

**THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEES
PERFORMANCE AT UNITED BANK SHARE COMPANY**

By: Andargachew Gizaw

**A Thesis submitted to the Addis Ababa University School of Commerce in partial
Fulfillment of the Requirement for the Degree of Masters of Arts in Human Resource
Management**

Advisor: Mengistu Bogale (PhD)

May, 2017

Addis Ababa, Ethiopia



**THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEES
PERFORMANCE AT UNITED BANK SHARE COMPANY**

By: Andargachew Gizaw

Approved by the Board of Examiners

Name-----

Signature-----

Name-----

Signature-----

Advisor-----

Signature-----

**THE EFFECT OF TRAINING ON EMPLOYEES PERFORMANCE AT
UNITED BANK SHARE COMPANY**

BY: ANDARGACHEW GIZAW

**A THESIS SUBMITTED TO THE ADDIS ABABA UNIVERSITY SCHOOL OF
COMMERCE IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE
DEGREE OF MASTERS OF ARTS IN HUMAN RESOURCE MANAGEMENT**

ADVISOR: MENGISTU BOGALE (PHD)

MAY, 2017

ADDIS ABABA, ETHIOPIA



The Effect of Training on Employees Performance at United Bank Share Company

By: Andargachew Gizaw

Approved by the Board of Examiners

Name-----

Signature-----

Name-----

Signature-----

Advisor-----

Signature-----

DECLARATION

Andargachew Gizaw, declare that the thesis entitled “*The effect of Training on Employees Performance: At United Bank Share Company*” is my original work. I have carried out the present study independently with the guidance and support of the research *Mengistu Bogale (PhD)*. Any other contributors or sources used for the study have been duly acknowledged. The study has not been previously published by any other person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

ABSTRACT

The study was undertaken at United Bank Share Company to assess the effect of training on Employee Performance. The purpose of the study was to investigate whether training and development would have an effect on the performance of employees with United Bank as a case study. The data were collected through primary source from questionnaires that were from sample of Two Hundred (200) staff. Self – administered questionnaire was used in the collection of data for analysis. To examine the human resource or training department has training and development program to enhance the employee’s performance to meet the stated objectives of the Bank. The study was quantitative in nature. The researcher used SPSS-20 software, descriptive statistics technique was applied on the questionnaires to examine the accuracy and authenticity of data. The data were analyzed through correlation and regression to measure the relationship between training and employees performance in the case of United Bank S.C. Finally, after the study, the researcher found that the independent variables was 34.5% with standard deviation 0.7491 of the variance contributed on employees performance of UBSC where as 64.5 of the variance can be defined by other variables. Therefore, the result implies further investigation is needed. Then, the recommendations were based on the findings which affects employees’ performance in the case of United Bank S.C.

Key words: Training, Performance,

ACKNOWLEDGEMENTS

First and foremost, I am grateful to Almighty God for giving me grace, wisdom and strength in my endeavors. My special thanks and gratitude is extended to *Dr. Mengistu Bogale*, my thesis advisor, for his reliable guidance, invaluable comments and assistance in understanding this study.

I would like to sincerely thank my friends who helped me with their valuable ideas during the entire process of this research. Finally, I wish to express my deep gratitude and appreciation to all my family, relatives and research respondents.

TABLE OF CONTENTS

STUDENT’S DECLARATION	I
ABSTRACT	II
ACKNOWLEDGEMENT	III
TABLE OF CONTENTS	IV
LIST OF ABBRVIATIONS	VII
LIST OF TABLES	IX
LIST OF FIGURE	XI
CHAPTER ONE: VIEW OF THE STUDY	
1.1 Background of the study.....	1
1.2 Problem Statement.....	3
1.3 Research Questions.....	4
1.4 Objective of the Study.....	4
1.4.1 General Objective.....	4
1.4.2 Specific Objectives.....	4
1.5 Significance of the Study.....	4
1.6 Scope of the Study.....	5
1.7 Limitation of the Study.....	5
1.8 Organization of the Study.....	.6
CHAPTER TWO: LITRATURE REVIEW	
2.1 Overview of Employee Training	7
2.2 The Significance of Training needs.....	11
2.3 Aim and Objectives of Training	12
2.4 Employee Performance.....	13

2.5	The Effect of Training on Employee Performance.....	15
2.6	Training needs Identification and Assessment.....	16
2.7	Training and Training Transfer.....	18
2.8	Training Policy.....	19
2.9	Identify the Trainees.....	20
2.10	Training Methods.....	20
2.11	Training Techniques.....	21
2.12	Training Evaluation.....	23
2.13	Benefits of Training	25
2.14	Research Model.....	26

CHAPTER THREE: RESEARCH METHODOLOGY

3.1	Description of the Study Area.....	28
3.2	Research Approach.....	29
3.3	Research Design.....	28
3.4	Population and Sample.....	30
3.5	Data Source and Types.....	31
3.6	Data Collection Procedure.....	32
3.7	Research Procedures.....	33
3.8	Ethical Consideration.....	33
3.9	Data Analysis Methods.....	34

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1	Data Presentation Analysis and Discussion of Findings.....	36
4.2	Demographic Respondents.....	36
4.3	Assessment of Training Effectiveness of United Bank.....	40

4.4	Analysis on Training Methods Practice of the Bank.....	45
4.5	Analysis on Effect of Training on Employee Performance.....	48
4.6	Commitment.....	51
4.7	The Response of Employees on how Training affect their performance.....	57
4.8	Correlation.....	56
4.8	Multiple Linear Regression Analysis.....	59
CHAPTER FIVE: SUMMERY, CONCLUSION AND RECOMMENDATION		
5.1	Summery.....	62
5.2	Conclusion.....	63
5.2	Recommendation.....	64

LIST OF ABBERVATION

SPSS	Statistical Package for Social Science
HR	Human Resource
ATM	At the Moment
UBSC	United Bank Share Company
POS	Post of Sale
PEST	Political Economy Social-culture and Technological change
SWOT	Strength Weakness Opportunity Treat
CEO	Chief Executive Officers

LIST OF TABLES

Table 3.1: Sample Size Determination.....	30
Table 3.2: Questionnaires Distributed and Responded.....	31
Table 3.3: Reliability Test.....	34
Table 4.1: Gender of Respondents.....	35
Table 4.2: Position of Respondents.....	36
Table 4.3: Age of Respondents.....	36
Table 4.4: Educational Background of Respondents.....	37
Table 4.5: Frequency of Training.....	37
Table 4.6: Training Attended in the Last 12 Months.....	38
Table 4.7: Selection of Trainees.....	38
Table 4.8: Reaction of Employees Training Effectiveness (part One).....	39
Table 4.9: Reaction of Employees Training Effectiveness (part Two).....	40
Table 4.10: Employee Training Effectiveness on Learning.....	41
Table 4.11: Employee Training Effectiveness on Behavior.....	42
Table 4.12: Orientation/Induction Training.....	43
Table 4.13: Coaching/Mentoring.....	44
Table 4.14: Job Rotation.....	45
Table 4.15: Off-the-Job Training.....	45
Table 4.16: The Effect of Training on Efficiency.....	46
Table 4.17: The Effect of Training on Effectiveness.....	47

Table 4.18: Feeling of Employees Belongingness to the Bank.....	48
Table 4.19: Employees' Participation at Work.....	49
Table 4.20: Employees' Satisfaction on Training Condition.....	49
Table 4:21 Level of Knowledge.....	50
Table 4.22: Employees Confidence.....	51
Table 4.23: Management of Time and Priorities.....	52
Table 4:24 Employees' Commitment & Motivation.....	52
Table 4.25: Correlation Analysis.....	54
Table 4.26: Model Summary and ANOVA for Multiple Linear Regression.....	56

LIST OF FIGURE

2.1: Theoretical Model represents relationship between training and performance.....27

CHAPTER ONE: OVERVIEW OF THE STUDY

1.1 Background of the Study

Due to rapid change, business environment demands the organization's continuous upgrading of employee skill, knowledge and attitude which is through training to enhance employee and organization performance. Hence, it is important to equip employees with new knowledge to achieve the objectives of the organization.

Workforces are a crucial but expensive resource and therefore in order to sustain the economic and effective utilization of this resource, it is significant to optimize their contribution to the achievement of the aims and objectives of the organization through training and development. Training is therefore necessary to ensure an adequate supply of employees that are technically and socially competent for both departmental and management positions (Mullins, 2007). Human resources are the most dynamic resource of all the resources at disposal of the organization and thus, the human resource needs to be given a considerable attention from managements to enable this resource realize their full potential in their work. For this reason managements must address motivation, leadership, communication, work restructuring, payment systems and training and development (Cole 2004).

According to Dessler (2008), training the means of giving new or current employees the skills they need to perform at their various jobs. Further, he argues training as the hall mark of good management and thus when managers ignore training, they are doing so to the great disadvantage of the organizations they are managing. This is because having high potential employees do not still guarantee they will perform on the job. This is why every employee must know what management wants him to do and how he must do it. Training therefore has had a fairly impressive record of influencing organizational effectiveness.

Organization is responsible to enhance the performance of the employees and certainly implement training program as one of the major steps of human resource to achieve organizational objectives. Thus employees are a crucial resource of the organization, then employer need to maintain and use wisely to increase the performance of employees and to reach aim and goals of organization. According to Sahinidis (2008), the role of training programs is

seen as a measure of improving employee capabilities and organizational capabilities i.e when the organization invests in improving the knowledge and skill of its employees, the investment returned in the form of more productive and effective employees.

The training and development is not only to the ordinary employees but also to the executives who have the diversified skill and knowledge to meet organizational objectives. United Bank Share Company was established in Addis Ababa in 1998 and registered as a share company in accordance with the provisions of the Licensing and Supervision of Banking Business Proclamation and the Commercial Code of Ethiopia of 1960. The bank has applied National bank of Ethiopia directive no SBB/43/2008, Asset Classification and provisioning which sets out the minimum provisions for different categories of loans and receivables in determining provision for loans and advances. United Bank's Mission is to render quality commercial banking services to the best satisfaction of its customers, to enhance shareholders' value, to be one of the best employers in the industry, and to discharge its corporate responsibility to both the community in which it operates and the environment which it shares with the world (United Bank Annual Report, 2016).

The focus of Human Resource is on developing the most superior workforce which helps the Bank for successive growth. All employees need to be valued and they should apply collective efforts in the labor market every time. This can only be achieved through proper and systematic implementation of employee training program. Employees are always regarded with development in career-enhancing skills which leads to employee motivation and retention. There is no doubt that a well trained and developed staff will be a valuable asset to the Bank and thereby will increase the chances of their efficiency and effectiveness in discharging their duties.

The study aims at helping the organization identify the challenges as well as the effects of employees' training on organizational performance; hence it tries to determine the area where improvements through training can be done. It also helps the human resource in planning for the development and implementation of effective and efficient training which in turn leads to increase performance of the bank. . The study was focused on the effect of training on employees' performance at united bank SC. Does the training have positive impact on employee performance of United Bank Share Company?

1.2 Problem Statement

Regardless of technological changes, forcing organizations to give modern banking services to their customers and alert to resist and win the challenges in business world, the organization must consider the training program in their human resource strategic plan. While globalization, economic pressures, and work-life issues have required companies to rethink traditional approaches to training, recent advances in computing power and connectivity have probably done the most to position technology-based training as viable alternative. For a number of years, relatively learning technology was limited. However, recent technological advances have expanded greatly the breadth and depth of training technologies (Salas, 2002).

The vision of the United Bank is to become the preferred bank of the country, and its mission is to render quality commercial banking service to the best satisfaction of its customer, to enhance shareholders' value, to be one of the best employer in the industry, and to discharge its corporate responsibility to both the community in which it operates and the environment. In addition to this, the United Bank's priority in the coming years is to strengthen its capital base, maximizing its return on equity and benefiting from the latest technology in order to keep abreast with the latest developments in the local and international financial services industry. <http://www.unitedbank.com.et> (United bank, 2013).

Today the bank aims starting to implement a strategic plan that spans from 2015/16 to 2019/20. United Bank aims to place itself among the pack of the first big private banks in Ethiopia and greatly needs to influence the way banking is done, especially with its ever-enthusiastic approach to using new banking technologies.

According to researcher's preliminary interview and observation from 5 permanent employees, the united Bank doesn't have a frequently measuring system of the gap between the current performance and the standard desired performance of the employees after training. Not that are once people trained the game is over but the actual thing of concern is continuous training and supervision of the work force about the changes and learning. Employees who get training must be provided with sufficient chances to put the learning things in to work and then they need to get review response (feedback). Therefore, the difficulty makes the researcher to conduct the research on the effect of training on employee performance in the case of United Bank Share Company.

1.3 Research Questions

At the end of the research, the following questions will be answered:

- What does the training practice look like at the bank?
- What is the effect of Training practice on employee performance at united bank?
- What is the nature of training program in USBC?

1.4 Objective of the Study

1.4.1 General Objective

The general objective of the study is to investigate the effects of training on employee performance at United Bank Share Company.

1.4.2 Specific Objectives

The research identifies the effects of training on employee performance at United Bank SC. But specifically the research has the following objectives:

1. To assess the practice of training at United Bank SC.
2. To examine the influence of Training on employee performance in the United Bank SC
3. To assess the specific training program used in USBC
4. To identify the nature of training program in USBS

Hypothesis

The researcher proposed the following hypothesis to answer the experience of training and its effect towards enhancement of employee performance; The hypothesis give us initiative answer on the relationship between training and employee performance.

H1: There is significant positive relationship between training and employee performance.

H 2: Training and development have positive influence on employee performance.

1.5 Significance of the Study

The significance of this study is to provide benefit for the intended purpose of organization and understand the importance of training on employee performance in recent years. It will help the banks know about the aspect that plays vital role in employee performance and it will also help

in perceptive the relation between training and employees performance in the case of united Bank. Moreover, the researcher based on the findings of this study on training has made concrete recommendations and it has a big benefit to the department of human resource at the United Bank SC. It is hoped that this study will also be used for the united Bank HR to meet their strategy and give suggestion towards training and performance. Moreover, it encourages the management of the bank to focus on variables that have significant influence on employees' performance and to make proper decision in relation to training. It also helps other financial institutions to exercise training for the sake of increasing employees' and organization' performance. Besides, the study will have an impact on the theoretical contribution to the body of knowledge against to the practice of training and its effects on employee performance. It will be used as clue for further research. According to Michel Armstrong (2006), training is systematic development of the knowledge, skill and attitudes required by an individual to perform adequately a given task or job.

1.6 Scope of the Study

This study was based in the United Bank SC. The research covered only employees who are working at head office and city branch in Addis Ababa were chosen to participate in the study. Other branches outside Addis Ababa of United Bank were not included for the intended purpose of the research.

1.7 Limitation of the Study

The time constraint was quite challenging to collect questionnaire for the required study. Due to time and cost limitations, the research focused only on the training aspect of the united bank S.C. There was no sufficient secondary source data to conduct the research on the contribution of or the effect of training on employees' performance at united Bank S.C. The researcher traveled to others alike financial institutions to find relevant sources which serves as a clue for the basis of the study. Unfortunately, due to the lack of willingness, some respondents were unable to return the questionnaires on time.

1.8 Organization of the Study

Chapter one discusses mainly a general introduction and an overview of the background of the research, statement of the problem, research objective, research questions, significance of the research, scope and limitation.

Chapter two take a look at the literature review of the research. It discusses the overview of employee training, the significance of training needs, objective and aim, effect of training on employee performance, training methods, evaluation of training and finally benefits of training.

Chapter three is about the research methodology which included description of the study area, research approach and design, population and sample, data source and types data collection procedures, ethical consideration and data analysis.

Chapter four is deal with the data analysis and discussion based on the output (result).

Finally, *chapter five* is presented in the form of summary, recommendations and conclusions of the research.

CHAPTER TWO: LITRATURE REVIEW

2.1 Overview of employee Training and Development

As a matter of fact training program is the framework for helping employees to develop their personal and professional skills, knowledge, attitude and abilities. It is planned learning experiences that teach employees how to perform current and future jobs. Training imparts knowledge to the employees regarding different issues in the organization and the proper execution of these programs result in a number of benefits such as increase of profitable, adaptable as well as efficient organization and productive and contented employees. Therefore, organization needs to have planned schedule to train employees to achieve the aim and stated goals through training program. The scholars agreed that training need is any short fall in employee performance, or potential performance which can be remedy by appropriate training. The achievement of the organization depends on through continues investment on training program. If the employers have training program, the employees become competent in their knowledge, skill and behaviors, and also assist to reconcile the gap between what should happen and what is happening or between desired targets and actual level of the work performance. Further it has positive influence on their day today activities.

According to Gordon (1992), training is a type of activity which is planned, systematic and it results in enhanced level of skill, knowledge and competency that are necessary to perform work effectively. DeCenzo (2000), explain training as a *“learning experience, in that, it seeks a relatively permanent change in an individual that will improve his ability to perform on the job”*. This is to mean that training must be designed in such a way that, it involves either changing or enhancing of skills, knowledge, attitudes, and social behavior. This change or enhancement of skills, knowledge, attitudes, and social behavior could involve what the employee knows, how he works, his relations and interactions with co-workers and supervisors. Training thus consists of planned programs designed to improve performance at the individual, group or organizational levels (Cascio, 1992). With an improved performance on the part of the individual, group or organization means, there have been measurable changes or enhancements in the knowledge, skills attitude and social behaviors.

According to Monappa (2008), training as *“the teaching or learning activities carried on for the primary purpose of helping members of an organization to acquire and apply the knowledge, skills, abilities and attitudes needed by that organization. It is the act of increasing the knowledge*

and skill of an employee for doing a particular job”. Training should be seen by managements of the organization as a long term investment to develop human resource of the organization. Training therefore has had a fairly impressive record of influencing organizational effectiveness. Cole (2004), argued that human resources are the most dynamic resource of all the resources at the disposal of the organization and thus the management should give attention to realize their full potential in their work.. In addition to the above scholars’ views, Ivancevich (2010), posit that training is an attempt to improve current or future performance of an employee and it is crucial for both new and current employees. He also noticed that training is a systematic process of altering the behavior of employees in a direction that will achieve organization goals. Training is related to present job skills and abilities. It has a current orientation and helps employee master specific skills and abilities.

Today the organizations link up with its training program necessitates to the current situation of industry atmosphere. Even when employees are carefully selected, it does not still guarantee totally acceptable performance from the employees. This is because while the potential of an employee to perform is one thing, performing is another and therefore an employee with a high potential to perform may not still perform his job if he does not go through training. This is why training of newly employed starts with organizational orientation (Dessler (2008). Well trained employees are a key to a business’ success. It has been shown that the most successful and productive employees are those who have received extensive training. These groups of employees can be described as the “cream of the crop” that often has the strongest stake in an organization’s future. The employees to be competent in their knowledge, skill and behaviors, the organization need to have training program and help them ‘to their day – to- day activities. Therefore, Training is indispensable strategic tool for enhancing employee performance and organizations keep increasing training budget on yearly basis with believe that it will earn them competitive edge.

In addition to this, it is important to look at the view of different scholars’ research on the effects of training and development on employees performance and its contribution towards enhance the organization performance, hence the researcher found various supportive studies which confirm the literature part of the study.

Khan (2012), explained that the contribution of training towards the employee performance. The main resource and backbone of any organization is the work force. The result of his study shows that the effect contributes to the organizational performance. And due to T&D the performance

of employees and organization also improved. To provide trainings, or on the job trainings the performance of employees increased. And due to good performance organization get success and efficiently achieve organizational goals and objective and also save cost & time. It means due to T&D overall organizational performance, this research was conducted to investigate the fact that whether training has an important impact on employee or not. The research was done through scientific or empirical study which approved that the training had an effect on employees' performance. In any organization HRM plays an important role for managing every work. Hence, development has an important effect on skilled and capable employees for effective performance. T&D will give the benefit to employees to build up great career and accomplish great positions in organization. Trained employees doing better work as compared to those who will not trained. With all this organization's efficiency would be increased. The motive of this study is to know the relationship between training and employee's performance and productivity. Sultana (2013), conducted a research on importance of training, training practice and what the impact of training on employees. She investigates the importance of training to the benefits of employees. She finds in the research that training plays an important role to increase the performance and productivity of employee and also increase the efficiency of employees. Employee is an important resource of any organization. For the success and failure of any organization is mattered by the performance of employee. What's more, the achievement and disappointment of an association greatly relies on upon the execution and profitability of the representatives.

As per Obisi (2011) research paper on employee training discussed the importance of training program and their evaluation process of the organization should properly evaluate their training program by observing that their organization objectives and missions are achieved or not and training cannot only change the ability workforce not only concerning performing their current job but also aid them in the fulfillment of future expected task for this reason it's a practice that cannot be discarded from an organizations.

Also Abbas (2014) suggested training as an essential element to an employee for the development of the companies because some of the employees have lack of knowledge skills and competencies and failed to accomplish task on timely basis. The sample has been taken from both males and female employees of National Bank of Pakistan. The research is descriptive study and it's quantitative in nature. Primary data was collected and although secondary data was

used to classify the work done. Study provides an empirical evidence of factors that effects employees training and performance of organization.

Asfaw (2015), highlighted the impact of training and development on employee's performance and effectiveness for the case of District Five Administration office, Bole sub-city, Addis Ababa, Ethiopia. Data were collected using Likert's scale tool from 100 employees. Training and development have positive correlation on the output of employee's performance and effectiveness. Then, this relationship was tested for causality using linear regression statistical model and found out employee effectiveness has direct cause and effect relationship with employee performance, and training and development. The research is done through empirical study to observe their positive relationship. When the score of training and development increases the score of employee performance and effectiveness also increases. This has been proved in his research as far as their relationship is concerned.

Mahmood (2012) explained in his research that training influences organization's commitment and retention towards the performance of employee. The data was collected from 100 employees of the service sector at Rawalpindi Islamabad Regression methodology has been used in this research. The regression analysis confirmed that satisfaction and mode for career advancement has direct and useful effect on organizational commitment and increases work efficiency of the employees. The findings conclude that training has strong relationship between retention & performance and organizational commitment.

Ngugi (2014), in his research pointed that training plays a significant role in the development of competencies of new as well as existing employees for effective performance. Data was collected from 800 employees of geothermal development company in Nairobi. This study shows the relationship between training and employee performance. Findings shows that the training of employees is very important factors of both the organization and the employees because it enhances work performance motivate employees and build confidence in the employees. The employees should acquire knowledge and skills which will assist them in improving their performance by applying relevant courses based on the organizational objectives.

In the study of Khan (2012), the impact of training in performance of employee concluded that training contributes significantly to employee's performance so all the organizations who wants to enhance the capabilities of their employee performance should focus on training.

Thus all the above researchers tried to depict the effect of training on employee performance, hence employee is the major source of every firm's success and failure mainly depended on performance of employees. The results describe the effect of training have on employee's performance and even on organizational performance. If the organization has consistence training program, it is always likely to achieve the objectives of the organization and enhance the productivity of employee and organization performance.

However, other study such as Sahinidis, (2008) suggests that sometimes employees feel that trainings do not provide them with sufficient skills or knowledge. And therefore was of the view that improper training can result in conflicts between employees and their organizations. This could impact negatively on the organizations performance and effectiveness. However, the findings like this study are needs further investigation.

2.2 The significance of Training and Development needs

According to Asare (2008), an organization to overwhelm and survive in today's globally competitive and fast changing environment especially in the technology, there would be the need for organizations to come up with new systems and program that would bring out of their need, efforts, attention, creativity and general innovations as individual employees and as groups or teams of network.

Then the organizations seek to adapt to new structures, new cultures and new effective methods of performance management and employee motivation to be able to cope with rapid change and competition in the business environment. Hence, innovative changes or adjustments become successful when people acquire the new perspective or understandings, values, knowledge and skills. Human resource training, education and development activities therefore aim at the equipping of employees with the necessary competencies that they require for their effective performance on their job. It is exactly correct and important to argue that, without the right kind of competencies, no amount of motivation either in cash or kind will be able to get employees to perform creditably or totally acceptable (Asare 2008).

The significance of training needs is to provide employees with the required technical, managerial and personality competencies for them to achieve and sustain a higher level of performance. Trainings have an impact on by heighten the skill, ability and motivation of employees and increase commitment and encouragement of them. Training is then a powerful tool that can have a major impact on both employees' productivity and morale for the success of

organization's (achievement). Hence, very well trained employees increase efficiency and productivity by reducing fatigue and wastage.

According to Robbins (2007), competent employees do not remain competent forever. Skills deteriorate and become obsolete and therefore new skills need to be learned.

In fact training is directed at upgrading and increasing an employee's technical skills. This form of training has become increasingly important for two (2) reasons:

1. Due to new technology and new organization structure design
2. Jobs change as a result of new technologies and improved methods

Technical training has become increasingly important because of changes in organizational design. For example as organizations flatten their structures, expand their use of teams and break down traditional barriers, employees need mastery of wider variety of tasks and increased knowledge (problem solving techniques, working in teams, quality circles, e. t. c.) of how their organizations should operate. Training in general terms is designed to improve employees' job skills, be it technical, managerial or personality. E. g. Employees may be trained to run machines, taught new skills or acquainted with personal growth and development methods.

According to Sims (2002) training is beneficial not just for the organization itself but also to the individual employees. It leads to improved profitability and/or more positive attitudes profit orientation, improves the job knowledge and skill at all levels of the organization, improve the moral of the workforce and help employees identify with organizational goal. On the other hand, training and development benefits individual employee through helping them make better decisions and effective problem solving, assisting in encouraging and achieving self-development and self-confidence, helping an employee or a person handling stress, tension, frustration, and conflict, increase job satisfaction and recognition and moving the person toward personal goal while improving interaction skill.

2.3 Aims and objectives of Training

According to Monappa (2008), three identified factors which could be the objectives of training are:-

1. To achieve goals
2. To maintain itself internationally
3. To keep pace with advanced industrialization for the organization's survival

4. To train and retrain from the shop floor to the top executive (development) because of expansion in numbers of employees and layers of hierarchical levels and variety of complex organization structures and control mechanisms
5. Training in human relations has become necessary for tackling human problems for peaceful industrial relations.

Hence, Monappa tried to show what organization's of (HRD) should be concerned on the aims and objectives of training and development; it must seek to achieve the above mentioned five (5) objectives and probably other additional objectives would be depending on the environmental and business condition of the organization concerned.

According to Sims,(2002) training objectives are aimed at to close the skill gap, since it is critical area of human resource development for organizations to continuously penetrate the market. Skill gap basically threatens the productivity and competitiveness both organizational and operational level. This requires that human resource management professionals should start the cultivation of workforce from the recruitment period.

In addition the above comments on the objectives of training Wright (2001), posit that to increase employee competence is through effective training program. It doesn't only improves the overall performance of the employees to effective performance of the current job but also enhances the knowledge , skills an attitude of the worker necessary for the future job, thus contributing to superior organizational performance. Through training the employee competencies are developed and enabled them to implement the job related work efficiently, and achieve firm objectives in a competitive manner.

2.4 Employee Performance

Training have an impact on the performance of employees, thus 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. The crucial source to any organization is its workforce. It has great contribution which comprises of the organization's achievement which cannot be underestimated. Afshan (2012), defines performance as; "The achievement of specific tasks measured against predetermined or identified standards of accuracy, completeness, cost and speed. Employee performance can be manifested in improvement in production, easiness in using the new technology, highly motivated workers". Many studies of researchers confirmed that human resource management practices have been strongly and positively related to

employee performance and developments areas. Commonly, the employee performance is related to the outcomes. However, it can also be looked at in terms of behavior (Armstrong 2006). Kenney et al. (1992) mentioned that employee's performance is measured against the performance standards set by the organization. There are many measures that can be taken into consideration when measuring performance by considering efficiency, effectiveness, productivity, quality and profitability measures (Ahuja 2006). The terms explained hereunder:

Quality is the characteristic of products or services that bear an ability to satisfy the stated or implied needs (Kotler 2002). It is increasingly achieving better products and services at a progressively more competitive price (Stoner 1996). **Profitability** is the ability to earn profits consistently over a period of time. It is expressed as the ratio of gross profit to sales or return on capital employed (Wood 2002). **Productivity** is expressed as a ratio of output to that of input (Stoner 1996). It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed (Lipsey 1989). **Efficiency and effectiveness** - efficiency is the ability to produce the desired outcomes by using as minimal resources as possible. It is based on how much raw materials, money, etc. are necessary for producing a volume of output. It is calculated as the amount of resources used to produce a product or service. It is concerned with 'doing things right' while effectiveness is the ability of employees to meet the desired objectives or target or the degree to which the employee achieve a stated goal. It means that the employee successes in accomplishing what he/she tries to do and relates to the output of the job and what the employee actually achieves (Stoner 1996).

It is obvious that employees are the backbone of an organization. It is the most value adding possession (assets) available to any firm, business, or organizations are its workforce. The performance on part of the workforce is the driving force behind the survival of any organization. Further, they are of the view that well performing employees contribute to the efficiency and success of the organization. So, performance is crucial for the organization and making strategies to improve performance and measuring it from time to time are a basic step that is to be taken. Without desired performance results, it is of no use continuing to invest in processes and project (Hameed 2011). Some of the scholars agreed on the definition that "the set of employee behavior, results, and outcomes that come after completing the job tasks using certain competencies and that are measured through different metrics constitute employee performance." According to Aguinis (2006), there are two dimensions of performance: **Tasks**

Dimension of performance (includes all those work activities that allow the completion of tasks in a job; *Contextual Dimension of performance* (includes all those behaviors that make an employee act responsibly toward the organization).

According to Draft (1988), the company managers should be conscious enough to ensure that the organizations strive to and thus achieve high performance levels. This shows that managers have to set the desired levels of performance for any periods in question. This can be done for example by setting goals and standards against individual's performance so that it can be measured.

2.5 The effect of Training on performance

In the competitive business world, the effectiveness of organization and growth is determined by a number of factors. As per various researches imply during the development of organizations, employee training plays a vital role in improving performance of employees as well as increasing productivity of firm.

Before dealing about the effect of training on performance, as previous studies proves that there is strong positive relationship between human resource practice and organizational performance. According to Guest (1997) training programs, as one of the vital human resource management practice, positively affects the quality of the workers knowledge, skills and capability and thus results in higher employee performance on job. This relation ultimately contributes to supreme organizational performance

There is positive relationship between training and employee performance. Training generates benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skill, ability, competencies and behavior (Bendicata 2010). Organizations that are ambitious to generating profits for its owners (Shareholders), providing quality service to its customers and benefits, invest in the training of its employees (Evans , 1999)

Thus training and development play an important role in the development of organizational, improving, performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at top. Therefore, this shows that as a result of training, there is a significant difference between the organizations that train their employees and that organization that do not (Bendicata, 2010). Further, according to Rohan, (2012), training is an important tool for the purpose of enhancing the workforce performance and it'll ultimately

increase the worth of an organization but organization ought to be balance between training worth and training disbursement. Accordingly, in diverse industry the effect of training and development on performance is varied. The effect of training programs altimey aimed at improving the employee performance. It refers to bridging the gap between the current performance and the standard desired performance.

2.6 Training needs Identification and Assessment

In order to achieve the objective of the organization through training, the organization needs to be aware of training needs identification and analysis. According to Cascio (1992) chooses three levels of analysis for determining the need that training can fulfill for the organization: These are Organizational, Operational and Individual analyses

1. Organizational analysis:

The purpose of this analysis is on identifying where within the organization training is needed and assessed against the organization's objectives and strategies. This would help avoid wastage of resources in training and development where employees are trained in skills they already have or that are not transferable to the job situation. This analysis included external environment (environmental scanning in *PEST* analysis which is a simple and widely used tools that help to analyze the political, Economic, Social-culture, and Technological changes) and the internal climate (*SWOT* analysis) of the organization. This is the critical first step for HRD personnel in assessing and relating training needs to the achievement of organizational goals.

2. Operational analysis:

This is the stage which assesses carefully the job to be performed after the employee had been trained. It consists of the following:

- a. Collect information on exactly how the job is done (job analysis).
- b. Performance standards for those jobs to be done are determined
- c. The task to be performed to meet standards and
- d. Identify the knowledge, skills, abilities and other characteristics necessary for effective task performance. The required information for this stage could come from various sources such as: Job analysis, performance appraisal, Job description, Interviews with job holders, ship floor supervisors and higher management and analysis of operating

problems (e.g. quality controls, quarterly etc. reports would provide very important input in to the analysis of training needs.

3. *Individual analysis:*

Finally, at this level / stage training needs could be defined in terms of

- a. Difference between desired performance and actual performance e. g. from a performance appraisal report
- b. Performance standards identified in the operational analysis
- c. Individual performance data from performance appraisals
- d. Diagnostic ratings of employees by supervisors
- e. Records of performance kept by employees in a diary form and
- f. Attitude and interview survey by researchers and management

Therefore, the identification of a gap existence between actual performance and desired performance may be filled by training. According to Dessler (2008), the training needs identification and analysis could be grouped in to two level:

First, for the new employees:- Determine what the job involves and break it down into subtasks which are taught to the new employees.

Second, Current employee:- training needs analysis for current employees is more complex since HRD department and supervisor have the added task of deciding whether training is the solution to the what ever performance gap exist. This is again important (as its been emphasized) given the fact that not all problems could be solved through training and development.

Training needs identification and analysis could also come from what Dessler called a “*competency model*”. The model shows knowledge, skills and behaviors that enable employees to effectively perform their jobs. This process begins with interviewing CEO to understand the organization’s strategies and objectives. Human resource department make behavioral interview with jobs performers and focus groups to identify the set of competencies help to get job’s competency Model. Ivancevich (2010), agrees that interviews, surveys, reviews of records, observation and discussions with management and subject matter experts are methods used to conduct training needs identification or assessment. The way data and information gathering gives a clue for what type of training, who and when should be given the training. This evidence helps to identify whether training is the solution to the deficiency.

Having said above human resource department of United Bank should prepare concerned staff that able to carry out training needs identification or assessment. The bank needs to practice competency model which helps to identify the gap between actual performance and desired performance.

2.7 Training and Training Transfer

According to Noe (2011) transfer of training requires that employees actually learn the content of the training program and that the necessary conditions are in place for employees to apply what they learned. Thus, the assessment assists whether employees have an opportunity to perform the skills related to the training. The organization can measure this by asking employees three questions about specific training-related tasks:

Do you perform the task?

How many times do you perform the task?

To what extent do you perform difficult and challenging learned tasks?

Lack of transfer can also mean that employees have not learned the course material. The organization might offer a refresher course to give trainees more practice. Another reason for poor transfer of training is that the content of the training may not be important for the employee's job. The main difficulty of some organizations is the transfer of employee learning to back to the work place or the situation (Moorhead 1998). After an employee learns a new skill from training the human resource observes whether the work place is convenient to apply the training.

According to Cascio (1992), training and training transfer is the extent to which knowledge, skills and abilities and other characteristics learned during training could be applied on the job. Training results thus could come in three folds: At the end of training, the organization should notice the effect of training in terms of transferring to the job. It required training needs analysis are done thoroughly before training and ensure the system is convenient for positive transfer of the learned knowledge, skill, behavior, e.t.c to the job.

Cascio suggests so call *system's learning* approach is greatest for transfer of training when the following steps are exercised.

- a. Explain the content in terms of the strategic needs of the organization

- b. Identifying and assigning individuals to training based on careful selection standards. (survey on trainee interest, supervisor, performance appraisal etc.)
- c. Ensuring that classroom content of training program are directly relevant to the works / jobs settings in the organization and
- d. Ensuring the practical application of the training to the work / job setting by means of systematic follow-up.

Training is successful when trainees would do magnificently when they go back to their job.

Asare (2008), agree that training and training transfer could be successful through the collaborative effort involving the trainer, trainee's manager / supervisor (e. g. head of departments) and the trainee himself and that each of the three (3) parties need to take some from action before, during and after the training program.

2.8 Training Policy

According to Armstrong (2006), define that policies are to provide guides to action and to set limits to decision making; what should be done in certain circumstances and how particular requirements and issues must be dealt with. The scholars agree on an effective training policy mainly contains the following.

- Provides guidance for allocating department resources such as trainers, money and time
- Gives a broad direction to training activities
- Outlines the authority given to the training department, as well as the limits to that authority.

Training policies can also be used as one of the tools for evaluating the success of the human resource activities. Assist the departments to evaluate whether they go on to meet the strategic, mission and objectives of the organization. Do the department fulfilling the objectives and policy items stated in the policy? Policies are rules to govern the functioning of a department / unit so that it lends a hand to meet the desired objectives of organization. It is a “guide” to decision making. The departments are advised to have training policy check list to test evaluation of training programs, selection of employees, availability of training, location of training sessions, programs to be established, length o training day, e.t.c.

According to Monappa (2008), posit three best contest regarding training policy of organization.

1. Those policies are the basic rules to govern the functioning of a department or unit so that in the implementation of the policy the desired objectives are met. This means the policy is a guide to decision making.
2. Those policies that are used as control mechanisms in order to restrain managers from undesirable actions or from mishandling situation.
3. Policy guidelines can be used to rationalize decision making whenever standard decisions are involved.

As per the above points that policies statements serve as guidelines to action and the establishment of equality or parity among employees of an organization.

Moreover, Asare (2008) explained policy as a guide to actions and decisions of organization members. Policies are thus directives that are derived from top management of the organization and so provide the basis for the general of organization members. They tell employees how they should act in certain specific situations or circumstances.

To avoid ambiguity, it is very impressive that all major policy statements are formally expressed in manuals. However, the researcher observed that United Bank needs to have training policy manual and make them familiar with their managers, supervisors, union/association executives even to the employees.

2.9 Identify the Trainees

Due to time limitation and cost of training, the organization needs to scrutinize carefully who will be trained prior to training. Further, training programs should be designed to consider the ability of the employee and the relevant material to use it effectively and help then use the resource as efficiently as possible. It is also crucial that employees should be motivated by the training practice. Trainee failure in the program is not only the disadvantage of the employee but it is a burden to the organization and incurs cost. Selecting the right trainee is the way to an achievement of training and development objectives.

Identification of the trainees involves identification of job categories where the training needs have been identified which is performed by the training analyst. The identification of the actual names of the employees who attend the training is performed by a supervisor using guidelines that govern the selection of the employee for training from Human Resource department (Ngirwa, 2009). Some of these guidelines may include education, position, types of job and years

of service among others. The training and development process reflect the various methods that can be adopted in an attempt to understand training and development organizations.

For these processes to be effective there is the need to know the methods of training and development

2.10 Training Methods

All the human resource development activities are meant to either improve performance on the present job of the individual, train new skills for new job or new position in the future and general growth for both individuals and organization so as to be able to meet organization's current and future objectives Nadler (1984).

According to Armstrong (2006), training and development helps the employee to adjust to rapid changes in job requirements and keeps them updated to new technologies and methods. On the whole, there are two broad types of training and development methods available to organizations: On-the-job and Off-the-job training methods. What method should be used for the organization is determined by the individual circumstances and other factors like, „who“, „what“ and why of your training and development program. *On-the-job training* is given to organizational employees while conducting their regular work at the same working venues such as job rotations and transfers, coaching and/or mentoring. Whereas *off-the-job training* involves taking employees away from their usual work environments and therefore all concentration is left out to the training. Examples include conferences, role playing, and many more as explained below in detail.

2.11 Training and Techniques

According to Armstrong (2006) an organization can determine which techniques to use depending on the needs and objectives of the training in the organization. Among the most commonly used techniques in many organizations are as follows:

2.11.1 Job Rotation and Transfer

According to McCourt (2003), job rotation and transfer is a way of developing employee skills within organization involves movements of employees from one official responsibility to another. It could involve movement of employees from one City to another. These rotations and transfers facilitate employees acquire knowledge of the different operations within the organization together with the differences existing in different cities where the organization

operates. Job rotation is often used for first-level management training, particularly for new employees. When this technique is used, it is generally assumed that new managers need to develop a working knowledge of the organization before they can be managers.

2.11.2 Coaching / Understudy

The technique involves having the more experienced employees coach the less experienced employees (Torrington 2005). Coaching typically occurs between an employee and that person's supervisor and focuses on examining employee performance and taking actions to maintain effective performance and correct performance problems. In mentoring, a senior manager is paired with a more junior employee for the purpose of giving support, helping the employee learn the ropes, and preparing the employee for increasing responsibility (Warner (2012). According to Torrington (2005), mentoring offers a wide range of advantages for development of the responsibility and relationship building. The practice is often applied to newly recruited graduates in the organization by being attached to mentor who might be their immediate managers or another senior manager.

2.11.3 Orientation

The training involves getting new employees familiarized and trained on the new job within an organization. Making sure your employees do know what to do and how to do it is the purpose of orientation and training. Dessler (2014), agreed that provides new employees with the information they need to function (such as computer passwords and company rules); ideally, though, it should also help new employees start getting emotionally attached to the firm. The main purpose of employee orientation/on-boarding is to accomplish four things.

- ✓ Make the new employee feel welcome and at home and part of the team.
- ✓ Make sure the new employee has the basic information to function effectively, such as E-mail access, personnel policies and benefits, and what the employer expects in terms of work behavior.
- ✓ Help the new employee understand the organization in a broad sense (its past, present, culture, and strategies and vision of the future).

Start the person on becoming socialized into the firm's values and ways of doing things. It protects new employee from making costly mistakes, it helps them to understand the general

objectives, mission, scope, programs, problems and policy, structure and key members of the organization.

2.11.4 Lectures Courses and Seminars

According to Khanka (2008), lectures are the most commonly used direct method of training. This technique involves both practical and theoretical teaching process, which could be done within or outside an organization. It is a traditional technique of training employees. Employee's go through formal lecture courses and seminars to acquire specific knowledge and develop their conceptual and analytical abilities. Lecture courses and seminars benefit from today's technology and are often offered in a distance-learning format. Feedback and participation can be improved when discussion is permitted along with lecture process.

2.11.5 Formal training courses and Development Programs

This is one of off-the-job training techniques used to develop the skill required within organization. This course and development programs have a set of defined and know programs, the contents, duration and detail about the training programs are clear to the organization and the employees to be trained. It is formal training programs can be planned earlier and for their evaluation. The employees may undertake these courses and programs while completely off work for certain duration of time or as a part-time basis. Depending on the knowledge organization's structure and policies, the program can be taken place within or outside the organization. Off the job is argued to be more effective since employees away from work place and their concentration is fully at training (McCourt 2003).

2.12 Training Evaluation

Every training has its own objectives and hence at the end of the training there should be a system that evaluates the effectiveness of training. According to Dessler (2008), training evaluation is after a training program ends, or at intervals during an ongoing training program, organizations should ensure that the training is meeting objectives. The stage to prepare for evaluating a training program is when the program is being developed. Along with designing course objectives and content, the planner should identify how to measure achievement of objectives. Therefore, Dessler proposed four basic categories of training program result:

1. Reactions of the trainees to the program are evaluated; an example is whether they like the program and that they think it was worth their time, energy and efforts.
2. In respect of learning, trainees are given some kind of test to find out whether they learned the principles, skills and facts that they were supposed to learn.
3. Find out whether trainees behavior on the job has changed due to the training program and finally
4. Find out whether the objectives set before the training has been achieved.

According to Kirkpatrick (2006), training programs can be evaluated into four main levels.

The first level is measuring the participants' reactions to the training program. He refers to this step as a measure of customer satisfaction.

The second level of evaluation measures whether learning has occurred as a result of attending the training. Did the participants acquire the skills or knowledge embodied in the objectives?

The third level of evaluation measures the extent to which on-the-job behavioral change has occurred to the participants who have attended the training program. Another technique with this level of evaluation would be to employ performance evaluations designed to measure the new competencies.

The fourth level of evaluation attempts to measure the final results that occurred because employees attended the training. Ideally, training is linked to improved organizational performance. At this level, evaluation is concerned with determining what impact the training has had on the organization.

Satisfactory final results can include such things as fewer grievances filed against supervisors, greater employee productivity, a reduction in the number of client complaints, a decrease in workplace accidents, larger amounts of profit change, improved board relations, and less discrimination in the workplace. A final step, organizations must determine whether the benefits of the training outweigh its direct and indirect costs. The training program must achieve measurable results to achieve its goals as stated in the objectives.

2.13 Benefits of Training

Mainly the purpose of training is to acquire and improve knowledge, skills and attitudes towards work related tasks. It is one of the most prominent potential motivators which can lead to both short-term and long-term benefits for individuals and organizations. In deed trainings have so many benefits. Thus, Cole (2004) summarizes the benefits of training hereunder.

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

Most scholars commonly agree that the benefits of training and development include:

- Reduction in the need to supervise employees or subordinates thus freeing supervisors to concentrate others of their departments
- Great loyal to the organization
- Improvement in job satisfaction

According to Mullins (2007), the purpose of training and development is to improve knowledge and skills and to change trainees' attitude of employees. Hence, it is one of the momentous potential motivator. The following benefits do get from training and development programs:

- a. Increase in the confidence and commitment of staff
- b. It provides the needed recognition and enhances responsibility which could lead to an increase in pay and promotion. This is so in organizations where pay increases and promotion are based on the results of performance appraisals.

- c. With confidence comes the feeling of personal satisfaction and achievement. This could further broaden career progression opportunities
- d. Training improves the availability, quality and skills of staff.

More over Cole (2004), explains the benefits to organizations from systematic training and development include:

- ✚ The provision of a pool of skilled personnel for the organization; (same as Mullins fourth point)
- ✚ Greater commitment of staff (first point of Mullins)
- ✚ Improved service to customers
- ✚ Improvement in job performance with its resulting increase in productivity overall.

Training is the essential part of human resource activities and of the organization's business strategy. It is one of the integral elements in the improvement process of organization's performance, enhance individual performance, keep the organization at top in competence world. Close the gap between what should happen and what is happening and finally leading to organizational competence. The United Bank's human resource department needs to be actively conscious to acquire the employees with new skill and knowledge and make profound change on attitude of workforce.

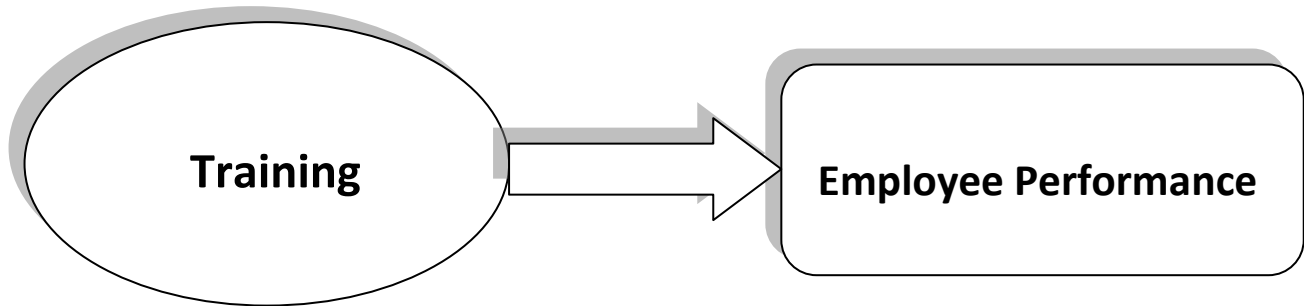
2.14 Research Model

Training have become the most essential aspect in the business world, hence training enhance the productivity and the efficiency of employees. Training is aimed at to develop or better the employees' performance in the work place so as to encourage motivation. The main purpose of training is to boost the organization accomplish its short and long term objectives by adding value to its human capital. Training is always a vital and necessary part in promote many kinds of learning and development of employees. So that training plays vital role in the development of employee's performance.

Proposition: Employees' training is a strategic determination to facilitate learning of the job related knowledge, skills, ability and behavior that are crucial for efficient performance capable of enhancing organizational effectiveness.

The relationship between training and employee performance can be depicted in the following model.

Figure 2.1 Theoretical Model representing relationship between Training and employee performance.



CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Description of the Study Area

United Bank was incorporated as a share company on 10 September 1998 in accordance with the commercial Code of Ethiopia of 1960 and the Licensing and supervision of Banking Business proclamation No. 84/1994. The Bank obtained a banking services license from the National Bank of Ethiopia and is registered with the Trade, Industry and Tourism Bureau of the Addis Ababa City Administration (2016 Annual Report). United Bank operates in all over Ethiopia with various service channels that include branches, sub-branches, agents, ATMs, POS machines, internet services and mobile banking. Head quartered in Addis Ababa, it covers an array of banking services: conventional, interest-free, and multiple-channel banking products. It has been at the forefront of introducing new banking products. Internet banking, mobile banking, telephone banking, broadband local money transfer, and money send/receive through ATMs are some of the products.

United Bank's head office is located at Debrezeit Road Mekwor Plaza Building, Addis Ababa. United Bank currently has 10 different departments, 159 branch offices and 25 sub-branch offices out of which 87 branch offices are located in Addis Ababa and other 72 branches are major town of the country. Currently it is found in all regions and render all types of banking service and a number of additional outlets on the pipeline. Today, United Bank is a full service Bank that offers its customers a wide range of commercial banking services such as loans, trade finance interest-free banking, agent banking, etc. The bank aim at strengthen its capital base, maximizing its return on equity and benefiting from the latest technology in order to keep abreast with the latest developments in the local and international financial services industry. United Bank's total number of employees at May, 2016 reached 3,154 including managerial, supervisory and support staff (As per human resource Dep.). As discussed above, the United Bank should update itself using new banking technology. Thus the bank needs to have continuous training program which in turn increases the performance of employee to satisfy the customers of the bank.

3.2 Research Approach

The researcher used quantitative approach to evaluate objective data consisting of numbers with the aim of achieving high levels of reliability in terms of data analysis. The quantitative method was used in this research so that relevant and accurate information could be obtained. Quantitative research, on the other hand, is an inquiry in to an identified problem, based on testing a theory measured with numbers and analyzed using statistical techniques and which is also a means to examine social phenomena. In line with the quantitative approach decided upon, a structured questionnaire was also administered to all the target respondents. According to Dane (2000), quantitative methods include reviewing a substantial amount of literature in order to provide direction for the research questions. Quantitative research is based on attempts to apply the methods to *facilitate data analysis*. Its strength is that it provides data that are easily quantifiable and based on reasonably objective evidence that lend itself to rigorous analysis. Moreover, the result can be reduced to numerical statistics and interpreted in short statements (Saunders, et al., 2003). A standard structured questionnaire (annexe B) was administered to all target respondents in order to determine the perceptions of employees on the effect of training and development on employee performance in the case of United Bank Share Company.

3.3 Research Design

Research design deals with planning the strategy or overall design of the study. This study uses survey research design. According to Ogutu (2012) a survey research method is probably the best method available to social scientists who are interested in collecting original data for the purposes of describing a population which is too large to observe directly. The way of take on different quantitative values is called a variable. In this survey, independent variables were selected rather than observations and analyses of relationships among the variables carried out in their natural settings. Sakaran (2003) posits, the survey method allows the collection of significant amount of data in an economical and efficient manner. In addition to these, other scholars agree that a good design is flexible, appropriate, efficient, smallest experimental error, minimizes bias and maximizes the reliability of the data collected and analyzed. The survey design allowed investigation of possible relationships between variables. In this way the survey design was more appropriate for the study because it enabled data collection from broader category as well as comparisons between variables. The dependent variable in this study was the employee performance while the independent variable was training and development. The

quantitative method is used in this research so that relevant and accurate information could be obtained. According to McBurney (2001), to attain the research objectives the researcher should employ a quantitative design that enabled the research to be executed as efficiently as possible yield maximum information with minimal expenditure of effort, time and money. The intention of using this approach is to evaluate objective data consisting of numbers with the aim of achieving high levels of reliability in terms of data analysis.

3.4 Population and Sample

According to Saunders, *et al.* (2003), a population is the full group of potential participants to whom the researcher wants to conduct the research for the study. The target population mainly comprised clerical staff of the bank including managers and supervisors who are working in head office and all Addis Ababa branches for the purposive sampling that has 1933 employees as of May, 2016 as per United Bank S.C. human resource department record. The total population of United Bank staff including outside Addis Ababa branches were 3154 including managerial, supervisory and support staff. The source list of the total number of employees in the United Bank was obtained from the Human Resources Department.

3.4.1 Sampling Technique

Deliberate sampling was used to obtain the sample size. Deliberate sampling is also known as purposive or non-probability sampling. This sampling method involves purposive or deliberate selection of particular units of the universe for constituting a sample which represents the universe which is from the target population to distribute the questioner. When population elements are selected for inclusion in the sample based on the ease of access, it can be called *convenience sampling* (Kothari 2004).

3.4.2 Sample Size and Determination

A sample size is sub set of the population drawn to represent the entire population or any combination of sampling units that does not include the entire set of sampling units that has been defined as the population (Garson, 2012). As a matter of time and cost limitation out of the total population 200 respondent were chosen. As discussed above the scope of the research limited 1933 clerical staffs in Addis Ababa Branches and head office. Therefore, the sample size is determined on or which was proposed by (Malhotra, 2009) the table shown below. As per

Malhotra determination of sampling size, 125 people are medium size to do the intended purpose research nevertheless as a result of some uncertainty of returning the questionnaires on timely basis and to increase reliability of the research, the researcher used 200 questionnaires to the respondents which is the maximum size of sampling.

Table 3.1 Sample Size Determination

Population Size	Sample Size		
	Low	Medium	High
51 - 90	5	13	20
91 - 150	8	20	32
151 - 280	13	32	50
281 - 500	20	50	80
501 - 1200	32	80	125
1201 - 3200	50	125	200
3201 – 10,000	80	200	315
10,001 – 35,000	125	315	500
35,001 – 150,000	200	500	800

Source: Naresh K. Malhotra 2009

3.5 Data Source and Types

The data was collected by questionnaires. According to Saunders (2009), the two most commonly used primary data collection methods are the questionnaire and the interview. Both questionnaire and interviews have distinct features that have a bearing on the correct and appropriate use of each for specific data collection purposes. Primary sources using structured close ended questions are a reasonably reliable tool for gathering data from large, diverse, varied and scattered social groups (Annexure E). The completed questionnaires from the target population of 200 respondents were collected using personal method of data collection. The questionnaire (Annexure E) was structured in a 5 point Likert scale format. The questionnaires were adopted from Direshaye Nigusse, 2015. When the researcher knows exactly what is required and how to measure the variables of interest, a questionnaire is an efficient data collation mechanism (Sekaran, 2003). The researcher did not manage to get the other 11 questionnaires because the employees were absent in the final collection day of questionnaires. The response rate of 94 % was highly successful since the researcher used high sampling size.

Secondary data is a data collected by the researcher in the field of study. It saves time that would otherwise be spent in collecting data. A clear benefit of using secondary data is that much of the background work needed has already been carried out. For the purpose of research literature reviews, published text, internet, accredited United Bank journal, relevance research journals and brushers were used to collect the data.

3.6 Data Collection Procedures

The primary data was collected through the use of survey questionnaire by drop and pick strategy to ensure high response rate. The use of questionnaire was adopted because it ensured that data collection was standardized such that each respondent got the same question and in the same format. Questionnaires also enabled collection of original data from the sample of the population within a short time and at low cost for the purposes of describing the entire population (Ogut, 2012).

The questionnaire was structured according to the research questions. The questionnaire was in six parts. Part one explored the population demographics. Part two the assessment on training effectiveness of bank. Part three, on the job training. Part four, off the job training. Part five the effects of training and development on employee's performance. Lastly, part six the perception of employees on how training improves their performance.

Table 3.2 A number of Questionnaires Distributed and responded

Grade	Name	No. Questionnaires Distributed	No Questionnaires Returned
Head Office	Trade Finance Dep.	15	15
Head Office	IT Inf. & Card Payment Op. Dep.	15	13
Head Office	IT System & E-Banking Dep.	15	15
Special Br.	Bekelo Bet Branch	23	19
Grade A	Bole Branch	12	12
Grade A	Bole Medehanialem Branch	12	12
Grade A	Bir Amba Branch	12	12
Grade A	Misrak Branch	12	11
Grade A	Yerer Branch	12	9
Grade A	Tana Branch	12	12
Grade B	Bisrat Gebriel Branch	10	10
Grade B	Meskel Square Branch	10	9
Grade B	Haya Hulet Branch	10	10
Grade B	Tekelehaiymanot Brranch	10	10
Grade B	Itegue Taitu Branch	10	10
Grade B	Cathedral Branch	10	9
	Total	200	189

Source: own Survey, 2017

3.7 Research Procedures

The questionnaire was pre-tested before the final distribution. Cooper and Schindler (2001) note that this is usually done to detect any weaknesses in the research design. The pre-testing (pilot testing) was done with the aim of refining and fine tuning the questionnaire so as to ensure that it was valid and reliable. The pilot was done on five respondents from the study population who were then excluded from the final study to eliminate bias.

The pilot was done to check possible errors in the instrument. The questionnaire was then be self-administered in hard copy form to each of the respondents and picked up later after a day to increase the response rate.

3.8 Ethical Considerations

The researcher complied with ethical procedures to protect the right of the research participants, involving the principle of voluntary participation which requires that participants do not need to be coerced into participating in this research. No attempt was made to hard participants

deliberately. The right of the participants was kept fully and confidential. All information from participants was not going to be disclosed to the public nor made available to colleagues, subordinates or immediate managers.

3.9 Data Analysis Methods

Blumberg (2005), described data analysis as the process of editing and reducing accumulated data to a manageable size, developing summaries, seeking for patterns and using statistical methods. The questionnaires were coded before entering the data into statistical package for social sciences SSPS for analysis. The data analysis involved frequencies, means and standard deviation. To determine the association of variables, the researcher used Correlation and regression analysis in form of cross tabulation to explore the relationships between the various variables tested in the current study. The data was then presented in form of Tables and figures.

Validity

Validity is described as the extent to which a measuring instrument satisfies the purpose for which it was constructed. It refers to the extent to which it correlates with some criterion external to the instrument succeeds in measuring what it has set out to measure (Blumberg, 2005). Basic to the validity of a questionnaire is asking the right questions phrased in the least ambiguous way. In other words, do the items measure significance of the purpose of the investigation? Terms must be clearly defined so that they have the same meaning to all respondents. The purpose of a pilot test is to refine the questions on the questionnaire in order to ensure that there is no ambiguity or bias so that the measuring instrument is fine tuned for data collection (Saunders, et al 2009). For the intended study, 10 respondents participated in this study and there were randomly selected to test the questionnaire so that as per their comments, necessary revisions were made before administration of the questionnaire to the target respondents. The respondents did not include those in the target population of 200 elements.

Reliability

According to Ghauri (2005) reliability refer to the stability of the measure used to study the relationships between variables. It ensures that the consistency of research measurement or the degree to which the questionnaires as a measure of an instrument, measures the same way each time it is used under the same condition with the same subjects.

Cronboach’s alpha is a coefficient of reliability, or internal consistency, of a set of scale or test items. The researcher predominately used it to measure the internal consistency or reliability of a psychometric test score for a sample of examinees. A rule of thumb for interpreting alpha for dichotomous questions (i.e questions with two possible answer) or Likert scale questions is: Cronbach’s alpha $\alpha \geq 0.9$ internal consistency is Excellent, $0.9 > \alpha \geq 0.8$ internal consistency is Good and $0.8 > \alpha \geq 0.7$ is acceptable. In general a score of more than 0.7 is considered as acceptable although some authors suggest higher value of 0.90 – 0.95 should be norm. Hence, it is significant to test the reliability of the data instrument. For this purpose, Cronboch’s Alpha was used to test the reliability of the research instrument. As per recommended above the researcher tested the internal consistency or reliability which were administered to the participants have the following result.

Table 3.3 Reliability test (Cronboch’s Alpha)

No.	Variables	Number of Questionnaires	Cronbach’s Alpha	Internal Consistency
1	Assessment on training effectiveness	11	0.908	Excellent
2	On Job Training	9	0.792	Acceptable
3	Formal training courses and Development program (Off - Job training)	3	0.763	Acceptable
4	The effect of training and development on employee performance	8	0.875	Good

Source: own Survey, 2017

	<i>Questionnaires</i>	<i>35</i>	<i>0.945</i>	<i>Excellent</i>
--	-----------------------	-----------	--------------	------------------

Therefore, as shown in table 3.3 the reliability of the whole items is 0.945 which means the whole items were reliable and consistence because some authors posit higher values of 0.90 – 0.95 is norm.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Data Presentation, Analysis and Discussion of Finding

This chapter presents the analysis and discussion of the findings to the study. The data analysis was quantified and explained with the help of Statistical Package for Social Science 20. Presentation of findings has been organized in accordance with the study objectives. A total of 200 questionnaires were dispatched to the participants, nevertheless 189 of questionnaires were returned and 11 of which were unreturned to the researcher.

4.2 Demography of Respondents

4.2.1 Gender of Respondents

The study sought to find out the gender of respondents with the presumption in Table 4.1. It indicates that the male respondents formed majority of the target population of 189 with a total of 111 representing 58.7%, while 78 respondents representing 41.0% were females.

Table-4.1 Gender of respondents

	Frequenc y	Percent	Valid Percent	Cumulative Percent
Male	111	58.7	58.7	58.7
Valid Female	78	41.3	41.3	100.0
Total	189	100.0	100.0	

Source: Own Survey, 2017

4.2.2 Position of Employees

The study to highlight the position of employees in United Bank Share Company. The table 4.1 shows that majority of the respondents were clerical staff which is 87.8 % and the rest 12.2 % of the target population were managerial.

Table-4.2 Position of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
clerical	166	87.8	87.8	87.8
Valid Managerial	23	12.2	12.2	100.0
Total	189	100.0	100.0	

Source: Own Survey, 2017

4.2.3 Ages of Respondents

From the targeted population majority of the age group were 24 -34 years which covered 60.3 % , the next age group were between 35 – 44 represent 37 % of the sample and followed by age were below 25 years old which represents 19.6 % and the remaining 4.7 % of the respondents age were 45 and above.

Table-4.3 Age of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Below 25	29	15.3	15.3	15.3
25 - 34	114	60.3	60.3	75.7
Valid 35 - 44	37	19.6	19.6	95.2
45 - 54	5	2.6	2.6	97.9
55 and above	4	2.1	2.1	100.0
Total	189	100.0	100.0	

Source: Own Survey, 2017

4.2.4 Educational Background

Table 4.3 illustrates that almost all respondents' educational level were from diploma to Master's Degree. Out of 189 respondents the majority of the target populations were a degree holder which is 134 (70.9 %). While the rest 42 respondents have Diploma and 13 respondents have Master's degree qualification which is 22.2% and 6.8 % respectively. Therefore, most of the respondents were educated and able to understand and respond to the questionnaires.

Table-4.4 Educational Background of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Diploma level	42	22.2	22.2	22.2
Bachelor's Degree	134	70.9	70.9	93.1
Master's Degree	13	6.9	6.9	100.0
Total	189	100.0	100.0	

Source: Own Survey, 2017

4.2.5 Respondents' Training Frequency

The study also sought to find out the frequency of employee training within the bank. Table 4.4 shows that most of the respondents 60 (31.7 %) attend staff training rarely, 25.4 % once in awhile, 19 % often and despite the fact that out of target populations only 5.8 % have taken quite often, while the remaining 18 % of the respondents were none at all took employee's training available in the bank.

Table-4.5 Frequency of training

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None at all	34	18.0	18.0
	Rarely	60	31.7	49.7
	Once in While	48	25.4	75.1
	Often	36	19.0	94.2
	Quite Often	11	5.8	100.0
	Total	189	100.0	100.0

Source: Own Survey, 2017

4.2.6 Training attended in the Last 12 Months

The study went ahead to find out if those who have undergone staff training were trained in the last 12 months. Table 4.5 shows that 56.6 % or 107 out of 189 respondents had underwent training in the last 12 months where as the remaining 43.4% of the respondent did not getting training within a year.

Table 4.6 Training attended in the Last 12 Months

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	107	56.6	56.6
	No	82	43.4	100.0
	Total	189	100.0	100.0

Source: Own Survey, 2017

4.2.7 Selection of Trainees

Table 4.7 illustrates that majority of the respondents 102 (54%) were trained while they joined united bank. Whereas the rest 34% of the respondent took the training since it was mandatory for the employee to do their normal work and 16.4% of the participants were trained as per supervisory recommendation. As well as the remaining respondents 1%, 3.7 % and 6.9 % were up on employee request, performance Appraisal and they don't know respectively.

Since the significant result depicts that United Bank has good practice to train the new employee on joining the bank. It has an advantage to create an understanding between employees and bank

Table 4.7 Selection of Trainees

	Frequency	Percent
Valid	On joining the company	54
	Supervisory Recommendation	16.4
	Compulsory for the employee	18
	Up on employee request	1
	Performance Appraisal	3.7
	I don't know	6.9
	Total	100.00

Source: Own Survey, 2017

4.3 Assessment of Training Effectiveness of United Bank

For the sake of assessing the effectiveness of training at United Bank as per Kirkpatrick, D. (2006), worldwide measured by three level: The first level measures reaction which is how the respondents react to the training, the second level is measures the learning which analyzes if they truly understood the training, the third level measures behavior as if they are utilizing what they have learned at work.

Table 4.8 Reaction of Employees Training Effectiveness

			Highly Disagree	Disagree	Neutral	Agree	Highly Agree	Total
1.	I am satisfied with the training Condition including the material and Facility of the training	<i>Frequency</i>	18	19	61	76	15	189
		<i>Percent</i>	9.5 %	10.1%	32.3%	40.2%	7.9%	100%
2.	My organization is best in providing training program such as classroom training, seminars, workshops etc frequently	<i>Frequency</i>	20	37	66	51	15	189
		<i>Percent</i>	10.6%	19.6%	34.9%	27%	7.9%	100%
3.	The delivery method that the organization used is convenient to get the necessary knowledge and skills to the employees	<i>Frequency</i>	10	28	56	76	19	189
		<i>Percent</i>	5.3%	14.8%	29.6%	40.2%	10.1%	100%

Source: Own Survey, 2017

Table 4.7.1 illustrates that 76 (40.2%) of the respondents were agreed with training condition and satisfied, and 7.9 % of the participants strongly agreed on the available material and facility of the training. The remaining 61 (32.3 %) neutral and 37 (19.6%) of the participants were not satisfied on the above condition of statement given by the bank.

Regarding the organization’s best in providing training programs (classroom training, seminars, workshops) frequently 27% of respondents agreed and 7.9 % were highly agreed towards the training program where as 34.9% were neutral. The remaining 30.2% of the participant did not agree with the trainings which are provided by the organization. This shows that there are employees who are not comfortable with training program that were provided by the bank frequently.

The finding in the table 4.7 the way of training delivery methods convenient to get the necessary knowledge and skills to the employee, almost half of the respondents which are 50.3% of the respondents (40.2% agree and 10.1% strongly agree) the technique of training were suitable to them. However, the remaining 29.6% of the respondents were neutral, 14.8% of them disagree

and 5.3% highly disagreed. Hence, the result indicates that half of the participants responded that the bank's training delivery methods are appropriate to get necessary skill and knowledge.

Table 4.9 Reaction of Employees Training Effectiveness (part One)

			Highly Disagree	Disagree	Neutral	Agree	Highly Agree	Total
4.	I had good relationship with my trainer to learn more in the training so that I was asking what I did not understand to increase my competence.	<i>Frequency</i>	13	18	58	70	30	189
		<i>Percent</i>	6.9%	9.5%	30.7%	37%	15.9%	100%
5.	I think that the training session in which I have participated is a good use of my time	<i>Frequency</i>	7	17	58	84	23	189
		<i>Percent</i>	3.7%	9.0%	30.7%	44.4%	12.2%	100%
6.	The training I received is a great help in my job	<i>Frequency</i>	5	16	50	82	36	189
		<i>Percent</i>	2.6%	8.5%	26.5%	43.4%	19%	100%

Source: Own Survey, 2017

According to Noe (2005) in the field of human resource management, training and development is the field concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings.

Table 4.7.2 illustrates that a total of 52.9% (37% + 5.3%) of the respondents agree that they had a good relationship with their trainer to learn more in the training and were asking what they did not understand to enhance their competency. The remaining 30.7% of the respondents were neutral to the relationship with their trainer. The rest 16.4% of the participants did not agree to the above statement. The finding shows half of the respondents had good relationship with the trainer while the bank was giving training to increase their competency.

Table 4.7.2 highlights that a total of 56.6% of the respondents were agreed that a good use of their time at the training session and efficiently. Nevertheless, the remaining 30.7%, 9.0% and 3.7% of the participant were neutral, disagree and highly disagree respectively. Then majority of respondents at training session in which they have participated was a good use of their time and

were not regretful. Thus the bank has good practice of training program regarding to train employees.

Table 4.7.2 illustrates that 43.4% of the respondents agreed on the training they received was a great help in their job and 19% the participants strongly agreed and had positive effects on their jobs. Neo (2011) define how training as a planned effort to facilitate the learning of the job-related knowledge, skills and behavior by employees. Whereas, the remaining 26.5% were neutral and they were not sure about the training which they received have enormous influence on their jobs. A total of 11.1% (8.5% + 2.6%) of the respondents disagree the impact of training on their jobs.

Table 4.10 Employees Training Effectiveness on Learning (Part Two)

			Highly Disagree	Disagree	Neutral	Agree	Highly Agree	Total
1.	The training I received has increased my knowledge on the topic	<i>Frequency</i>	5	19	49	88	28	189
		<i>Percent</i>	2.6%	10.1%	25.9%	46.6%	14.8%	100%
2.	Because of knowledge , skills and attitude I received from the training I can accomplish activities more effectively	<i>Frequency</i>	5	20	51	82	31	189
		<i>Percent</i>	2.6%	10.6%	27.0%	43.4%	16.4%	100%
3.	The training I received offered me the opportunity to identify the potential I have for further development	<i>Frequency</i>	7	22	57	76	27	189
		<i>Percent</i>	3.7 %	11.6%	30.2%	40.2%	14.3%	100%

Source: Own Survey, 2017

According to Harrison (2000), learning through training influences the organizational performance by greater employee performance, and is said to be a key factor in the achievement of corporate goals. The findings in Table 4.8 shows that the result of employees training effectiveness on learning. Because of the training they received 46.6% of the respondents agreed that it increased their knowledge on the topic and 14.8% of the respondents highly agreed that trainings have significantly changed in their knowledge. The rest 25.9%, 10.1% and 2.6% of the respondent were neutral, disagree and highly disagree increased their knowledge from training

respectively. Then the bank has good experience in enhancing the knowledge of the employee on the topic.

The second question from the Table 4.8 was focused on the respondents who received (knowledge, skills and attitude) from the training could help them to accomplish their activities more effectively. The result indicates that 43.4% of the respondents agreed and 16.4 % highly agreed that the training helped them to accomplish their jobs more effectively. Whereas out of 189 27% of the respondents were neutral about the effectiveness of training on their jobs. The rest 10.6% disagreed and 2.9% highly disagreed that the training given by the bank did not contribution to do their job efficiently.

From the table 4.8 the participants responded to the question whether the training offered them the opportunity to identify the potential they had for further development. As can be seen from the table 40.2% of the respondents agreed and 14.3% of them highly agreed that training was useful to identify the potential they had for further development. Nevertheless, the remaining 30.2 % of the participants were neutral or not able to recognize the benefit of training and encouraged for development. A total of 15.3% (11.6% + 3.7%) of the respondent disagree or assumed that the training did not have any contribution for further development.

Table 4.11 Employees Training Effectiveness on Behavior

			Highly Disagree	Disagree	Neutral	Agree	Highly Agree	Total
1.	I have noticed some changes in my behavior and knowledge as a result of now learning	<i>Frequency</i>	5	31	67	76	10	189
		<i>Percent</i>	2.6%	16.4%	35.5%	40.2%	5.3%	100%
2.	The training increases my motivation to the job, I do	<i>Frequency</i>	7	23	58	85	16	189
		<i>Percent</i>	3.7%	12.2%	30.7%	45.0%	8.5%	100%

Source: Own Survey, 2017

Table 4.9 illustrates the employees training effectiveness on behavior. Hence, 76 (40.2%) of the respondents were agreed that as a result of learning, they have some changes in their behavior

and knowledge 5.3% of them highly agreed. 58 (30.7%) of the respondent were neutral to the change of behavior and knowledge. Whereas, the remaining 16.4% and 2.6% of the respondents were disagree and highly disagree respectively. Hence, the above result shows that the bank is effective on acquiring new knowledge and changing behavior of the employees.

The finding in Table 4.9 from the question was concerning that how the training increased the respondents' motivation to do their jobs. Out of 189 participants 85(45%) of the respondents agreed and 16 (8.5%) of them highly agreed. 30.7% of the respondents were neutral to the above statements. Nevertheless, the remaining 12.2% disagreed and 3.7% strongly disagreed on the impact of training on to increase their motivation. From the above figure most of the respondents who took training have positive change on their motivation to the job they do.

4.4 Analysis on Training Methods practices of the Bank

Generally there are two main types of training methods available to organizations: On-the-job and Off-the-job training methods. What method should be used for the organization is determined by the individual is circumstances and other factors like, 'who', 'what' and 'why' of your training and development program (Armstrong, 2006).

The analysis has been done based on the participants' response on the training techniques of the bank. The findings are presented their attitudes towards orientation, induction, coaching/mentoring, job rotation from on-the-job training and formal training courses and development from off-the-job training. The researcher measured the responses using descriptive statistic methods mainly mean and standard deviation.

4.4.1 Analysis on –the-Job Training

On-the-job training has been promoted as a means for organizations to deal with the shortage of applicants who possess the skills needed to perform many current jobs, and as a means for organizations to deal with accelerating market cycles (Warner, 2012). This training technique is almost common for all organizations; majority of employees receive at least some kinds of training and coaching on the job.

Table 4.12 Orientation/Induction training

	N	Mean	Std. Deviation
Orientation/Induction training is well planned	189	3.3175	.99186
The induction training is conducted timely	189	3.1534	1.01727
Induction training provides an excellent opportunity for newcomers to learn	189	3.6032	.99797
The norm and values of the company are clearly explained to the new employees during induction	189	3.4180	1.05684
Induction training is of sufficient duration	189	3.1799	1.01028
Valid N (list wise)	189		

Source: Own Survey, 2017

The finding on Table 4.10 shows with the mean 3.6032 and 3.4180 most of the respondent agreed that induction training provided by the organization gives an excellent opportunity for new comers to learn and the norm and values of the bank are clearly explained to them at the training time. Induction training was well planned and effective in equipping employees with practice for core value of the organization (Mean = 3.3175). Nevertheless, the induction training with a (Mean = 3.1534) was not conducted timely to the newly employees. This verifies what Dessler (2008), stated in the literature an employee with a high potential to perform may not still perform his job if he does not go through training and development. This is why training of newly employed starts with organizational orientation

Table 4.13 Coaching/Mentoring

	N	Mean	Std. Deviation
The supervisor have more experience to examine employees' performance and taking actions to maintain effective performance	189	3.2116	1.01984
In mentoring, immediate manager/senior manager is paired with a junior employee for purpose of giving support, helping employee to learn the ropes and increasing responsibilities	189	3.3122	1.08319
Valid N (list wise)	189		

According to Warner (2012), coaching most often occurs within the context of an ongoing relationship between an employee and his or her supervisor (or between a supervisor and his or her manager).

As the table indicates, the respondents with the mean 3.2116 were mild satisfied that the supervisor have more experience to examine employees’ performance and taking actions to maintain effective performance. Thus, the mean 3.3222 implies that immediate manager/senior have good passion giving support, helping employee to learn the ropes and increasing responsibilities. But the organization must increase the ability of supervisors, immediate/senior managers in order to produce coaching or mentoring to enhance the performance of junior employee.

Table 4.14 Job Rotation

	N	Mean	Std. Deviation
Employee job rotation within the organization helps increase my overall performance	189	3.6984	2.44058
Job rotation boosts my moral and self confidence	189	3.4656	1.18283
Valid N (list wise)	189		

Source: Own Survey, 2017

According to Warner, 2012, Job rotation is similar in intent, but with this approach a trainee is generally expected to learn more by observing and doing than by receiving instruction. Rotation, as the term implies, involves a series of assignments to different positions or departments for a specified period.

As the table 4.9 illustrates majority of the respondents with (Mean = 3.6984 and 3.4656) agreed that job rotation with the organization helped to increase their overall performance and boosted their moral and self confidence respectively.

4.4.2 Analysis off –the-Job Training

The result of the analysis Table 4.13 shows that the majority of the respondents with mean (Mean = 3.5291 and 3.4392) agreed that the type of training they have taken was applicable for the job after training and they believed that the formal training courses program was more effective because employees were away from work place and their concentration were fully at

training respectively. On the other hand, the respondents agreed that the formal training courses program were designed at level of abilities and education of employees with (Mean = 3.6984)

Table 4.15 Off-the-Job Training

	N	Mean	Std. Deviation
Formal training courses programs are designed at level of abilities and education of employees	189	3.2857	1.03803
The type of training I have taken is applicable for the job after training	189	3.5291	.99758
I believed that formal training courses programs are more effective since employees are away from work place and their concentration is fully at training	189	3.4392	.97999
Valid N (list wise)	189		

Source: Own Survey, 2017

4.5 Analysis on Effect of Training on Employee performance

Employees referred as the rare, non-imitable and valuable resource of the organization as well as the success or failure of any business mainly relies on employees' performance. Thus, organizations realize this fact is willing to invest in training program for development of employees' performance. Effective training is a key factor to improve worker performance; as it can boost the level of employee and organizational competency. It definitely fill the gap between what performance if required and what performance is happening (gap between desired and actual performance). Particularly training develops knowledge, skills, competency and ability of employee. Thus it has an effect on improving employee performance and organizational productivity. In this section the performance of employees were analyzed based on effectiveness, efficiency and commitment of the employees. Efficiency and effectiveness are ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance (Cooke, 2000).

Table 4.16 The Effect of Training on Efficiency

			Highly	Disagree	Neutral	Agree	Highly	Total

			Disagree				Agree	
1.	The training provided by the organization helped me to perform my task quickly and efficiently	<i>Frequency</i>	8	8	63	91	19	189
		<i>Percent</i>	4.2%	4.2%	33.3%	48.2%	10.1%	100%
2.	Because of the knowledge, skill and attitude that received from the training. I can accomplish without waste	<i>Frequency</i>	7	15	66	90	11	189
		<i>Percent</i>	3.7%	7.9%	34.9%	47.6%	5.8%	100%
Summated		<i>Percent</i>	3.98%	6.05%	34.1%	47.9%	7.97%	100%

Source: Own Survey, 2017

The study further sought to find the effect of training on employee efficiency. On summated scale, the findings in Table 4.14 shows that the respondents 47.9% and 7.97% agreed that the training which was given by the bank helped them to perform their task quickly, efficiently and accomplish their work without waste. Whereas 34.1% of the respondents were neutral, neither the training helped them to accomplish their task without waste and efficiently. The remaining on a summed scale show 3.98% and 6.05% highly disagreed and disagreed respectively. The table shows a total of 55.87% (47.9% + 7.9%) which is majority of the respondents confirmed that the training given by the bank had an impact on their efficiency.

Table 4.17 The Effect of Training on Effectiveness

			Highly Disagree	Disagree	Neutral	Agree	Highly Agree	Total
1.	I feel that training enable me to perform my work with greater accuracy and precision	Frequency	8	12	66	85	18	189
		Percent	4.2%	6.4%	34.9%	45%	9.5%	100%
2.	I can say that after training employees in United Bank are working well with their regular activities	Frequency	6	12	69	83	19	189
		Percent	3.2%	6.3%	36.5%	43.9%	10.1%	100%
3.	I feel confident that my training enable me to completely perform all aspects of my job	Frequency	9	22	70	68	20	189
		Percent	4.8 %	11.6%	37%	36%	10.6%	100%

Source: Own Survey, 2017

The findings in Table 4.15 shows that 45% and 9.5% of the respondents agreed and highly agreed that the training which is given by the bank enabled them to perform their work with a greater accuracy and precision. Nevertheless, 34.9% of the participants were neutral to the question regarding accuracy and precision. The rest out of 198 of the respondent 6.4% and 4.2% of them disagreed and highly disagreed respectively to the effectiveness of the training.

Based on the above table 43.9% of the respondents agreed that after training they could work well with their regular activities and also 10.1% of the respondent highly agreed. 36.5% of the respondents were neutral to react after the training program. The remaining 9.5% (6.3% and 3.2%) of the respondents disagreed with the training in United Bank helped working well with their regular activities.

Regarding from the above result a total of 46.6% (36% + 10.6%) respondents agreed that after training they feel fully confident to perform all aspects of their jobs. Thus, 70(37%) of the respondents were neutral about the training whether enable them to completely perform their job. While the remaining 11.6% were disagreed and 4.8% highly disagreed that training didn't help to perform their jobs. Here the united bank needs to improve the effectiveness of employee through training and development program. This can be supported by what has already been defined performance as *“The achievement of specific tasks measured against predetermined or identified*

standards of accuracy, completeness, cost and speed. Employee performance can be manifested in improvement in production, easiness in using the new technology, highly motivated workers” (Afshan ,2012)

4.6 Commitment

Employee commitment involves the organization energizing employees by engaging them with and ensuring that the employees believe in the organization’s goals and know that they are a key part of accomplishing these goals. According to Mayer (1997), commitment is multi-dimensional in nature, encompassing workers’ loyalty, their willingness to exert more effort on behalf of the organization, adherence to organizational values, and desire to reaming in the organization.

Table 4.18 Feeling of Employee Belongingness to the Bank

I feel strong sense of belongingness to the bank since it has good training methods to acquire the need skills and to become loyal for different activities

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Highly Disagree	8	4.2	4.2	4.2
Disagree	17	9.0	9.0	13.2
Neutral	79	41.8	41.8	55.0
Agree	69	36.5	36.5	91.5
Highly Agree	16	8.5	8.5	100.0
Total	189	100.0	100.0	

Source: Own Survey, 2017

Table 4.16 illustrates that a total of 13.2% (4.2% +9%) the respondents disagree that after training they felt strong sense of belongingness to the bank. But at the same time 41.1% of the respondents were neutral lying in between agree and disagree. While 45% (36.5%+8.5%) of the respondents agreed. Hence, from the above response rates we may reach the answer to our research question that training and development has less relevance in creating sense of belongingness to the bank.

Table 4.19 Employee's Participation at work

I think that active participation during training has positive effect on my commitment to the bank and for my work

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Disagree	5	2.6	2.6
	Disagree	11	5.8	8.5
	Neutral	55	29.1	37.6
	Agree	96	50.8	88.4
	Highly Agree	22	11.6	100.0
	Total	189	100.0	100.0

Source: Own Survey, 2017

Finding in table 4.15 most of the respondents lies in the agreed and highly agreed criteria i.e. of the 189 respondents 22(11.6%) of them highly agreed and 96(50.8%) agreed that during training program they had positive effect on their commitment to the bank and work. The rest 29.1%, 5.8% and 2.6% of the respondents were neutral, disagree and highly disagree respectively. Then, we can conclude that the above item statement was responded positively by the respondents. Training and development which was given by the bank improved the employees' commitment to the bank and for their work.

Table 4.20 Employees’ Satisfaction on training and Development condition

I am satisfied with the training condition including the material and facility of the training that the Bank provides to increase my work commitment.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Disagree	13	6.9	6.9
	Disagree	29	15.3	22.2
	Neutral	56	29.6	51.9
	Agree	72	38.1	89.9
	Highly Agree	19	10.1	100.0
	Total	189	100.0	100.0

Source: Own Survey, 2017

Table 14.18 illustrates that majority of the respondents found in the agreed, highly agreed and neutral of 189 participants 38.1% agreed and 10.1% highly agreed. The rate implies less satisfaction of respondents on united bank’s training and development conditions. Nevertheless, 29.6% respondents were as a neutral lying in between agree and disagree. The item statement was responded mildly positive rates by the respondents. We can conclude that training and development have less relevance in training condition (material and facility) to increase employee work commitment.

4.7 Employees response on how Training affect their performance

According to Pynes, (2008) evaluation improves training program by providing feedback to the trainers, participants and employers and it assesses employee skill levels. Evaluations can be used to measure changes in knowledge, levels of skills, attitudes and behavior, and levels of effectiveness at both the individual and agency level. Evaluation of the training program is necessary to determine whether the training accomplished its objectives. Therefore, evaluation is defined as the process of determining the value and effectiveness of a learning program.

Table 4.21 Level of Knowledge/ Skill related to the Job

My level of knowledge and skill related to the job is increased

	Frequency	Percent	Mean	Std, Deviation
Valid	Highly Disagree	6	3.2	3.5979 .84249
	Disagree	11	5.8	
	Neutral	51	27.0	
	Agree	106	56.1	
	Highly Agree	15	7.9	
	Total	189	100.0	

Source: Own Survey, 2017

Table 4.19 illustrates that as the (Mean = 3.5979) indicates that most of the respondents agreed and highly agreed that the training has increased their level of knowledge and skills related to their jobs. From the total of 189 respondents 15 (9%) responded that the training did not improve their skill and knowledge related to their job. Then, the rate result implies that 64% of the respondents agreed the bank has a good training experience to increase the level of employees' knowledge and skill at their jobs. It supports what has been highlighted in the literature review training and development programs, as one of the vital human resource management practice, positively affects the quality of the workers knowledge, skills and capability and thus results in higher employee performance on job Guest (1997).

Table 4.22 Employees Confidence

Training given by the organization contributes confidence in solving problem and making decisions. This can be supported by what has already been highlighted in the literature that training and development increase the confidence and commitment of the employee (Mullins, (2004).

	Frequency	Percent	Mean	Std, Deviation
Valid	Highly Disagree	4	2.1	3.6931 .84489
	Disagree	9	4.8	
	Neutral	54	28.6	
	Agree	96	50.8	
	Highly Agree	26	13.8	
	Total	189	100.0	

Source: Own Survey, 2017

The finding in the table 4.7 as the (Mean = 3.5979) indicates that most of the responses lies in the agree, highly agree and neutral criteria of 189 respondents 26(13.8%) highly agreed and 96(50.8%) agree that training and development has enormous contribution to develop confidence in solving problem and making decisions. Meanwhile 54(28.6%) respondents were neutral to the statement. The remaining 2.1% and 4.8% of the respondents were highly disagreed and disagreed respectively. From the above figure we may conclude that the item statement is responded positively by the participants.

Table 4.23 Management of Time and Priorities

The ability of managing time and accuracy is increasing

	Frequency	Percent	Mean	Std, Deviation
Valid	Highly Disagree	6	3.2	3.5450 .88986
	Disagree	12	6.3	
	Neutral	65	34.4	
	Agree	85	45.0	
	Highly Agree	21	11.1	
	Total	189	100.0	

Source: Own Survey, 2017

Here in Table 4.20 shows that most of the respondents lies in the agree, highly agree and neutral criteria i.e. of the 189 participants 85(45 %) agreed and 21(11.1%) strongly agreed the training and development given by the bank has a big contribution to managing time and accuracy as

mean of 3.5450. Nevertheless, at the same time 65(43.4%) respondents have given their response as neutral lying between agree and disagree. From the above result we may conclude that the participants responded mildly positive to the ability of managing time and accuracy.

Table 4.24 Employee’s Commitment and Motivation

Because of training my commitment and motivation is changed on job. This explains what Cole (2004), one of the benefits to the organization from systematic training and development contributes greater commitment of staff.

	Frequency	Percent	Mean	Std, Deviation
Valid	Highly Disagree	6	3.2	.92949
	Disagree	14	7.4	
	Neutral	62	32.8	
	Agree	81	42.9	
	Highly Agree	26	13.8	
	Total	189	100.0	

Source: Own Survey, 2017

Table 4.21 illustrates (Mean = 3.5979) and which is that a total of 56.7% (42.9% +13.8%) of the respondents agreed that due to training program of united bank the employees commitment and motivation has changed positively on their jobs. The organization needs to maximize the employee commitment and motivation through effective training program.

4.8 Correlation

The purpose of this research is to find out the association of training and employees’ performance in the United Bank of Share Company, then the researcher applied Pearson’s correlation to associate the independent variable orientation, Coaching, job rotation and formal training course and program dependent variable which is employee performance.

In order to determine how strong the relationship is between two variables, a formula must be followed to produce what is referred to as the **coefficient value**. The coefficient value can range between -1.00 and 1.00. If the coefficient value is in the negative range, then that means the relationship between the variables is **negatively correlated**, or as one value increases, the other

decreases. If the value is in the positive range, then that means the relationship between the variables is **positively correlated**, or both values increase or decrease together.

As the table 4.22 illustrates below as the coefficient value shows that the result of the methods of training on-the-job training which are orientation, coaching, job rotation and off-the-job training mainly formal training courses were correlated with employee performance within the range of 0.261 to 0.561 all were significant whereas coaching is lower range or small correlation. Hence, the relationship between the independent variables have been correlated with each other at a significant level of $p < 0.01$.

The outcome of the relationship between coaching and formal training course has a lower degree of correlation ($r=0.261$) which is the values below $\pm .29$, then it is said to be a small correlation. At the same time, the relation of coaching with employee performance has a lower degree correlation which is ($r=0.286$) the value lies below $\pm .29$. It implies that coaching for the employees has a great impact on employees performance and the relationship between orientation and job rotation value lies moderate degree ($r=0.397$).

Table 4.25 Correlation Analysis

		Orientation	Coaching	Job Rotation	Formal Training	Employee Performance
Orientation	Pearson Correlation Sig. (2-tailed) N	1 189	.448** .000 189	.397** .000 189	.412** .000 189	.561** 000 189
Coaching	Pearson Correlation Sig. (2-tailed) N		1 189	.496** .000 189	.261** .000 189	.286** .000 187
Job Rotation	Pearson Correlation Sig. (2-tailed) N			1 189	.459** .000 189	.424** .000 187
Formal Training	Pearson Correlation Sig. (2-tailed) N				1 189	.461** .000 187
Employee Performance	Pearson Correlation Sig. (2-tailed) N					1 .187

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

Source: Own Survey, 2017

From the above result the researcher then investigated whether there was an association between training and employee performance by running a Pearson's correlation value. So it has a positive correlation corresponds to an increasing relationship. The independent variable job rotation ($r=0.424$), formal training ($r=0.461$), has medium correlation with employee performance. One of the independent variable orientation, its' coefficient value ($r=0.561$), lies at the range of high degree level it means it has strong correlation with employee performance.

4.9 Multiple Linear Regression Analysis

Multiple linear regression analysis is the next step up after correlation and an extension of simple linear regression analysis, used to assess the association between two or more independent variables and a single continuous dependent variable. The independent variables can be continuous or categorical. Multiple linear regressions is used when we want to predict the value of a variable based on the value of another variable. The variable we want to predict is called the dependent variable (or sometimes, the outcome variable) which is employee performance. The variable we are using to predict the other variable's value is called the independent variable (or sometimes, the predictor variable) which are orientation, coaching, job rotation and formal training course.

To understand whether employee performance can be predicted based on independent variables; the multiple correlation coefficients (R), Coefficient of determination (R square) were examined. The coefficient of determination (R square) presents how much of the variance in the measure of employees performance explained by the training dimensions. The independent variables have accounted for 34.5% (adjusted R square of 33.1% with estimated standard deviation 0.794) of the variance in the criterion variable (employee performance). The result implies that 34.5 % of the dependent variable is explained by the independent variables in the model. The result also implies that, the remaining 65.5% of the variance can be explained by other variables. Hence, the result depicts that further research is needed to reach the factors that affect the level of employees' performance of United Bank. The F-ration, which explained whether the results of the regression model could have occurred by chance, has a value of 24.24 and significant at 0.000. Large F value and a small significance level indicate that the results probably are not due to random chance. Nevertheless, it is possible to say that the regression model adopted in this study could have not occurred by chance and is considered significant.

Table 4.24 Model Summary and ANOVA for Multiple Linear Regressions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.587 ^a	.345	.331	.79426

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	61.162	4	15.291	24.238	.000 ^b
	Residual	116.076	184	.631		
	Total	177.238	188			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Orientation, Coaching, Job Rotation and Formal training courses

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.173	.262		4.485	.000
	Orientation	.297	.066	.324	4.497	.000
	Coaching	.068	.065	.076	1.045	.297
	Job rotation	.131	.059	.160	2.238	.026
	Formal training course	.214	.066	.216	3.237	.001

a. Dependent Variable: Employee performance

Source: Own Survey, 2017

The main purpose of this study is to find out the most contributing independent variables (methods of training) in the prediction of dependent variable. Therefore, the strength of each predictors (independent variable) influence on the dependent variable can be investigated through standardized Beta coefficient.

The coefficient of determination (R-square) value only indicates the variance in overall job performance level as it is explained by the independent variables. However, when we see the extent to which each independent variables influence the dependent variable, orientation,

coaching, job rotation and formal training course were the significant of employee performance. So from the result orientation was more important influencing predictor of employee performance.

The above table illustrates the regression standardized coefficients for the independent variables. Thus, training and development which is the predictor of the employee performance (employee performance) was defined by the standardized Beta coefficient. As we observed the predictor which had better effect on the overall level of employee performance level in United Bank share company was orientation with a coefficient ($\beta= 0.324$). The result indicated that a one unit increase in “orientation” would lead to 32.4 % increase in the magnitude of employees’ degree of performance.

The other independent variable, formal training course with a ($\beta= 0.216$) contribute an important role in influencing employees for a better performance level. Job rotation with a ($\beta= 0.160$) also better than coaching ($\beta= 0.076$) have less important next to job rotation on workers performance.

CHAPTER FIVE: SUMMERY, CONCLUSION AND RECOMMENDATION

5.1 Summery

This research examines the effect of training programs on employee performance in United Bank Share Company. To recapitulate the findings and results that have emerged from the data analysis presented in Chapter four. The objectives of the research was to find out the nature of training programs, specific training programs used and its effect on the performance of employees. From the research study the following particular finding were observed.

- ❖ The training practice of the bank implies that 54% of the respondents took training when joining the bank and out of 189 participants 24.8% respond took training quit often and often.
- ❖ The reaction of the respondents towards training condition, the provision of training program (classroom training, seminars, workshops) and the delivery methods that the bank used was not this much satisfactory. Whereas, the training and development aims at bettering the performance of employee in the organization and contributes for the change of behavior and enhancing the skill and knowledge of the employee.
- ❖ From the findings that United Bank has good training experience to introduce the value, norm, goal and aim of the organization which is an excellent opportunity for newcomers to learn. Nevertheless, the potential of supervisors and senior staff to examine employee's performance and mentoring junior employee needs to be developed through other means to learn the skills and increase responsibilities of employees.
- ❖ As per the result from respondents, in order to increase the employees' performance on their task quickly and efficiently and to accomplish without wastage, the united bank needs to increase its effort and commonly facilitate trainings and development to the employees.

- ❖ Regarding the response of employee on the outcome of training is relatively good; the bank needs work here as well to increase the level of knowledge/skill, managing time, prioritizing things, motivation, confidence in solving problems and making decisions.
- ❖ From the correlation analysis part of the study it can be seen that there is a significant and moderate relationship between the independent variable (orientation, coaching, job rotation and formal training course) and the dependent variable (employee performance).
- ❖ In addition to the above types of analysis the researcher used multiple regression analysis find out the influence of independent variable (employee performance) on the independent variable (training methods). The R square 0.345 which is 24.5% of the variance in the dependent variable (employee performance) is explained by the independent variables (training and development) in the model. The respondents' perceived orientation had relatively a greatest effect on the overall degree of performance with .324 that a one unit in orientation lead to a 32.4% increase in the level of performance.

5.2 Conclusions

This research was aimed at examining the effect of training on employee performance and the study supports a strong positive relationship between them. From the findings, this study came up with the following conclusion: Training program is continuous practice in the United Bank and the employee was able to learn and update their knowledge and skills every year. Again, training programs in these organizations are somehow planned, systematic and coordinated. Also it follows an appropriate training and development process.

The study also concluded that there were positive impacts of training on employee performance and organization effectives, but the factors such as low budget and the apathetic nature of some employees hinder training activities to be carried out systematically

Finally, the whole study concluded that, the training program is a highly effective program among other HR functions which should be planned and implemented by organization so as to run a cycle of increasing skills and knowledge as well as to change the behavior of employees in order to increase performance, which in turn increase their collective performance and thus further results in organizational growth.

5.3 Recommendations

Based on the findings and conclusions, the following recommendations are outlined to help address challenges identified and ways of improving training in these financial institutions:

1. Through the interview with the Human resource manager, it was realized that funds for the organization of training program for employees was not always readily available except induction trainings. From the research it can be concluded that training of employees leads to improvement of their performance and the performance of the organization as a whole. Therefore the needed funds for an effective training program to take place should be made available at all times by the organizations.

2. Again, the interview with the senior staffs revealed that some employees have an impression that these program are a waste of time and therefore do not take it serious. Since it has been proven that these programs have a direct link between performance of employees and the organization as a whole, thus rigorous education should be given out on the importance of these program to be effective on the performance of employees.

3. Over again, CEO should create more opportunities for training of their employee since it has been proven that there is a direct link between training with performance. Therefore employees should be encouraged to go for training program. This will brighten up their ideas and will enable them to know more about the recent changes in technologies.

4. Furthermore, the organization should establish the training objective in accordance with the organizational goal. This will ensure that the needed training programs are identified and implemented. It will help in reducing the impression of some employees that these programs are a waste of time and therefore take it serious.

5. Finally management should clearly state the results for each employee and record. For instance what change in employee knowledge, skills, attitudes and behaviors has occurred after experiencing such programs. It must also clarify what is to change and by how much. The training goals should be specific, tangible, verifiable, timely and measurable.

Reference

- Abbas, Z. (2014). Identification of factors and their impact on employees' training and organizational performance in Pakistan.
- Aguinis, H. (2006). Performance management. Denver, Colorado, USA: Prentice Hall, Inc.
- Afshan Sultana, Sobia Irum, kamran Ahmed & Nasir Mahmood (2012). "Impact of Training on Employee Performance: A Study of Telecommunication Sector in Pakistan", *Interdisciplinary Journal of Contemporary Research in Business*, vol 4, no 6, pp. 646-661.
- Armstrong, M. (2006). A Handbook on Personnel Management Practice, 10th ed. London: Kogan.
- Asare-Bediako, K. 2008. Professional Skills in Human Resource Management 2nd ed. Asare-Bediako 7 Associate Limited, 277 Windy Hills.
- Asfaw, A.M., Argaw, M.D. and Bayissa, L. (2015) The Impact of Training and Development on Employee Performance and Effectiveness: A Case Study of District Five Administration Office, Bole Sub-City, Addis Ababa, Ethiopia. *Journal of Human Resource and Sustainability Studies*, 188-202. <http://dx.doi.org/10.4236/jhrss.2015.34025>
- Bendicata Appiah April, (2010). The impact of training on employee performance: A Case study of HFC Bank (GHANA) Ltd'. PP. 15 - 17
- Blumberg, B., Cooper, D.R. and Schindler. P.S. (2005). Business research methods. Berkshire: McGraw-Hill Education.
- Cascio, W. F. (1992). Managing Human Resources: Productivity, Quality of Work life, Profits. McGraw-Hill Inc.
- Cole, G.A. 2004. Personnel and human resource management, 5th Ed. Continuum London: York Publishers.
- Cooke F L., (2000), "Human Resource Strategy to improve Organizational Performance: A route for British firms", Working Paper No 9 EWERC, Manchester School of Management.
- Draft, L.R 1988. Management. First Edition. Chicago, New York. The Dryden press,

- Dane, F.C. (2000). *Research Method: Determinant of Education*. New York: Appleton:
- DeCenzo, A. D, & Robbins, P. S. (2000). *Personnel / Human Resource Management* 4th ed. Prentice-Hall, New Delhi, India
- Dirshaye, N.(2015).The effect of training and development on employee performance in Higher Education Inst.C A.A.U. School of Commerce, Addis Ababa.
- Dessler, G. (2008). *Human Resource Management* 11th ed. Pearson International Edition.
- Dessler, Gray. *Fundamental of Human Resource management*, 2014. Pearson Education Limited, USA
- Evans, J. R. and Lindsay W. M., (1999), “The Management and Control of quality”, 4th edition, Southwesternllege College Publishing, Cincinnati Ohio, USA.
- Garson, D. (2012). *Sampling*. Raleigh, NC: Statistical Associates Publishing.
- Ghuri, P. & Gronhaug, K. 2005. *Research Methods in Business Studies: A Practical Guide*. 3rd Ed. London: Prentice Hall.
- Gordon, B. 1992. Are Canadian firms under investing in training? *Canadian Business Economics*.
- Guest, D. (1997). Human resource management and performance: a review and research agenda , *International Journal of Human resource Management*. Vol. 42, pp. 975 - 91
- Hameed, A., & Waheed, A. (2011). Employee development and its affect on Employee performance: *A conceptual framework. International Journal of Business and Social Science*.
- Harrison, R. (2000), *Employee Development*, Beekman Publishing, Silver Lakes, Pretoria.
- Ivancevich, J. M. (2010). *Human Resource Management* 8th ed. Boston: Irwin McGraw-Hill
- Kenney, J. & Reid, M. 1986 *Training Interventions*. London: Institute of Personnel Management.
- Khan, M. I. (2012). The impact of training and motivation on performance of employees. *Business review*, 7(2), 84-95

- Khanka, S. S. (2008). *Human Resource Management (text and cases)* New Delhi, Assam
- Kirkipayrick, D.L (2006). *Improving employee Performance through Appraisal and coaching.* American Management Association Publication.
- Kothari, C.R. (2004). *Research and Methodology (Methods and Techniques)*, Second Revised edition, New Age International (p) Limited Publisher, New Delhi, India.
- Kotler, P. & Armstrong, G. 2002 2002. *Marketing: An introduction.* 6th Ed. London: Prentice-Hall.
- Lipsey, R. G 1989, *Introduction to Positive Economics.* 7th Ed. London, Weindnfeld & Nicholson.
- Mahmood, A. (2012). *Impact of training on commitment, retention and performance.* Pakistan, Asia.
- Malhotra, Naresh K. 2009. *Marketing research an applied orientation* 6th Ed. USA: Prentice Hall PTR.
- Mayer, J.P. & Allen, N.J (1997). *Commitment in the Work place: Theory, Research, and Application.* Sage, Thousand. Oaks.
- McBurney, D.H. (2001). *Research Method* 5th Edition. Singapore: Thomson Asia.
- McCourt, W. & Derek, E. 2003. *Global Human Resource Management: Managing People in Developing and Transitional Countries.* Cheltenham, UK: Edward Elgar.
- Monappa, A & Saiyadain, M. (2008). *Personnel Management* 2nd ed. Tata McGraw-Hill, New Delhi.
- Moorhead, G. & Griffin, W. R. (1998). *Organizational Behavior: Managing People and Organizations* 5th ed. Boston New York

- Mullins, J. Laurie. (2007). *Management and organizational Behavior* 8th ed. Prentice Hall. Pearson Education, Edinburg Gate.
- Nadler, L. 1984. *The Handbook of Human Resource Development*. New York: John Wiley & Sons.
- Ngirwa, C.A. (2009). *Human Resource management in African Work Organizations*, Vol. I. National Printing Co. Ltd, Dar es Saalam. Ngirwa, C.A. (2009).
- Ngugi, M.N.(2014). *Perceived relationship between training and development and employee performance in geothermal development Company Nairobi*. Kenya.
- Noe, R.A., 2005. *Employee training and development*. 3rd Edn., Boston: McGraw-Hill Irwin.
- Noe, Hollenbeck, Gerhart & Wright.2011, *Fundamental of Human Resource management* 4th edi.: Mc Graw- Hill/Irwin, USA.
- Obisi, C. (2011). *Employee training and development in Nigeria organization: Australian Journal of business and management Research.1* (9), 82-91.
- Ogutu, M. (2002). *Competitive Strategies Adopted by Multinational Bank in Kenya. DBA Africa Management Review* 2(1),98-109
- Paynes, E. Joan (2008). *Human Resource Management for Public and Non – profit Organization*, 3rd edition
- Robbins, S. P. & Judge, T. A. (2007). *Organizational Behavior* 12thed. Pearson, Prentice Hall.
- Rohan Singh and Madhumita Mohanty (2012). *Impact of Training Practices on Employee productivity: A Comarative Study”* *Inter science Management Review* pp. 87-92.
- Sahinidis, A.G. & Bouris, J. (2008). *Emolyee perceived training effectiveness relationship to employee attitudes*. *Journal of European Industrial Training*.
- Sales, E. Kosorzycki, M.P., Burke, S. Flor, S.M and Stone, D.L(2002) *Emerging themes in distance learning research practice*. *International Journal of Management Review*.
- Saunders, M., Lewis, P. and Thornhill, A. (2003). *Research Methods for Business*

Students. 3rd Edition. New York: Pearson Education.

Sekaran, U. (2003). *Research Methodology for Business: A Skill Building Approach*. 4th Edition. Singapore: John Wiley.

Sims, R. (2002). *An Experiential Learning Approach to Employee Training Systems*. New York: Quorum Books.

Stoner, J. A. F. 1996. *Management*. 6th Ed. Pearson Education.

Sultana, M. (2013). *Impact of training in pharmaceutical industry: an assessment on square pharmaceuticals limited, Bangladesh*.

Torrington, D., Hall, L. & Taylor, S. 2005. *Human Resource Management*. 6th Ed. London: Prentice Hall

United Bank Share Company, 2016. *Annual report*, Addis Ababa Ethiopia

Werner, Jon M & DeSimone, Randy L. (2012). *Human Resource Development 6th ed.*: Gange learning product. South-Western, USA.

Wikipedia. *Cronbach's alph*. Available from: http://en.wikipedia.org/Cronbach's_alpha

Wood, F. & Sangster, A. 2002. *Business accounting 1*. 11th Ed. Pearson Education.

Wright, P. & Geroy, D. G. 2001. Changing the mindset: the training myth and the need for word-class performance. *International Journal of Human Resource Management* 12,4, 586–600.

APPENDIX

Appendix B: Questionnaire

PART I: General Information

Answer all the questions either by ticking in the boxes.

1. What is your Gender:-

1. Male 2. Female

2. Please indicate your position in United Bank

1. Non-clerical 2. Clerical 3. Managerial

3. What is your age?

1. Below 25 years 2. 25-34 years 3. 35-44 years 4. 45-54 years
5. 5 Years and above

4. What is your highest level of educational achievement?

1. Diploma level 2. Bachelor's Degree 3. Master's Degree
4. Post graduate

5. How often do you attend staff training funded by your employer?

1. None at all 3. Rarely 4. Once in a while 5. Often
6. Quite often

6. Did you receive any staff training in the last 12 months?

1. Yes 2. No

7. How were you selected for the training Program

1. On joining the company
2. Supervisory recommendation
3. Compulsory for the employee
4. Up on employee request
5. Performance Appraisal
6. I don't know

PART II ASSESSMENT ON TRAINING EFFECTIVENESS OF UB BANK

		Highly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Highly Agree (5)
1	I am satisfied with the training conditions including the material and facility of the training that organization provide to the trainees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	My organization is best providing training such as class room trainings, Seminars, workshops etc. frequently	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	The delivery method that the organization used is convenient to get the necessary knowledge and skills to the employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I had good relationship with my trainer to learn more in the training so that I was asking what I did not understand to increase my competence.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	I think that the training session in which I have participated is a good use of my time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	The training I received is a great help in my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	The training I received has increased my knowledge on the topic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	Because of knowledge , skills and attitude I received from the training I can accomplish activities more effectively	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	The training I received offered me the opportunity to identify the potential I have for further development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	I have noticed some changes in my behavior and knowledge as a result of now learning	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	The training increases my motivation to the job, I do	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART III ON THE JOB TRAINING

		Highly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Highly Agree (5)
12	Orientation/Induction training is well planned	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	The induction training is conducted timely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	Induction training provides an excellent opportunity for newcomers to learn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	The norm and values of the company are clearly explained to the new employees during induction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	Induction training is of sufficient duration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	The supervisor have more experience to examine employees' performance and taking actions to maintain effective performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	In mentoring, immediate manager/senior manager is paired with a junior employee for purpose of giving support, helping employee to learn the ropes and increasing responsibilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	Employee job rotation within the organization helps in increase my overall performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	Job rotation boosts my moral and self confidence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PART IV OFF THE JOB TRAINING

	VII Formal training courses and Development Program	Highly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Highly Agree (5)
21	Formal training courses and development programs are designed at level of abilities and education of employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22	The type of training I have taken is applicable for the job after training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23	I believed that formal training courses programs are more effective since employees are away from work place and their concentration is fully at training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**PART V QUESTIONS ON EFFECTS OF TRAINING AND DEVELOPMENT ON
EMPLOYEE'S PERFORMANCE**

	Training & Dev. effect on performance	Highly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Highly Agree (5)
1	The training provided by the organization helped me to perform my task quickly and efficiently	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Because of the knowledge, skill and attitude that received from the training. I can accomplish without waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	I feel that training enable me to perform my work with greater accuracy and precision	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I can say that after training employees in United Bank are working well with their regular activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	I feel confident that my training enable me to completely perform all aspects of my job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	I feel strong sense of belongingness to the bank since it has a good training methods to acquire the need skills and to become loyal for different activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	I think that active participation during training has positive effect on my commitment to the bank and for my work	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	I am satisfied with the training condition including the material and facility of the training that the Bank provides to increase my work commitment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	My level of knowledge and skill related to the job is increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	Training and development contributes confidence in solving problem and making decisions is changed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	The ability of managing time and accuracy is increasing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	Because of training and development my commitment and motivation is changed on job	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>