10.7 %) and 4 (4.7) of the respondents, have taken trainings for up to 4 to 6 and 7 to 9 and more than 10 times respectively, since they have joined the Bank, showing that there is discrepancy with regard to trainings given to each employee but also shows the respondents have had at least one training since joining the Bank.

Period of Training	Frequency	Percent
Less than a month	2	2.4
1-3 months	61	72.6
4-6 months	23	22.6
7-9 months	2	2.4
Total	88	100

table 4.6 Duration of a particular training in the sample organizations

As the above table describes 61 (72.6%), which is a big majority has taken trainings lasting from 1 to 3 months. 19 (22.6%) and 2 (2.4%) of the respondents responded that they have taken the training for 4-6 months, 7-9 months, 7-9 months, respectively. While the remaining 2 (2.4%), of the respondents responded that they did not have a training lasting more than a month. This implies that trainings were given in a variety of manners both short term and long term which is quite interesting as all these contribute to the employees’ professional development.

Table 4.7 Content of the Training that Offered by the Bank for their Employees

Types of Training	Frequency	Percent
Computer skill	11	13.2
Operational	17	20.4
Accounting	14	16.8
Machine operation	6	7.2
New employee orientation	28	33.3
Conducting performance appraisal	0	0
Team building	3	3.6
Managerial skill/ leadership	5	6
I) Operational safety program	0	0
J)If other please specify	-	-

Note: others may be Credit Analysis, Change Management, Customer service/ customer handling, Press Money Paying Service, Business Communication, CATS (Customer Account and Transaction Service), Training of Trainers, Human Resource, and Developmental Training.

As the above table depicts the employees in the bank have taken different types of training. As 28 (33.3%), relatively the biggest number of respondents say that they took New employee orientation trainings whereas 17 (20.4 %), 14 (16.8 %), of the respondents replied that they have taken operational and accounting training respectively. Another 11 (13.2 %) of the respondents responded that they took computer skill trainings.

And 6 (7.2 %) of the respondents said that they have taken machine operation and the rest 5 (6 %) and 3 (3.6%) respondents said that they have taken team building and managerial trainings respectively.

4.3 Analysis of the opinion of employees on training schemes of the Bank

Table 4.8 Evaluation of training aspects and its effectiveness in the organization by the employees

No.	Questions	Scale	Frequency	Percent
1	The training program is <i>designed based on</i> the requirements of the job and employee deficiency of ability for the job.	1	0	0
		2	0	0
		3	37	42.1
		4	27	30.7
		5	24	27.2
		Total	88	100
2	The type of training I have taken is <i>applicable for the job</i> I do after the training.	1	0	0
		2	6	6.8
		3	30	34.1
		4	34	38.6
		5	18	20.5
		Total	88	100
3	The training has <i>increased my motivation</i> to the job I do	1	0	0
		2	2	2.3
		3	22	25
		4	26	29.5
		5	38	43.2
		Total	88	100

Based on the feedback obtained through appraisal the training program should be designed accordingly. Within this fact the researcher asked the employees of the sample organizations to answer whether they agree or not on the training program designed by their organizations based on the requirements of the job and employee deficiency of ability for the job 37 (42.1%), 27 (30.7%), and 24 (27.2%) of the respondent replied that they neither agree or disagree, agree, and strongly agree respectively that the training program in the organization was design based on the requirements of the job and employee deficiency of ability for the job. However, no respondent replied to these with a 'disagree' or 'strongly disagree'. Hence the responses indicate that the Bank is somehow in a position of designing the training programs based on the requirements of the job or employee deficiency of ability for the job. Yet again, as the majority of the respondents were not sure to say they agree with the idea, it also indicates that there is still a vacuum in that regard. If training is not linked to that which an organization uses, does, and delivers, the investment is better made elsewhere, according to Kaufman, 1985.

The respondents were also asked to rank the applicability of the training that they have taken at the end of a program in accordance with a five point scale ranging from strongly disagree (1) to strongly agree (5) based on this as the above table portrays 6 (6.8 %), 30 (34.1%), 34 (38.6%), 18 and (20.5%), replied with disagree, neither agree nor disagree, agree and strongly agree respectively on the issue of applicability for the job after the training program. In this respect as more than 38 % of the respondent responded that they agree that the training that the employees attended was applicable, it is quite inclined to the fact that the Bank provides job specific and work area applicable trainings. In other words if it is applicable in the Banks operational activities the trainings are most likely to contribute to employee job performance.

There is documented evidence that training activities have a positive impact on the performance of individuals and teams. Training activities can also be beneficial regarding other outcomes at both the individual and team level (e.g., attitudes, motivation, and empowerment) (Charles R. Greer, 2003). Training plays important role towards increasing the employees' motivation in the organization. As respondents from the Bank responded that 2 (2.3%), 22 (25%), 26 (29.5%), and 38 (43.2%) with disagree, neither agree nor disagree, agree and strongly agree respectively that

the trainings provided by the employer have increased their motivation for the job that they are doing.

No respondent replied with strong disagreement and it was only about 2 % that responded with disagreement that it was not applicable, where as in the contrary a great majority of the respondents have indicated that they either strongly agree or agree as the numbers above explain. Hence, as the respondent proof that the training program can increases the employees' motivation to the job they do. In this aspect, the data gives a conclusive clue that the Bank's training are effective in raising employee's motivation.

Table 4.9 Evaluation of training aspects

No.	Questions	Scale	Frequency	Percent
4	I have known the objective of the training?	1	0	0
		2	21	23.9
		3	19	21.6
		4	31	35.2
		5	17	19.3
		Total	88	100
5	The training <i>improves my skills</i> , knowledge, attitude change, new capability	1	0	0
		2	2	2.3
		3	22	25
		4	26	29.5
		5	38	43.2
		Total	88	100
6	The training has made me be <i>satisfied with</i> my job	1	0	0
		2	5	5.7
		3	17	19.3
		4	44	50
		5	22	25
		Total	88	100

To coordinate the overall efforts of the training participants for the effectiveness of the organization from the training provided, everybody in the training should know the objective of the training. Within this fact, the researcher had asked the respondents whether they had known the objective of the training, and 21 (23.9 %), 19 (21.6%), 31 (35.2%), and 17 (19.3%), of the respondents responded with disagree, neither agree nor disagree, agree and strongly agree respectively on whether or not they know the objective of the training, respectively. While none of the respondent said they strongly disagree, about 50 % have responded as they either agree or strongly agree depicting that the majority are aware of training objectives.

There is documented evidence that training activities have a positive impact on the performance of individuals and teams. Training activities can also be beneficial regarding other outcomes at both the individual and team level (e.g., attitudes, motivation, and empowerment) (Charles R. Greer, 2003). Training plays important role towards increasing the employees' motivation in the organization. As respondents from sample organizations responded that 2 (2.3%), 22 (25%), 26 (29.5%), and 38 (43.2%), with disagree, neither agree nor disagree, agree and strongly agree respectively on the fact that training has increased their motivation for the job that they have doing. No respondent responded that they strongly disagree. As the majority of the respondent proof that the training program can increases the employees' motivation to the job they do, it is likely to conclude that trainings provided by the Bank are effective in sparking work motivation.

Training leads to an increase in the quality of labor, by equipping employees with greater skills and knowledge (and possibly fostering greater effort) (Laplagne, 1999). Training is given to any employee by any organization with the intention of improving skills, knowledge, and bringing attitude change and new capability. By keeping in view such truth the researcher asked question the employees of sample organizations to rank the position of the organizational training programs by using the given scale how much the it improves their skills, knowledge, attitude and new capabilities and 2 (2.3%), 22 (25%), 26 (29.5%), and 38 (43.2%) of them responded with disagree, neither agree nor disagree, agree and strongly agree respectively on the statement that the training improves their skills, knowledge, attitude and new capabilities. From the above response we can understand the Bank were effective from the training since majority of the

respondents agreed that the training enables them to improve their skills, knowledge, attitude, and new capability.

There are many ways to measure the effectiveness of an organization. Natural system perspectives focus on the support goals of the organization such as participant satisfaction, morale, interpersonal skills, etc, as per scholars. Therefore, the trainings that were offered by the Bank should create satisfaction in the mind of the employees in their job that they have doing. As the above table depicts that 5 (5.7%), 17 (19.3%), 44 (50%), and 22 (25 %) of the respondents answered with disagree, neither agree nor disagree, agree and strongly agree respectively on the training leading to employees' job satisfaction. Whilst none of the respondents said that they strongly disagree, about three quarters of the respondents stood for agree and strongly agree. The data apparently is a good indicator that employees of the Bank are enjoying job satisfaction as a result of the training programs channeled by their employer.

Table 4.10 Evaluation of training aspects

No.	Questions	Scale	Frequency	Percent
7	I think the method of training used by the organization <i>is effective</i>	1	0	0
		2	13	19.3
		3	38	38.6
		4	8	11.3
		5	22	25
		Total	88	100
8	I have <i>adequate training</i> that enables me to do my job as required.	1	0	0
		2	23	26.1
		3	36	41
		4	19	21.6
		5	10	6.8
		Total	88	100
9	I am satisfied with the overall aspect of the training programs in the organization	1	0	100
		2	13	14.8
		3	29	32.9
		4	35	39.8
		5	11	12.5
		Total	88	100

In fact the method employed by the Bank has its own effect on its effectiveness of the trainings provided. As a result, companies are increasingly searching for the right blend of training methods to maximize the effectiveness of learning (Blain, 2009). Therefore, the researcher asked the respondent what they think about the effectiveness of the method employed by the organization and 13 (19.3%), 38 (38.6%), 8 (11.3%), and 22 (25%) of the respondents replicated with disagree, neither agree nor disagree, agree and strongly agree respectively. According to these responses it is highly unlikely to say that the training methods employed by the organizations were effective. As a considerable percent of respondents were either undecided or in disagreement against the effectiveness of the methods, therefore the Bank is highly advised to give due attention for the method of training to be more effective.

The effectiveness and success of any organization depends on the people who form and work within the organization. It follows therefore that the employees in an organization to be able to perform their duties and make meaningful contributions to the success of the organizational goals need to acquire the relevant skills and knowledge, according to Olaniyan 2008 and Armstrong, 2010.

If the organization wants to be competent; it should give enough training for its employees. The above table depicts the view of employees in their respective organization about the training they got, and 23 (26.1%), 36 (41%), 19 (21.6%), and 10 (11.3%) of the respondents responded with disagree, neither agree nor disagree, agree and strongly agree respectively saying that the training that offered by the organization was enough. None said strongly disagree. More than a half of the respondents either said they disagree or can't say they are adequate. Hence, it is clear that there is a reasonable feeling that trainings provided by the Bank are not adequate.

Regarding overall satisfaction of training programs of the Bank more than 50 % of the respondents believed that they either agree or strongly agree with the notion that the training programs of the bank are generally satisfactory.

Table 4.11 Evaluation of training aspects

No.	Questions	Scale	Frequency	Percent
10	Training outcomes are <i>evaluated and announced</i> to all employees	1	0	100
		2	33	37.5
		3	22	25
		4	19	21.6
		5	14	15.9
		Total	88	100
11	I have enjoyed a career development as <i>a result of the trainings</i> in this bank	1	0	0
		2	2	2.3
		3	22	25
		4	26	29.5
		5	38	43.2
		Total	88	100
12	I believe all/majority of the staff have <i>benefited from training s</i> in this Bank.	1	0	0
		2	0	0
		3	27	30.7
		4	37	42.1
		5	24	27.2
		Total	88	100

As the table above depicts, respondents were also asked if they believe that training results are always evaluated and announced to employees a remarkable portion of them stood in disagreement. Hence, it explains clearly that there exists a gap in terms of evaluating and announcing trainings results to trainees.

However, in a different question, a great majority of the respondents have claimed that they have enjoyed a career development in the Bank as a result of the trainings provided by their employers. Similarly a big majority of the respondents agree that majority of the staff at the Bank have benefited from trainings provided by the employer.

4.4 Description and analysis of data obtained through Open-ended questionnaire

Open-ended questions were distributed to 20 supervisors and line managers, out of which 14 were completed and returned to researcher. However, respondents were asked to write as elaborately as they can, many of the responses were put in short answers. That could have emanated from the fact that most of these respondents are too busy with their daily office tasks. In spite of this fact, the researcher tried to analyze the open ended responses as follows.

Question no. 1 - Did the bank give training for the employees over the recent years? How often?

The response to these question is a resounding yes from all respondents with differences describing the frequency at which the trainings were given. Majority of the respondents said that trainings are given on average of 2-3 times every year where as some respondents claim that trainings are given to each employee at least once a year. Only a single respondents was not sure about the frequency of trainings in the Bank. According to (Alipour et al, 2009) any organization that wants to succeed and to continue to succeed, has to maintain workforce consisting of people who are willing to learn and develop continuously to be successfully.

Question no. 2 - Why your organization gave the training? What types of training? And what methods the organization is used

All of the respondents in one way or another have mentioned that the reason why they gave a training for their employees was to upgrade the skills, knowledge, capabilities, and attitude of the employees in the area in which the employees had deficiency, in order to improve the employees' performance in a given task or job that assigned for him/her, to increase productivity, to reduce material wastage, work efficiency, to increase product (quality, quantity, precision (in size, quality)) and to keep safety & health of the employee and others.

By keeping in view the above general objective for all respondents specifically respondents had different reasons these were initiated them to provide training for their employees, in addition to the above general objectives, among them one of the respondents replied that the organization offered training for its employee in order to introduce the workforce with the new technologies, for example core- banking and as refreshment for new comer employees. Two of the respondent replied that in order to improve work efficiency, to familiarize organizational culture for new comers, domestic bank operation, international banking, credit process and procedure, customer handling, supervision, managerial/ communication skill, credit analysis, internal audit, human resource trainer training, employee relation and foreign relation etc. as the respondents said that the organizations mostly use the following method to train their employees such as formal training at different institute, on –the – job training and others depend up on the requirement.

Generally, all respondents from the Bank responded that they gave training for their employees' technical and theoretical training on the subject of leadership and ethical matters in addition to handling of equipment, and office supplies like banking software.

Regarding methods used by the employer for giving trainings, respondents have mentioned a variety of methods. Most of the respondents stressed the use of classroom lectures and practical trainings as methods used widely. Some others have mentioned coaching, on job and off-job trainings as methods used by the Bank.

Question no. 3 - How do you express the frequency of training per year for each employee on average?

Regarding frequency, all respondents agree that frequency of training is highly dependent on the needs and gaps of each employee, hence it is determined by factors like, actual skill/knowledge/ability possessed by job incumbent and the job requirement, the nature of the work, complexity of the work, cost per training and other factors were determine employees' training frequency per year in the Bank. While a significant number of the respondents dared to mention the number as from 3-4 times per year at least to each employees, others have said employees will have trainings at least once in a year where as the average could be about three trainings per year. Hence, it is clear that most of these respondents are inclined to the fact that

most of the employees will get about three trainings on average though the number could vary based on the employee's job nature and needs.

Question no. 4 - Do you conduct evaluation of the training effectiveness?

Organizations that are committed to putting forth the time, money, and effort for employees' training required to ensure that training results are connected to a business need and result in a monetary benefit (Brown, 2001). Within this reality the researcher asked the respondent whether the organization conducted evaluation of training effectiveness during and after the program in order to know how effective the trainings are.

Therefore, the entire respondents claimed that they often do evaluation. Some others said that training effectiveness is evaluated by external firms. A couple of respondents said that the Bank has conducted a first and second level training assessment and is now gearing up to conduct a third level training evaluation to determine whether the Bank's trainings are effective or not.

It is quite an interesting sign that these respondents agree on the availability of a mechanism or mechanisms by which trainings effectiveness is evaluated.

Question no. 5 - What were the findings of your evaluation regarding training and development?

Evaluation results are both positive and negative according to many of the respondents. However, many of them agree that employees are happy with most of the training programs training and the way they were facilitated. It is also mentioned in responses of some of the responses that a number of important comments were obtained from the evaluations to improve the training quality for the future.

Training evaluation is a critical component of analyzing, designing, developing, and implementing an effective training program that enables the organization to be effective. Having a well-structured measuring system in place can help you determine where the problem lies. On a positive note, being able to demonstrate a real and significant benefit to your organization from the training you provide can help you gain more resources from important decision-makers.

4.5. Document Analysis

The researcher has used a documentary analysis as a secondary source of data in a bid to verify the information obtained with the deployment of open ended and closed ended questionnaires. Documentary analysis was conducted on documentation of Commercial Bank of Ethiopia Head Office, Department of Learning and Development under Human Resources Administration.

Training and development related documents of varied nature that can be accessed from the department were reviewed and some documents of reports of trainings conducted as well as training evaluation conducted were considered for analysis.

4.5.1. Analysis on training reports

As the Human Resource Development (Learning and Development) department is responsible for coordinating different kinds of trainings for its employees, the team has been preparing and reporting on the trainings conducted on a monthly, quarterly, biannual and annual time basis. In accordance to that, just to mention some examples here, the reports indicate that in 2015 about twenty two (22) rounds of trainings were given to employees of different levels.

A monthly report attached on the Appendix also shows that there were eight courses given for 908 trainees in total in the month of July 2017 alone. The titles of the trainings and number of participants in those trainings are indicated in the table below.

Table 4.9 Trainings provided and employees' attendance in a single month

Trainings given	No of employees attending
Advanced CATS	261
Anti-Money Laundering	74
Basics of Preventing Crime	108
Compliance Risk Mgt	266
Construction Mgt	21
Credit Mgt	92
CRM	54
Customer Service	144

ETABS/SAP	25
Ethics and Anti-Corruption	17
ICC Rules & Regulations	27
I-Recruitment	94
Office Mgt	166
Operational Risk Management	212
Property Valuation	28
Risk Based Auditing	88
Risk Mgt	16
Trade Service	56

As the above table indicates, the Bank has provided a number of trainings that are both job specific technical skills (like Credit Management, Auditing) and general broad areas (like Ethics, Preventing Crime) to a significant number of the Bank's employees. This concrete evidence indicates that not only the bank delivers training schemes extensively, but it also shows that the trainings being conducted are being recorded in a detailed manner so that it can be accessed in the future for decision making purposes.

Other reports also indicate that the Bank extensively embarks on Trainings. As attached annual reports on the Appendix show the Bank has conducted a total of 678 sessions of trainings of various kind and varied length to a staggering 21,039 (twenty one thousand thirty nine) trainees in the 2015/16 budget year alone.

According to Anne Marie 2009, training records provide documentation for regulatory agencies, information for personnel evaluations, and support for promotion or salary increases. Training records can be used as a basis for goal setting or aid in selecting staff assignments by matching competencies with required skills. They also are useful for charting and reviewing personal progress toward annual goals.

Embarking on trainings extensively is one good thing but it is equally important to put put in to consideration how much of these trainings have been effective in impacting the knowledge,

skills, attitudes and motivations of the employees for good. With this critical consideration comes the issue of Training evaluation.

4.5.2. Analysis on Training Evaluation

As the researcher reviewed related literatures and discussed them in chapter two, Trainings evaluation is one of the most important elements in any organizations learning and development department. Accordingly, in trying to study the status of CBE's Training and development it is found important to look at the methods and application of training evaluation in the Bank.

As written by Asma Zainab of Indian Learning Center, Evaluating training effectiveness is important because it sheds light on four aspects. They include:

- How well the training program met the learner's needs and objectives
- What knowledge and skills it has imparted to learners
- What desirable change it has brought in the learners' performance
- What organizational benefits it has yielded

Records at CBE's Training and Development Department show that there have been some training evaluation mechanisms out in place. For instance, the department has reported a one month training evaluation report after conducting a first level valuation and a second level evaluation.

Table 4.10 Trainings evaluation report of CBE, pre training

FIRST LEVEL EVALUATION (JULY)						
Course	Respondents	Course Content	Training Tools	Trainer 1	Trainer 2	Facilities
Advanced Cats	201	91%	91%	94%	107%	89%
Cats Operation	43	87%	92%	96%		90%
Compliance Risk Mgt	277	86%	87%	91%	104%	85%
Construction Mgt	15	65%	79%	92%	109%	76%
Credit Mgt	58	91%	93%	98%		90%
Customer Service	247	92%	95%	98%		89%
CRM	40	95%	97%	99%		90%
Ethics and Anti Corruption	13	81%	87%	90%	92%	89%
ICC Rules & Regulations	27	77%	87%	90%		83%
Office Mgt	171	86%	85%	87%	94%	77%
Risk Based Auditing	75	85%	84%	91%	100%	84%
Trade Service	52	91%	92%	97%	110%	94%
Property Valuation	27	87%	86%	93%	108%	77%
Operational Risk Mgt	205	84%	89%	90%	102%	88%
Total (13)	1451	86%	89%	93%	103%	86%

As Table 4.11 shows, the evaluation statistics indicates that the evaluation has covered trainees, the course content and training tools as elements that indicate effectiveness of each trainings provided.

Considering all the elements, the Bank conducted evaluation by administering a pre-training test to record an average score the trainees could score. Therefore, in the table we can see what the trainees scored on each training course on average before the administration of the trainings.

The next step the Bank did was to measure the scores of the trainees after they have taken the trainings. The following table shows average scores of trainees after training.

Table 4.11 Trainings evaluation report of CBE, Pre and Post training comparison

SECOND LEVEL EVALUATION (JULY)				
Course	Respondents	Pre Result	Post Result	Difference
Compliance Risk Mgt	327	65%	75%	10%
Credit Mgt	94	42%	51%	9%
Customer Service	126	53%	59%	6%
CRM	49	56%	83%	28%
ICC Rules & Regulations	28	43%	73%	30%
Office Mgt	176	41%	71%	30%
Risk Based Auditing	92	65%	76%	12%
Risk Mgt	16	66%	80%	15%
Total (8)	908	54%	71%	17%

As indicated in the table, The Bank has administered a post trainings test for the trainers and found that there is a significant increase amounting to about 17 % rise in the trainees test score after in the post training test signaling a positive effect in adding knowledge and skills to its employees.

Similarly, the evaluation report also included turn out rates to planned and conducted trainings. From this evaluation, it was understood that in some training courses a 100 percent turnout rate is recorded where as in others an insignificant percentage (mostly less than 5%) of absents were

recorded. However, in most of them more than 90 % of trainings have shown up to take the trainings which is by far a promising record according to the report.

Apart from these evaluations, the Bank's record also shows an evaluation of training conducted by data collection from trainees that covers many aspects of the training including content, trainer and organization of the training.

From these evaluation documents, the researcher was able to understand that The Bank has somehow embarked on Training evaluation to assess the effectiveness of its training and development program.

The researcher also has noted that the effort of employing a scientifically accepted training evaluation model namely Kirkpatrick's training evaluation theory. However, as this model of training evaluation has four phases to be said complete, it is understood that the Bank has only employed two of the four phases. As the aforementioned training analysis found in the records of the Bank indicate, Reaction and learning assessments were conducted by the Bank's evaluation scheme.

The other two phases that would evaluate behavior and actual work results are yet to be employed, which according to Kirkpatrick's training evaluation theory are also equally important. Despite the fact that it is a bit difficult to assess behavior and takes longer time to evaluate work impacts of training, the bank should consider to look in to these remaining phases to come up with a full-fledged training evaluation that can be of a good use for the Bank's future operation.

Chapter Five

Summary of Findings, Conclusion and Recommendations

5.1 Summary of findings and Conclusion

The objective of this study was to assess current training Practices and professional development in Commercial Bank of Ethiopia by looking at how training program is being conducted at the Bank's Head Quarter. The research also aims to investigate if and how training at CBE is aligned with the objectives and goals of the Bank. With respect to these objectives the researcher concludes the following.

As the literature identified there are main reasons why organizations are initiated to give training for their employees, finding of this survey revealed that the reason which initiated the sample organizations to give training for their employees with the objective of upgrading the skills, knowledge, capabilities, and attitude of the employees in the areas the organization wants to improve the employees' performance.

Delivery of the trainings at the CBE were conducted through different methods but two dominant methods were On-the-Job trainings and Formal lectures. Regarding frequency it is identified that the majority of the employees got trainings for a very few times and that's one of the limitations of the Bank's training program.

The researcher was able to understand that the Bank also gives trainings of a variety of length ranging from less than a month up to nine month trainings which could be sought as a good thing.

Another important element identified by the study's investigation is that the blend of different types of trainings that are carefully selected and offered in accordance to the need and objectives of the employee and the Bank. Accordingly, most of the types of trainings offered are related to technical skills essential to day to day banking activities while it is also true that there exists trainings of general knowledge.

The researcher also tried to investigate the perception of the employees towards trainings by inquiring their beliefs on the relevance, applicability, objectivity, motivational, knowledgeable, satisfactoriness and effectiveness of the trainings. So, it's understood that training program was designed based on the requirements of the job or employee deficiency of ability for the job in banking industry than leather industry. Hence, the researcher concludes that majority of the researcher's subjects were positive about these traits as discussed in the analysis chapter.

However, this is phenomenal against all odds, the fact that a substantial majority of the respondents do not believe that the majority of the Bank's employees have benefited from the training program signifies a shortage in accessibility as well as effectiveness.

The finding also revealed that the bank have conducted an evaluation of training effectiveness but the application of the Kirkpatrick Model, as an evaluation tool was not fully implemented with some phases remaining.

Therefore, the main conclusion that can be drawn from this finding is that the Bank hasn't fully completed training evaluation as the obtained information from the training evaluation conducted so far does not provide sufficient data for decision making for the Bank's future training plans.

Training must be directed towards the accomplishment of organizational objectives such as more efficient production methods improved quality of products or service or reduced operating cost. This means an organization should commit its resources only to those training activities that can best help in achieving its objectives.

Another interesting finding is that the comparison between the pre-training test and post-training test conducted under training evaluation analysis. The test shows that there is a significant increase in test results of trainees after trainings were given which partially shows the effectiveness of the trainings. Form this test comparison and the responses of employees as well as supervisors, the researcher has drawn a conclusion that, trainings given were effective in up scaling the knowledge, skill and attitude of trainees regardless of evaluating its impact on job performance.

5.2. Recommendation

After pointing out the core findings of the study and drawing conclusions, the researcher recommends the following to the concerned bodies, particularly the Commercial Bank of Ethiopia.

The recommendations, besides being relevant the CBE are also believed to have grant importance to other financial institutions particularly banks in matters related to training and development.

- The Bank should consider conducting trainings in greater frequency than it currently does with balanced distribution to all employees to continuously develop their professional career and to make sure that everyone/most of the employees are growing together to achieve organizational objectives.
- Due to the urgency of creating a sense of importance among the employees regarding training, the Bank needs to make sure that the employees are personally (professionally) benefiting from trainings they get from the bank in addition to the Bank's benefits.
- As the study also has shown some degree of ineffectiveness regarding the methods of training employed by the Bank, it is highly recommended that the Bank seriously considers revisiting the methods of training delivery.
- As training evaluation is the most important aspect of training and development, such evaluation has to be carried out on a regular basis. Accordingly, the Bank should consider on implementing Kirkpatrick's Evaluation Model (the model the bank is currently applying) in full to get the best out of the training programs in the future planning.
- It is equally important to make sure that trainings are directly linked to improving employee performance and thereby improving the bank's overall performance. Therefore, the Bank need to create a mechanism of evaluating increased job performances that directly emanates from trainings offered as job performance could be attributed to a number of factors other than training.

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Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other university, and that all sources of material used for the thesis have been dully acknowledged.

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