



**Addis Abeba University**

**College of Business and Economics  
School of Commerce**

**Assessment on the Effect of Human Resource Development (HRD) Practice on Employee  
Job Satisfaction: A Case of Agricultural Transformation Agency (ATA)**

**By: Mignot Admassie**

**A Thesis Submitted to Addis Abeba University  
College of Business and Economics School of Commerce Office of Graduate Studies in  
Partial Fulfillment of the Requirements for the  
Degree of Masters of Arts in Human Resource Management**

Advisor: Wubishet Bekalu (PhD)

**May 2018**  
Addis Abeba, Ethiopia

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**May, 2018  
Addis Abeba**

## DECLARATION

I, Mignot Admassie, declare that this thesis work entitled “**Assessment on the Effect of Human Resource Development (HRD) Practice on Employee Job Satisfaction: A Case of Agricultural Transformation Agency (ATA)**” is my own original work. I have carried out it independently with the guidance and suggestions of the research advisor. And it has not been presented in Addis Ababa University or any other University and that all sources of materials used for the study have been duly acknowledged.

Declared by:

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Place and date of submission: Addis Ababa University, May 2018.

Confirmed by Advisor:

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Date \_\_\_\_\_

## STATEMENT OF CERTIFICATE

This is to certify that Mignot Admassie has carried out this thesis work on the topic entitled, **Assessment on the Effect of Human Resource Development (HRD) Practice on Employee Job Satisfaction: A Case of Agricultural Transformation Agency (ATA)** under supervision of me for the partial fulfillment of Master of Human Resource Management in Addis Ababa University.

Advisor: Wubishet Bekalu (PhD)

Signature \_\_\_\_\_

Date: \_\_\_\_\_

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## **LIST OF ABBREVIATIONS**

- HRD Human Resource Development
- HRM Human Resource Management
- HR Human Resource
- T & D Training and Development
- ATA Agricultural Transformation Agency
- JS Job Satisfaction
- NA Need Assessment
- D Design
- I Implementation
- E Evaluation

# Abstract

*Human Resource Development (HRD) is a planned and systematic approach to development of employees for both organizations' and employees' benefit. HRD needs investment in training, development and education programs. Employees' satisfaction with HRD practices are among the most important criteria to consider when assessing the human resource development practices. The purpose of this study is to assess the effect of Human Resource Development (HRD) practice on Employee Job satisfaction in the case of Agriculture Transformation Agency (ATA). The research is designed as a case study. Both secondary and primary data were used in the research. Factors that have an impact on employee satisfaction towards HRD practice identified in this study are need assessment, designing, implementation and evaluation practice of the organizations training and development. Random sampling was used for the sampling technique and 80 employees were selected from employees of ATA. Descriptive analysis was performed to determine level of employees' job satisfaction. In addition, regression analysis was utilized to empirically test the relationship between employees' job satisfaction and the factors. A survey questionnaire with five-point Likert scale is a main tool for gathering primary data about employees' satisfaction with human resource development practices of the corporation. Employees of ATA Head office were participated in filling the questionnaires. An interview was also made with the education and grant manager of the organization. Findings suggest that majority of employees are satisfied with the HRD practices implemented in the origination. However, more can be done to increase the satisfaction level in every factor by implementing the following activities. Need assessment practice should be done regularly that covers all levels of employee to identify their performance gap. With regard to designing and implementing the organization needs to include variety of training methods that will enable employees to update their capacity and to improve their performance. The evaluation practice also has good response on the questioner but it should be done based on the four levels of evaluation: participant reaction, learning, behavior, and results.*

*Key Words: Job Satisfaction, Need assessment, Designing, Implementation, Evaluation, ATA*

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## INTRODUCTION

### 1.1 Background of the Study

Organizations operate in a complex and changing environment that greatly enhances or influences their growth and expansion therefore, to manage this changing environment and technological advancement organizations need to develop and train their employees. Human Resource Development (HRD) is part of human resource management that specifically deals with training and development of the employees in the organization. HRD includes training a person after he or she is first hired, providing opportunities to learn new skills, distributing resources that are beneficial for the employee's tasks, and any other developmental activities. Thus, HRD is the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. It includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance, and organization development. The human resource or personnel department is responsible to undertake the function of upgrading skills and knowledge of the employees and this is done through training, educating and developing. The focus of all aspects of Human Resource Development is on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers.

Human Resource Development can be formal such as in classroom training, a college course, or an organizational planned change effort or it can be informal as in employee coaching by a manager. If organizations want to keep playing their key roles and achieve the kind of change they want to bring, they must create a work environment that allows staff development and utilizes each one's unique potential for organizational success. Organizations also have to attract and retain best talent based on merit while taking into account the required skill developments. According to Ford and Noe (1987), as cited by Eddie W.L Cheng and Danny C.K. (1998), for HRD system to be effective and resulted in employee satisfaction eventually retention, it must be perceived positively by employees. Employees' satisfaction pertaining to provision of training and development,

opportunities for growth and development within the organization and management's supervision and guidance are very important for successful HRD practices (Hooi Lai Wan, 2007). Simply providing training and development programs is not the key to better performance and employees' satisfaction. Moreover, organizations need to look into the needs of the employees' and ensure that HRD practices are aligned with both company and individual goals. Employees' satisfaction with the organization HRD practices can be expected only when the practices incorporate employees' needs. Therefore, in assessing and improving the existing HRD practices, the level of employees' satisfaction with the practices is worth to consider. Problems in HRD system arise when the training and development practices fail to accommodate employees' needs. So if an organization wants to enhance employees' satisfaction and retain its' employees; it should concern with improving the skills, knowledge, attitudes and behavior of employees in organizational settings for the benefit of both employees and the organization.

Hence, the purpose of this study is to make assessment of the case study organization Agricultural Transformation Agency (ATA) - HRD practices and its effect on employees' satisfaction, based on a thorough literature review, and finally to come up with recommendations that will fill the gaps identified in the study.

### **1.1.1 Background of the Organization**

The Agricultural Transformation Agency (ATA) is a strategy and delivery-oriented government agency created to help accelerate the growth and transformation of Ethiopia's agriculture sector. The ATA was established as an autonomous federal organ having its own legal personality by the Council of Ministers Regulation No. 198/2010 and amended by Council of Ministers (Amendment) Regulation No. 380/2016. The Agency's mandate is focused solely on improving the livelihoods of smallholder farmers across the country. ATA is governed by the Agricultural Transformation Council, chaired by the Prime Minister. The Council sets the strategic direction of the ATA and provides oversight of all of the organization's activities, involving other parties to facilitate decision-making as required. ATA is accountable to the Ministry of Agriculture and Natural Resource.

The Agency strives to introduce new technologies and approaches that can address systemic bottlenecks & catalyze transformation of the sector. ATA's Strategic Goals are to identify systemic constraints of agricultural development through conducting studies and recommend solutions in order to ensure sustainability and structural transformation; develop a prioritized list of deliverables that can catalyze agricultural transformation for focused implementation; support implementation of recommended solutions and prioritized deliverables; manage and lead projects of specific deliverables within the agricultural transformation agenda as requested by the Agricultural Transformation Council; create strong linkages among agricultural and related institutions and projects in specific geographies in order to ensure the effectiveness of agricultural development activities

Training and development program is giving in different ways as *organization wide training through*- basic skills training, leadership and management development program and educational grants. The other one is *vertical specific training* with a budget allocated to all Senior Directors to manage their specific training need. Special training for top performers is also given from the budget held in CEO office; focused on 'Outstanding' might consider "Exceed" performers in the annual performance review process.

## **1.2 Statement of the Problem**

Employees might not have the required skill and capacity to perform the organization activity at the time of employment and there may be a gap between employees' knowledge, skills and attitude and what the job demand. Thus, this gap must be filled through human resource development programs which plays a great role in creating satisfaction and help the organizations to retain their human resource through a regular and well-designed training and development skims. As a result, personnel training, development and education are the major ways that firms attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demand. The frequent changes in production system and method also have significant impact on production skills requirements of similar tasks. Thus, employees face the need to constantly upgrade their skills and develop an attitude that permits them to adopt change.

Moreover, employees are demanding professional and career development opportunities within their organization which in turn require considering the needs of employees in training, development and education programs. Accordingly, providing an effective human resource development program is required to enhance both firm's competitiveness and employee satisfaction. Job satisfaction of employees is very important for a success of a company and employee satisfaction is increasing in importance, as the competition for talent is high and still growing (Boyens, 2007). The general job satisfaction feedback will help HR in identifying the level of employee satisfaction and the significant factors affecting job satisfaction.

With this regard, the researcher tried to find any research studies made on similar topic at the case organization. However, to my knowledge there are no previous studies done on HRD practice of the case organization. As a result, the contribution of HRD practices in keeping employees satisfied has not been measured either. Therefore, this research endeavor is meant to assess the effect of HRD practice especially focused on training and development towards employee's satisfaction in ATA. Moreover, the researcher needs to contribute few things in this study and the relevance of the outcome of the study for the organization and other similar organizations will get considerable attention.

### **1.3 Research Questions**

The following research questions were formulated

1. How does the HRD practice (need assessment, designing, implementation, evaluation) look like in ATA?
2. What is the level of employee satisfaction in ATA?
3. What is the relationship between HRD and job satisfaction in ATA?
4. What is the effect of HRD on job satisfaction in ATA?

## **1.4 Objective of the Study**

The general objective of this study is to assess the HRD practice in ATA and identifying its effect on job satisfaction.

The specific objectives therefore, are identified as follows:

- To assess the HRD practice in ATA
- To determine the level of Job satisfaction in ATA
- To identify the relationship between HRD and Job satisfaction
- To identify the effect of HRD on Job satisfaction.

## **1.5 Significance of the Study**

This research study would assess the implementation HRD practices in ATA and its impact on Employee job satisfaction by conducting a survey questions with the selected HQ employees. The study identifies the gaps on the HRD practice currently implemented in ATA. The findings and results of the study will provide a more reliable in-depth understanding of the factors that affect employee satisfaction towards the implementation of HRD practices. To the management of ATA, the findings are expected to provide answers to the fundamental question of implementation of HRD practices and its effect on employee satisfaction. To other researchers, the result of the study will serve as literature to throw more light on the factors that may affect employee satisfaction. The outcome will further serve as secondary data for future research on the topic.

## **1.6 Scope of the Study**

Among the different applications of HRD practices in this study the scope of HRD focused on training and development aspect only. It would have been appropriate if the study could cover the whole ATA filed offices but due to reachability of respondents only the Head quarter employees are selected for sample size. Also, the scope of the study is based on the past experience of the HRD practice implementation, but it would have been good if it would be possible to assess the whole process as it happens. More advanced research methodologies could be used to assess the subject area in depth.

## 1.7 Limitation of the Study

Even though, ATA has a field office in four different regions of Ethiopia (Amhara, Tigray, Oromia and SNNPR) this study has only take some sample respondents from the head office. Thus, HRD practice and findings of this research might not fully reflect the satisfaction level of other field office employees in the regional office. In addition, since it is not possible to incorporate all factors of HRD practice that could affect employee job satisfaction in one study, only four specific factors are included in this study. Moreover, to minimize staff member's reluctance to participate in the survey the researcher informs them from the beginning that the results of the study will not be exposed to any third party except for academic purpose and anonymity will be ensured.

## 1.8 Definition of Terms

**Human Resource Management (HRM)** is " planning, organizing, leading and controlling the work of organization members and of using all available human resources to reach stated organizational goals" *Stoner J., R.Edward Freeman and Daniel R.G., (1998)*

**Human Resource Development (HRD)** defined as a set of systematic and planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands. *Werner & DeSimone (2001)*

**Training:** is defined as a planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future needs of the organization. *Manpower Services Commission (1981:17).*

**Development:** is an unfolding process that enables people to progress from a present state of understanding and capability to a future state in which higher-level skills, knowledge and competencies are required. *(Harrison, 2000).*

**Job satisfaction:** The term job satisfactions refer to the attitude and feelings people have about their work. Positive and favorable attitudes towards the job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (*Armstrong, 2006*).

## 1.9 Organization of the Study

The thesis has consisted of five chapters.

The **first chapter** deals with the introductory issues about the research background, background of the organization, statement of the problem, research question, objectives and significance of the study, scope and limitation of the study followed by definition of terms to be used in the study, and the organization of the study for undertaking this research.

The **second chapter** explore related literature to the area under study so as to better understand concepts, theories and models related to HRD practices.

The **third chapter** address issues related to research methodology in a bit more detail.

The **fourth chapter** is devoted to data presentation, analysis and findings.

The **final part** (chapter five) will conclude the topic under discussion with concluding remarks and the way forward (i.e., recommendation to the case study organization and further research for academic purpose).

## II

### REVIEW OF RELATED LITERATURE

This chapter will serve as the foundation for the development of the study and it will give the theoretical understanding in assessing employee's satisfaction about an organization human resource development practices. More specifically, review of up-to-date related literatures on HRD practices, purposes of HRD, components of HRD and factors affecting Employees Satisfaction (ES) will be reviewed. Then, an empirical review and conceptual framework on HRD practice and its effect on employee satisfaction will be presented.

#### 2.1 Definitions and Concepts of Human Resource Development

The study of HRD indicates that views on what constitutes HRD vary considerably and various terms were used such as training, development and education. The more contemporary terms are Human Resource Development (HRD) and Human Capital Development. Human resource development comprises efforts that make available knowledge and training opportunities to teams and individuals inside establishments to be able to advance and expand their performance. Moreover, development of human resources is essential for any organization that would like to be dynamic and growth-oriented and unlike other resources, human resources have rather unlimited potential capabilities. According to Mondy and Noe (1990), human resource development is: "planned and continuous process of helping employees to become better at their tasks, knowledge and experiences through training, education and development programs." From this definition we can learn that HRD is planned and continuous effort of organizations to enhance employees' task performance, knowledge and experiences. Therefore, HRD is primarily designed to benefit both organizations and employees through: improving employees' task performance and supporting employees knowledge and experience development.

According to Nadler (1989) who coined the term "Human Resources Development is defined as organized learning experiences in a definite time period to increase the possibility of improving job performance and growth". In addition, Ortigas (1997) defines or divides HRD in two major spheres, development of human resources in economic terms, and in political or social terms. Michale M.Harris (2008), also describes HRD as "organized learning activities arranged within an

organization in order to improve performance and/or personal growth for the purpose of improving the job, the individual, and/or the organization." As per the definitions we have seen so far we can understand that the driving force of HRD is built on the assumption that employees cannot be treated as commodities to be hired and discarded depending on short-range notions of the organization. HRD is a process of developing and releasing expertise for improving individual, team, work process, and organizational system performance. According to Hooi (2007) the most successful companies and countries will be those that manage human capital in the most effective and efficient fashion by investing in their workers and encouraging workers to invest in themselves. In developing countries most organizations tend to give less emphasis for employees needs in HRD programs.

According to Harrison (2000) as cited in Michael Armstrong (2006), human resource development: "Involves introducing, directing and guiding processes in such a way that all individuals and teams are equipped with the skills, knowledge and competences they require to undertake current and future tasks required by an organization." To Martin (2006), development means modernization of human resource and all other processes that involves human resources. HRD is stated as, "the integrated use of training and development, career development, and organization development to improve individual and organizational effectiveness (McLagan and Suhadonlik, 1989). The three primary functions of HRD are identified as training and development, organizational development, and career development. According to Werner & DeSimone (2011) the focus of training and development (T&D) is on changing or improving the knowledge, skills, and attitudes of individuals. HRD activities also encompass coordinating management training and development programs so that managers and supervisors will gain necessary knowledge, skills, and attitude that enable them to effectively discharge their organizational responsibilities. Organizational development (OD) is an ongoing process by which individual's progress through a series of stages, each of which is characterized by a relatively unique set of issues, themes, and tasks. It involves two distinct processes: career planning and career management.

Inadequate need assessment, outdated training and development methods, limited educational opportunities, unequal access to training opportunities, insufficient opportunity to learn

skills/knowledge that will improve employees chance of promotion, inadequate opportunities for career growth and poor supervisors guidance for employees' development are some of the areas which results dissatisfaction with HRD practices. These problems later lead the organizations to resistances of employees in taking future assignments, decrease in productivity, increase in operational error, decrease in employee morale and commitment and increase in employee turnover. According to Fiona (2005) ineffective HRD practice can bring many problems such as reduced employees enthusiastic to learn and apply new skills, decreased employee productivity, low morale and higher employee turnover. Thus, organizations shall be innovative and creative to ensure their sustainability and enhance their credibility by creating and sustaining a positive environment (culture) that attracts and retains this key talent through proper implementation of HRD practices. Therefore, if an organization wants to enhance employee's satisfaction and retain its employees; it should concern with improving the skills, knowledge, attitudes and behavior of employees in organizational settings for the benefit of both employees and the organization.

It has been suggested that the level of employee's satisfaction with the HRD practices are among the most important criteria to consider when assessing the HRD practices. Moreover, employee's satisfaction with the organization HRD practices can be expected only when the practices incorporate employee's needs. Simply providing training and development programs is not the key to better performance and employees' satisfaction though, organizations need to consider the needs of the employees and ensure that HRD practices are aligned with both company and individual goals. It has been suggested that the level of employees' satisfaction with the HRD practices are among the most important criteria to consider when assessing the HRD practices. Satisfied, motivated employees will create higher customer satisfaction and in turn positively influence organizational performance. The top five most important factors that influenced employees' satisfaction have more to do with interpersonal relationships (quality of decision makers, communication and relations between managers and employees), atmosphere at the workplace (work ethic, level of innovation and physical environment) and sense of personal achievement (personal growth opportunities and level and range of responsibility) than it has to do with attributes that can be measured (amount of time off, benefits, work hours and salary).

## **2.2. HRD four step process**

The Scope of the HRD system is to develop or to increase effectiveness and potential of the individual, employees, teams, and organizations in a formal and systematic way. HRD interventions should be designed using a four-step process or sequence: needs assessment, design, implementation, and evaluation.

### **2.2.1 Assessing HRD needs**

Training needs assessment is recognized as the first step in any Human Resource Development intervention and it is the process of collecting information about an expressed or implied organizational need that could be met by conducting training. According to Erasmus et al (2000). Need Assessment is defined as an investigation, undertaken to determine the nature of performance problems in order to establish the underlying causes. A needs assessment should be designed to identify and prioritize needs, while a need analysis should break and identified need into its component parts and determine solution requirement (Watkins and Kaufman, 1996). Desimone, et al., (2002) contested that in analyzing HRD needs, four levels of needs must be analyzed. This includes assessing the needs of the organization, individual employee's skills, knowledge and attitudes, and their functional responsibilities as well as departments needs. The ultimate aim of the need analysis is to establish: what needs actually exist; whether they are important; how the need become apparent; how they were defined; how they may best be addressed and what the priorities are (Erasmus et al, 2000).

HRD need analysis should not only focus on performance deficiency because this approach is too restrictive and includes diagnostic, analytic, and compliance need. Diagnostic needs focus on the factors that lead to effective performance and prevent performance problems, rather than emphasizing existing problems. Analytic needs identify new or better ways to perform tasks. These needs are generally discovered by intuition, insight, or expert consideration. Compliance needs are those needs mandated by law. A thorough needs analysis examines HRD needs at three levels Strategic/organizational analysis, Task analysis and Person analysis. Organizational/Strategic analysis examines where training is needed in the organization, under what conditions the training will be conducted and how is training/HRD linked to and supporting team or organizational performance? Task analysis is defined as the systematic identification of

the fundamental elements of a job and examination of knowledge and skills required for the job's performance. It focuses on the job, rather than on the individual doing the job and its obtained from job descriptions, observing a job, asking activity about a job, and reviewing literature about a job. Person analysis tries to answer two basic questions: who needs training and what kind of training do they need? The sources for person analysis data may include performance evaluation, direct observation, tests, questionnaires, and critical incidents. Person analysis data are also used to define developmental needs, which can be identified during the periodic performance evaluation.

### **2.2.2 Designing effective HRD programs**

In HRD program design, the identified need is translated into a set of objectives which will define what participants will be expected to learn or do because of participating in the HRD program or intervention. The key activities involved in designing an HRD program are setting objectives, selecting the trainer or vendor, developing a lesson plan, selecting program methods and techniques (including the appropriate use of technology), preparing materials and scheduling the program. Objectives state the outcome the program is intended to produce including the specific performance expected, the conditions under which it will be performed, and the criteria to be used to judge whether the objective has been achieved. It also describes the intent and the desired result of the HRD program. After an organization identifies a need for training, the next step is to decide whether to purchase the program from an outside vendor or design the program in-house. If the organization decides to stay inhouse, a trainer must be selected. If there is a full-time trainer with content knowledge available, the decision will be an easy one. If not, then a content specialist may need to be identified and sent to a train-the-trainer program. Once the trainer designs the program, the next step is to determine the best schedule while avoiding potential conflicts.

### **2.2.3 Implementing HRD programs**

Implementing Training &Development program is the stage of putting the training program in to practice in accordance with the design. In delivering the training contents the responsibility of implementing the program largely depends upon the trainer. The trainer should make sure that the

training environment is free from physical destructor like noise and there should be conducive ventilation, temperature, and good lighting to deliver the training program. The trainer also must prepare the trainees by putting them at ease and it is important to find what the trainees already know to stimulate their interests. This is followed by careful presentation of the training content by stressing on key points. The trainer has also to test the trainees by asking questions and correct errors and finally follow up them by ways of frequent checking and encouraging their learning. It is also important to find a venue away from the normal place of work so as to avoid interruptions; to make sure that any equipment that might be needed is available; to check that seating arrangements are in a proper way in order to make people feel more comfortable with their surroundings are important considerations.

There are three primary training approaches: on-the-job training through the technique of Job construction training, Job rotating, Coaching and Mentoring; classroom method uses Lecture, Conference Discussion, Audio visuals, Experimental techniques, Computer-based trainings and the self-paced method of paper-based training and computer-based trainings. The trainer needs to select the best combination of techniques and use of technology that will maximize trainee learning. When thinking about what training method or methods to use, the current level of expertise of the trainees need to be considered. Organizations may combine the use of lecture, discussion, case studies, behavior modeling, role playing, and games or simulations. This combined approach is especially valuable when trainees have different learning styles and preferences. The basis for choosing a training method should be determined by the program objectives, an explicit consideration of the current level of trainee expertise and the human and technological resources available.

#### **2.2.4 Evaluating HRD programs**

Evaluation of training and development is the most essential aspect of training program. All good training and development programs start with identification of training and development needs and ends with evaluation of training. When conducting an evaluation, both descriptive and judgmental information may be collected. Descriptive information provides a picture of what is happening or has happened, whereas judgmental information communicates some opinion or

belief about what has happened. Goldstein (1980:237) defined HRD evaluation as "the systematic collection of descriptive and judgmental information necessary to make effective training decisions related to the selection, adoption, value, and modification of various instructional activities." According to Noe (2002) training evaluation involves both formative and summative evaluation. Formative evaluation refers to evaluation conducted to improve the training process through provision of information during its implementation (Noe, 2002). This methodology is performed to assure that the training program is well organized and runs smoothly and trainees are satisfied with the program. Summative evaluation refers to evaluation conducted to determine the extent to which trainees have changed because of participating in the training program (Noe, 2002). This includes whether the trainees have acquired knowledge, skills, attitudes, behavior or other outcomes identified in the training objectives.

There are many training evaluation approaches and techniques. Kirkpatrick's evaluation model is the one most commonly used by many organizations, which is the earliest and most popular that proposes four levels of evaluation: participant reaction, learning, behavior, and results. The Reaction Level answers whether people are happy with the training inputs thus, it evaluates participants' reactions, opinions, impressions and attitudes toward the program, such as, to what extent the participants liked T&D program, its contents, the trainer, the methods and the environment surrounding the program. This is commonly obtained at the end of the program through questionnaires or group discussion. The Learning level answers what do people remember from the training session, to what extent have the participants learned the material and the particular skills or know-how contained in the program. This measurement is made through special standardized tests at the end of the program, such as pre-post, paper-and-pencil tests, skill practice, workshops and job simulation. The Behavioral Level answers whether people use what they know at work - the changes in the participants' behavior, skills, patterns of work, relationships and abilities, and so on. In this kind of measurement, management would like to know if participants have improved on-the-job performance as a result of T&D. These indications could be collected through observations, survey, interview and comments of supervisors and colleagues and from performance appraisal. The Result level finds out what are the outcomes of applications on the job over a period of time focusing on the impact of behavior change on the organization's performance. The information gathered from the training evaluation is then included in the next cycle of training

needs assessment, training objectives, design, implementation and evaluation process is a continual process for the organization.

### **2.3 Empirical Reviews**

Several researches have been made by different researchers to assess and examine the practices of employees training and development using their own hypotheses. Each of the researches has their own distinctions and conducted with different context and in different country. Rama Devi V, Nagurvali Shaik (2012) conducted a study on Evaluating training & development effectiveness - a measurement model in India. There is a causal relation between training and employee satisfaction. Training helps organizations in achieving their strategic objectives and gives organizations a competitive edge. In this context, organizations train and develop their employees to the fullest advantage to enhance their effectiveness. Chris Obisil (2011), also conducted a study on Employee Training and Development in Nigerian Organizations. In his study training and development are the topic employees needed to enhance their performance and potentials that will in turn enhance organization effectiveness. Other studies shows that the impact of HRD itself maybe contingent on other factors, such as the age, skill and educational composition of the workforce, or on employees' individual dispositions and orientations to work, or on existing institutional arrangements (Hooi Lai Wan, 2007).

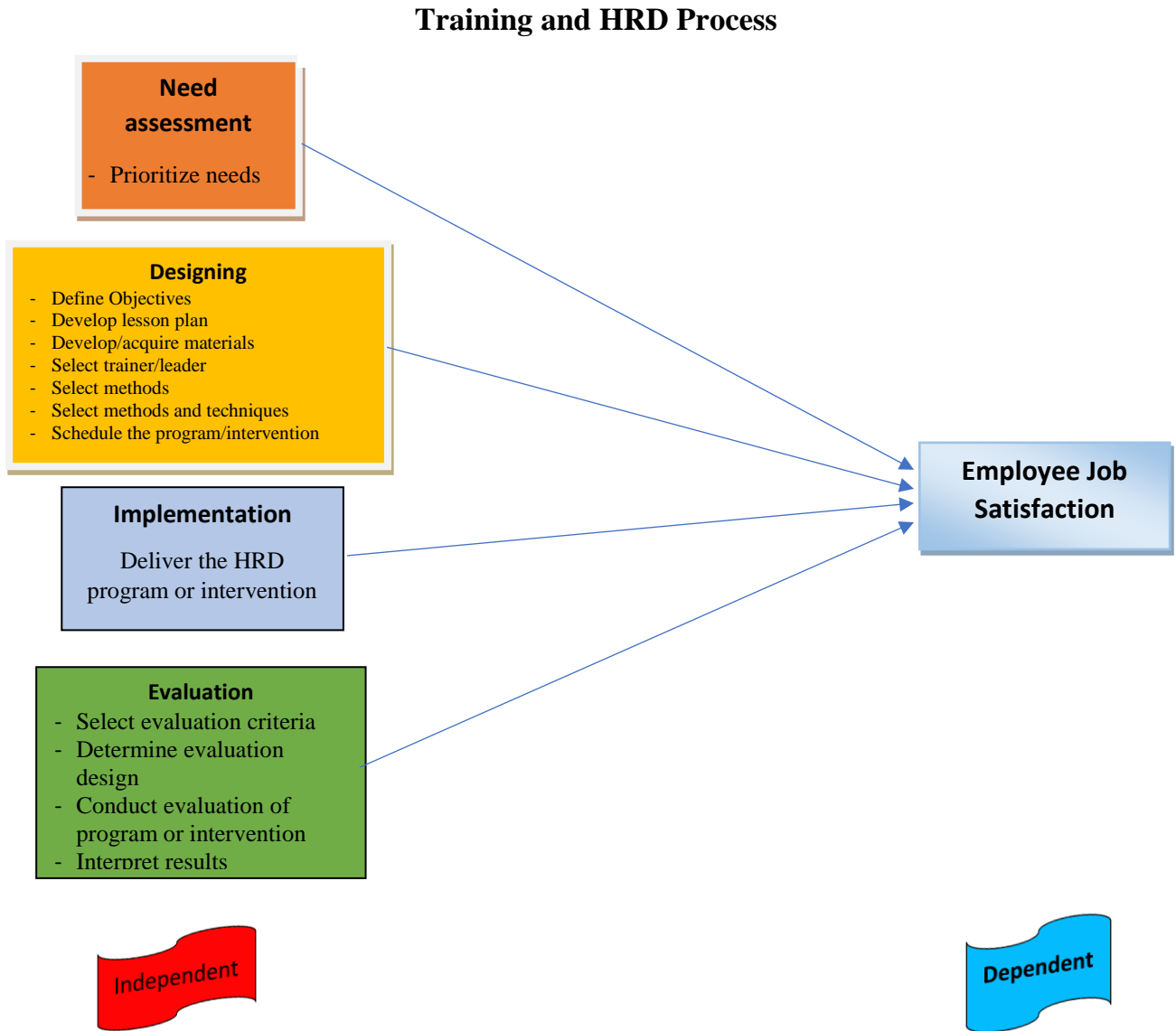
As far as the effect of HRD policies on ES is concerned; limited literature on this shows a positive correlation. According to Lee (2000), organizations that invest in HRD are more likely to increase ES. In addition, Chen et al. (2004) found that opportunities for mobility within organization and career development programs positively influence ES, professional development and productivity. Henry Ongori, Jennifer Chishamiso Nzonzo(2011) Conducted research on training and development practices in an organization: an intervention to enhance employee satisfaction in Botswana. Here, an organization uses various methods, for instance job rotation is used to train employees in this era of globalization. Similarly, various methods are used to evaluate the training programs. Personal and awkward influences are affecting employee-training efforts.

The findings of the research showed that training of employees has a positive effect to the individuals and the organization at large. For instance, training of employees improves communication in an organization, transfer of skills and knowledge, improves job performance, encourages team work, boosts the morale of employees and leads to job satisfaction. However, (Schuler and Jackson, 1996) suggested that decisions concerning delivery sites and methods might be constrained by the type of learning that is to occur, as well as the considerations of costs and time. The implication of this study is that it will broaden the literature of training and development in organizations. Furthermore, this study would spur debate among managers to come up with various strategies to ensure that employees are trained and developed to be strategically positioned cope with any changes in the business environment. Finally, the study will provoke various managers to understand the need for training and development of employees in their organizations.

## **2.4 Conceptual framework**

A conceptual framework is an analytical tool with many variations and contexts. It is used to make conceptual distinctions and organize ideas by using diagrams or charts and the like. So the researcher tries to see the relationship between Independent variables (models of HRD practice – Needs assessment, Designing, Implementation and evaluation) and Dependent variable (Employees Satisfaction). The below framework diagram for the independent variables is adopted from Werner and DeSimone (2012) and linked with the dependent variable for this study. The researcher chose these variables based on the major objective of the study which focuses on the assessment of the effect of HRD practices on employee satisfaction in the case study organization. The below diagram is derived from Werner & DeSimone (2011) and modified to reflect the link between the Independent variable – employee satisfaction (ES) with HRD processes.

Figure 2.1 Conceptual framework



Source: Developed for the research

## RESEARCH METHODOLOGY

Research methodology refers to the methods or techniques used to collect and analyze data as well as the logic behind selecting and using the methods in order to arrive at sound conclusions (Kothari, 2011). This chapter briefly discusses the methodology used in this research. It tried to cover explanations of the research approach, research design, data sources, population and sampling techniques, data collection methods and instruments, mode of data analysis and ethical considerations of the research. Generally, data was being collected from primary and secondary sources. The primary data was being collected through interview and questionnaire methods of data collection. The secondary data also gathered from different published and unpublished books and other relevant materials. In this study, to obtain accurate and relevant information to this research: questionnaire, interview, and document analysis was being used as data collection tools.

### 3.1 Research Design

The data collection procedures were through questionnaires and interview. The questionnaire was distributed in person for each respondent in order to enable them to fill the questionnaires when they can. The questions were close ended with 5 Likert scales, because these kinds of questions mostly clear and helps to get respondents view. The interview questions will also be open ended to obtain detail information from the interviewees by directing and raising additional questions. The interview was administered in the normal work time by setting an appointment with the interviewee. Both the interviews and questionnaires were prepared in English language as it is the working language of the organization. According to Creswell (2003), there are three basic types of research approaches including quantitative, qualitative, and mixed approach. **Qualitative research** is an approach for exploring and understanding the meaning individuals or groups ascribe to a social or human problem. **Quantitative research** is an approach for testing objective theories by examining the relationship among variables. **Mixed methods research** is an approach to inquiry involving collecting both quantitative and qualitative data, integrating the two forms of data, and using distinct designs that may involve philosophical assumptions and theoretical

frameworks. A mixed approach is useful to capture the best of both quantitative and qualitative approaches. Thus, to achieve the objective of this study and answer the research questions mixed research approach will be used.

Research Design is about organizing research activities including data collection and analyzing in such a way that help to achieve the Research aims (Oppenheim, 1992). According to Burns and Bush (2003) research designs are classified into three categories: exploratory, descriptive, and causal. Exploratory research is most commonly unstructured, informal research that is undertaken to gain background information about the general nature of the research problem. In contrast to exploratory designs, descriptive research is undertaken to describe answers to questions of who, what, where, when, and how. The third one is causal, which may be thought of as understanding a phenomenon in terms of conditional statements (Burns & Bush, 2003). The researcher used descriptive research design (regressive analysis) in order to determine the relationship between the dependent and the independent variables and to establish any association between these variables.

The constructs identified in the literature described using various statistical tools as deemed appropriate in addition; each construct was correlated with employment satisfaction. The research was designed as a case study approach since it is the best method to explore in depth a program, event, activity, process or one or more individuals. Furthermore, case study approach can provide very engaging and rich explorations of a program or application as it develops in a real-world setting. The objectives of the study addressed using primary sources of data by administering quantitative survey questionnaire distributed to employees of the case study organizations while a structured interview will be conducted with head Talent Development Manager of ATA. Finally, the data collected from primary sources analyzed both quantitatively (using descriptive correlation method of analysis) and qualitatively (using content analysis). As to secondary data, two categories of sources consulted. For data specific to the organization HR policy/procedures manuals, guidelines, and other relevant sources such as their respective websites was referred in order to get better understanding and pertinent information about the organization. As to the theoretical and conceptual frameworks of HRD, a critical review of literature including relevant books, journal articles and authenticated internet sources used.

### **3.2 Data and Variables**

The required data for the research focus on the four HRD interventions or variables stated at the conceptual frame work depicted above. They are needs assessment, design, implementation, and evaluation as Independent variables and Employee satisfaction as Dependent variable. The data analysis of the study was done in away that its objectives demand. As much as possible, separate analysis for individual objectives will be done. Demographic characteristics were summarized using frequencies and percentages for all variables including: age, sex, work experience, employment category and educational level. The data gathered through questionnaires analyzed and presented in the form of charts, figures and tables using SPSS software. The results of the interview questions are integrated to the responses of employees through questionnaires and were analyzed accordingly.

### **3.3 Source of Data**

The population of this study are employees of ATA both management and non-management staffs who are working in the organization; with a total population of 477 staffs as at April 11, 2018. The primary data was collected using self-administered survey questionnaire with current employees of ATA, and structured interviews with head of Talent Development Manager. The secondary data was collected from books, publications, journal articles, proclamations, and other online materials from the internet.

### **3.4 Sample design and Sampling Technique**

The scope of the research was limited to the target population of 382 staff in ATA Head Quarter found in Addis Ababa out of the total staff of 477. Simple random sampling technique was employed once the nine different strata are identified based on departments as shown below. This is because all selected sample respondents in each department have similar knowledge of the case study. On the other hand, purposive technique of sampling was used to gather information from specific types of people who can provide the desired information, either because they are the only ones who have it, or to conform to some criteria set by the researcher. Based on this ATA head of Talent Development Manager was selected through purposive technique of sampling for interview.

As the nature of the problem at hand is descriptive correlation, a mixed approach employed (i.e., both quantitative and qualitative data were collected). A case study is preferred due to accessibility and availability of employees for the study. Simple random sampling technique used once the different strata are identified and to select samples from the existing employees of the organization in each department so that the total population would have representative. As it is mentioned in Kothari (Kothari, 2004) stratified sampling results in more reliable and detailed information and enables to get more representative samples. As to the selection of respondents for the structured interview, subject matter specialists were chosen from HR department based on their functional responsibility.

**Table 3.1 Composition of the population**

Departments	Population Size			Sample Size	Remark
	F	M	Grand Total		
Analysts	17	24	41	7	
Agricultural Comm. Cluster	20	75	95	16	Regional office
Agribusiness & Markets	15	40	55	9	
Analytics	16	24	40	8	
Cross cutting Imitative	3	8	11	2	
CEO Office	1	6	7	1	
Crops & Natural Resources	4	49	53	9	
Livestock		5	5	1	
Operations	51	88	139	23	
Strategic Services	11	20	31	5	
<b>Grand Total</b>	<b>138</b>	<b>339</b>	<b>477</b>	<b>80</b>	

Source: Staff data from ATA

### **3.4 Data Capturing Instruments**

For this study, the survey-questionnaire instruments were used to achieve the main objective of the study. The questionnaire is developed through the adaptation and modification from previous studies (Desalegn 2010 & Bitew, 2016). The self-administered questionnaire was given to the employees that aimed to assess the constructs of HRD practices in the organization. The questionnaire was structured in such a way that respondents able to answer it easily thus the set of questionnaires was structured using the Likert format with a five-point response scale. A Likert Scale is a rating scale that requires the subject to indicate his or her degree of agreement or

disagreement to a statement. To measure the satisfaction level a five-points Likert scale be used which is denoted by 1=Strongly Disagree, 2=Disagree, 3= Neutral, 4=Agree, and 5=Strongly Agree. In this type of questionnaire, the respondents will be given five response choices these options served as the quantification of the participants' agreement or disagreement on each question item. As secondary sources, internet, text books, articles, related researches undertaken in this area, and journals were consulted. In addition, purposively selected head of Talent Development Manager was interviewed to collect pertinent information.

The data that is going to be obtained from five point Likert scale will be calculated and analyzed before giving degree of satisfactions. The five-point rating is scored as shown below:

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

According to Boontharika Banjongjit (2010), the five-point scale was calculated and interpreted into the degree of agreement using the following formula.

$$\text{Interval} = \frac{\text{The highest Score} - \text{The lowest Score}}{\text{Number of Interval}}$$

$$\text{Interval} = \frac{5 - 1}{5}$$

$$= 0.8$$

The average score (mean) obtained from each item was interpreted into degree of agreement as follows:

- Average Score = 1.00 -1.80 Very low degree of agreement
- Average Score = 1.81 -2.60 Low degree of agreement
- Average Score = 2.61 -3.40 Moderate degree of agreement
- Average Score = 3.41 -4.20 High degree of agreement
- Average Score = 4.21 -5.00 Very high level of agreement

### **3.6 Reliability and Validity of the research Instrument**

The questionnaire was forwarded for the respective advisor comment before pre-testing with some sample selected respondents from the case organization to test the content validity of the

instrument and to check the clarity, length, word ambiguity and structure then; their suggestion was incorporated before distribution of the questionnaire to the large sample population. Validity refers to the extent to which a test measures what we wish to measure. Reliability has to do with the accuracy and precision of a measurement procedure (Kothari, 2004). The reliability of the survey questionnaire will be tested using Cronbach's Alpha. Cronbach's alpha is a coefficient of reliability and is a measure of internal consistency, that is, how closely related a set of items are as a group. Ideally, the Cronbach's alpha coefficient of a scale should be above 0.70. Content validity will be ensured using pilot-test with sample respondents in the case study organizations to include comments and suggestions from the research advisor as well as subject matter specialists from the case study organization. The sample size will be determined based on the table shown below (Naresh K. Malhotra. 2009) and only 80 employees were being enough, but to cover defective questioners the researcher distributed additional 20 questioners.

Cronbach's alpha is used to measure the internal consistency of the measurement items. Higher Alpha coefficients indicate higher scale reliability and as shown in the table below, Scale Reliability Cronbach Alphas coefficients for job satisfaction item the overall Cronbach alpha coefficient for expected-scale items is 0.953. Therefore, the expected scales used in this study demonstrate high reliability.

**Table 3.2 Reliability Statistics**

Cronbach's Alpha	N of Items
.953	41

**Table 3.3 Sample Size Determination**

Population Size	Sample Size		
	Low	Medium	High
51-90	5	13	20
91-150	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10000	80	200	315
10001-35000	125	315	500
35001-150000	200	500	800

Source: Naresh K. Malhotra. (2009)

To be able to generate both qualitative and quantitative data that provides comparable results and obtain in-depth information, open/close ended questionnaires for a sample of 80 employees of ATA was distributed and analyzed. The questionnaire was being administrated among the selected respondents in the head office. The questions were designed to facilitate the respondents to identify the various variables contributing towards Job satisfaction of employees.

### 3.7 Data Analysis and Discussion

After the required data are collected from the primary sources, it was analyzed through quantitative and qualitative data analysis methods. In addition, Frequency and percentage will be used to present the data. Tables and charts was also being used to ensure clear understanding of the analysis. Finally, the result of statistical analysis summarized, tabulated and interpreted appropriately. Meanwhile, responses from the interview was reported in line with the questions forwarded to the interviewees and then these findings will be combined and summarized together with the quantitative data findings to triangulate the results accordingly.

Regression Analysis as used to measure the relative strength of independent variables on Dependent variable. The multiple regression model is applied to assess the magnitude and direction of each independent variable:  $Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + e_i$ ; Where  $y$ =dependent variables,  $x_1, x_2, x_3$ =independent variables,  $\beta_0$  is the intercept,  $\beta_1$  measures of change in  $y$  with respect to  $x_1$ , holding other factors fixed,  $\beta_2$  measures of change in  $y$  with respect to  $x_2$ , holding other factors fixed,  $\beta_3$  measures change in  $y$  with respect to  $x_3$ , and  $e_i$  is error term. The aim of this research is to make assessment on the Effect of HRD practices: Needs assessment (NA), Design (D), Implementation (I), and Evaluation (E) and its impact on employee satisfaction (ES). The regression model of this study is estimated in the following form:  $ES = \beta_0 + \beta_1 NA + \beta_2 D + \beta_3 I + \beta_4 E + \varepsilon$

#### 3.7.1. Ordinary Least Square

According to Brooks (2008), ordinary least squares (OLS) or linear least squares is a method to estimate the slope and intercept in a linear regression model. This study used an ordinary least squares

(OLS) regression to estimate the linear equation. The rationale for choosing OLS is that, if the Classical Linear Regression Model (CLRM) assumptions hold true, then the estimators determined by OLS will have a number of desirable properties and are known as Best Linear Unbiased Estimators (Brooks, 2008). In addition, as noted in Petra (2007) OLS outperforms the other estimation methods when the following holds; the cross section is small and the time dimension is short. Therefore, as far as both the above facts hold true in this study it is rational to use OLS. Thus, the following section discussed the CLRM assumptions.

According to Brooks (2008), the assumptions of ordinary least squares are:

- 1) The errors have zero mean
- 2) The variance of the errors is constant and finite over all values
- 3) The errors are linearly independent of one another
- 4) There is no relationship between the error and corresponding x variate

### 3.7.2. Diagnostic Analysis

Diagnostic checking is done to test whether the sample is consistent with the following assumptions:

- 1) The model is correctly specified
- 2) There is no relationship between independent variables (No multi-collinearity)
- 3) There is no relationship among the error term at the period t and the error term at period before t (No autocorrelation problem)
- 4) The error term is constant across the number of observations (Homoscedasticity)
- 5) The error term is normally distributed

If all the above assumptions are consistent with the sample, E-view result will be accurate and reliable. The following tests are done in this research to test the above assumptions.

### 3.7.3 Heteroscedasticity

According to Brooks (2008), Heteroscedasticity means that error terms do not have a constant variance. If heteroscedasticity occur, the estimators of the ordinary least square method are inefficient and hypothesis testing is no longer reliable or valid as it will underestimate the variances and standard errors. There are several tests to detect the Heteroscedasticity problem, which are Park Test, Glesjer Test, Breusch-Pagan-Goldfrey Test, White's Test and Autoregressive Conditional Heteroscedasticity

(ARCH) test. In this study, the popular Autoregressive Conditional Heteroscedasticity (ARCH) test was employed to test for the presence of heteroscedasticity. The hypothesis for the Heteroscedasticity test was formulated as follow:

*H<sub>0</sub>: There is no Heteroscedasticity problem in the model*

*H<sub>1</sub>: There is Heteroscedasticity problem in the model*

$\alpha = 0.05$

Decision Rule: Reject H<sub>0</sub> if p-value is less than significance level. Otherwise, accept H<sub>0</sub>.

### 3.7.4 Autocorrelation

According to Brooks (2008), when the error term for any observation is related to the error term of other observation, it indicates that autocorrelation problem exist in this model. In the case of autocorrelation problem, the estimated parameters can still remain unbiased and consistent, but it is inefficient. The result of T-test, F-test or the confidence interval will become invalid due to the variances of estimators tend to be underestimated or overestimated. Due to the invalid hypothesis testing, it may lead to misleading results on the significance of parameters in the model. In this study to test for the existence of autocorrelation, the popular Breusch-Godfrey Serial Correlation LM Test was employed.

*H<sub>0</sub>: There is no autocorrelation problem in the model*

*H<sub>1</sub>: There is autocorrelation problem in the model*

$\alpha = 0.05$

Decision Rule: Reject H<sub>0</sub> if p-value less than significance level, otherwise accept H<sub>0</sub>.

### 3.7.5 Multicollinearity

According to Brooks (2008), Multicollinearity will occur when some or all of the independent variables are highly correlated with one another. If the multicollinearity occurs, the regression model is unable to tell which independent variables are influencing the dependent variable. The consequences of Multicollinearity are large variances and covariance of OLS estimators, wider confidence interval, insignificant t ratio, high  $R^2$  but few significant t ratio, sensitivity of OLS estimators and their standard errors to small changes in data. There is no one unique method to detect the multicollinearity problem, it only have some rules of thumb, which are high  $R^2$  but few significant t ratio, high pair wise correlation coefficient and Variance Inflation Factor (VIF) or Tolerance. This study used high pair-wise correlation coefficients method to test the presence of multicollinearity problem in a regression model.

Because it can see the correlation of independent variables between each other one by one. If the correlation coefficient is higher than 0.8, the model would be considered as it consists of serious Multicollinearity problem Gujarati (2004).

### 3.7.6 Normality

Normality tests are used to determine if a data set is well-modeled by a normal distribution. With the normality assumption, ordinary least square estimation can be easily derived and would be much more valid and straightforward. This study used JarqueBera Test (JB test) to find out whether the error term is normally distributed or not. The hypothesis for the normality test was formulated as follow:

*H<sub>0</sub>: Error term is normally distributed*

*H<sub>1</sub>: Error term is not normally distributed*

$\alpha = 0.05$

Decision Rule: Reject H<sub>0</sub> if p-value of JB test less than significance level, otherwise accept H<sub>0</sub>.

### 3.7.7 Model Specification

According to Brooks (2008), Specification error occurs when omitting a relevant independent variable, including unnecessary variable or choosing the wrong functional form, so that regression model will be wrongly predicted. If the omitted variable is correlated with the included variable, the estimators are biased and inconsistent. If the omitted variable is not correlated with the included variable, the estimators are unbiased and consistent. Ramsey RESET test was used to see whether the developed model is correctly regressing.

*H<sub>0</sub>: the model is correctly specified*

*H<sub>1</sub>: the model is not correctly specified*

$\alpha = 0.05$

Decision Rule: Reject H<sub>0</sub> if p-value is greater than significance level. Otherwise, accept H<sub>0</sub>.

## 3.8 Ethical Issues and Considerations

The study was conducted in such a way that it consider ethical responsibility. Ethical responsibility includes providing information about the study for respondents (like who's conducting the research, for what and who will benefit), also the study provided anonymity, meaning the information from the respondents will be confidential and will not be used for any personal interest. The objective of the research is to make assessment of the HRD practice and employee satisfaction

in ATA. Providing Assurances to Participants will be given high priority. In order to protect the identity of the respondents, guarantee their active participation and satisfy ethical considerations, the following guidelines adhered to the information will be used strictly for academic purpose; the identity of the respondents will be protected; the response of the participants will be presented in general terms except where it is absolutely necessary to make reference to the office or officer; after the interview, the respondents are required to vet the draft of the interview report. This is part of the measures to guarantee the confidentiality of the exercise; and the manuscript of the interview will not be made available in any public domain. At the end of the research, essential information that can support further research will be preserved by the researcher while the others will be destroyed.

## IV

### DATA PRESENTATION AND ANALYSIS

Research results were obtained in respect of the “Assessment on the Effect of Human Resource Development (HRD) Practice on Employee Satisfaction in the Case of Agricultural Transformation Agency (ATA)”. The total population of ATA is 477 as at April 2018 out of that 95 are at the regional office. The researcher selects a random sample of 90 employees and 77 of them return the questioners but 13 questionnaires were not returned from respondents that gives 85% return rate.

The data received from the respondents were analyzed with the help of statistical software program SPSS-20. Correlation analysis was performed for measuring the independent variable which is ATA’s HRD practice effect on employee’s satisfaction. The data obtained through semi structured interviews that was forwarded to Talent Development Manager of the organization was also included. Presentation of findings has been organized in accordance with the variables.

#### 4.1 Description of the Results

##### 4.1.1 Demographic Information of the Respondents

The first part of the questionnaire consists of the demographic information of the participants which, requested a limited amount of information related to personal and professional characteristics of respondents.

**Table 4.1 Demographic information’s**

Demographic information		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	F	31	40.3	40.3	40.3
	M	46	59.7	59.7	100.0
	Total	77	100.0	100.0	
Age	30 – 40	36	46.8	46.8	46.8
	41 – 50	41	53.2	53.2	100.0
	Total	77	100.0	100.0	

Education	Diploma	9	11.7	11.7	11.7
	Degree	35	45.5	45.5	57.1
	Masters	33	42.9	42.9	100.0
	Total	77	100.0	100.0	
Work Experience	<= 5	32	41.6	41.6	41.6
	6+	45	58.4	58.4	100.0
	Total	77	100.0	100.0	
Employment Category	Non manager	44	57.1	57.1	57.1
	Manager	33	42.9	42.9	100.0
	Total	77	100.0	100.0	

Source, own survey 2018

As far as the distribution of the respondent's terms of sex is concerned, out of 77 respondents 31 (40.3%) of them are females and the remaining 46 (59.7%) of them are men as shown in the chart below. Therefore, in this study one can conclude that the majority of the respondents were male. This has resulted in male dominancy in responses than females based on the total population gender distribution of the organization. Most respondents are at the age of 41-50, which accounts to 53.2% (41) of the total respondents and the rest 36 (46.8) are between 30-40 years of age. This can be generalized that there are more young employees in ATA. Regarding respondent's educational level is concerned, the study revealed that 9 (11.7%) respondents are Diploma holders 35 (45.5%) of the respondents are Degree holders and 33(42.9%) of them are master's as it is shown in the figure below. This indicates that most of the respondents 88.4% are Degree and above in various area of specialization. We can conclude that the respondents have better understanding about the concept of training and development as they were well educated.

With regard to service years of the respondents in the organization revealed that 32 (41.6%) had below 5 years' service, and the remaining 45 (58.4%) are had between 5-8 years' service as it is shown in the figure below. From this we can understand that 60% of the respondents were having above 5 years work experience. The researcher can conclude that, majority of the respondents has longer experience in the organization and the composition of work experience of the representative samples may have a positive effect on the quality of the finding of the study as it incorporates the views of each group. The respondents position is categorized into Manager and Non-Manager and out of the total respondents 44 (57.1%) are Nonmanagers and the rest 33 (42.9%) are Mangers.

## 4.2 HRD Practice in ATA

The summary of descriptive statistics that was intended to give general descriptions about the data (both dependent and independent variables) is presented below. The total number of observation for each variable is 77. Accordingly, frequency, percentage, mean and standard deviation values of each variable were used to show the overall trend of the data. As stated in ATA’s Educational Grant Administration Guideline, all permanent Ethiopian citizen employees who fulfill the requirement are eligible to compete for the grant. The questions are categorized into six sections – General information, need assessment, design, implementation, evaluation and job satisfaction.

### 4.2.1 General information on HRD practice of the organization

Table 4.2 General information on HRD policy

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
1.1 T&D policy and program is well defined and conducted based on the strategic plan and objectives of the organization.	77	2	5	4.25	.781
1.2 The organization has realistic and measurable T&D Policy objectives and roles.	77	1	5	3.95	.902
1.3 T&D plan of the organization is well communicated to all employees.	77	2	5	4.01	.866
1.4 T&D plan enables to improve skills, knowledge and attitude of employees which can increase performance on the job.	77	2	5	4.00	.811
1.5 The organization reviews its strategies and objectives to reveal valuable information for T&D.	77	2	5	3.90	1.008
1.6 Employees are being benefited equally from Human Resource Development (HRD) practices of the Organization.	77	2	5	4.01	.866
1.7 The selection of candidate for T&D is clearly defined.	77	3	5	4.05	.759
1.8 The organization provide training program - local and abroad.	77	2	5	4.01	.866
1.9 T&D helped employees to perform the work quickly and efficiently.	77	2	5	3.90	1.008
1.10 HRD practice of the organization reduces the employee turnover rate.	77	2	5	3.90	1.008
Valid N (listwise)	77			<b>3.998</b>	

Source, own survey 2018

In the general information questionnaire that contains 10 items about employee’s information of the HRD practice in the organization, greater part of the respondents rates the highest scale “strongly agree” and the minimum value rate is “strongly disagree”. The highest mean value of the response for this category is 4.25 and a standard deviation of 1.008. This shows that majority of employees in the ATA has clear information about the organization HRD policy and procedure.

According to Boontharika Banjongjit (2010), the five-point scale was calculated and interpreted into the degree of agreement. The average score (mean) obtained from each item was interpreted into degree of agreement as follows:

- Average Score = 1.00 -1.80 Very low degree of agreement
- Average Score = 1.81 -2.60 Low degree of agreement
- Average Score = 2.61 -3.40 Moderate degree of agreement
- Average Score = 3.41 -4.20 High degree of agreement
- Average Score = 4.21 -5.00 Very high level of agreement

Therefore, the responses rate on the general information of HRD practice in ATA indicated a grand mean value of 3.99 which indicates most of the respondents agreed with the presence of general information about HRD policies and practices in the organization. These mean value indicates a high level of agreement on the overall HRD policy and practice of the organization. However, the organization can do more to enhance the information sharing on HRD practices and policies implemented in the organization regularly; for all employees with the updated practices in the area that could also help the organization to increase their work efficiency. Training policies are necessary to provide guidelines for those responsible for planning and implementing training, to ensure that a company's training resources are allowed to priority requirements, to provide equal opportunities for training throughout the company and to inform employees training and development opportunities (Kenney and Others, 1979). The organization has a clearly defined training and development policy which is integrated with the objectives of the organization.

#### 4.2.2 Need Assessment

In the questionnaire under the need assessment category there are 5 questions, the maximum rate value of “strongly agree” was selected and the least value rate is “strongly disagree” about the need assessment practice of the organization.

Table 4.3: Need assessment

Descriptive Statistics					
Item	N	Minimum	Maximum	Mean	Std. Deviation
2.1 T&D needs are assessed regularly.	77	2	5	4.12	.778
2.2 T&D needs analysis methods of the organization enables to clearly identify the required training that employees need to perform their job.	77	1	5	3.95	.902

2.3 T&D needs identified are prioritized properly	77	2	5	4.01	.866
2.4 T&D needs assessment can able to differentiate performance problems caused by employees lack of skills, knowledge and abilities.	77	2	5	4.21	.894
2.5 T&D needs analysis methods of the organization enables to clearly identify the required training that employees need to perform their job	77	2	5	4.19	.874
Valid N (listwise)	77			<b>4.096</b>	

Source, own survey 2018

The responses rate on the need assessment of the organization indicated the highest mean value of 4.19 and standard deviation of .902 which indicates most of the respondents agreed with the presence of need assessment in the organization. Thus, the researcher realized that majority of the respondent's accord upon the need assessment practice of the organization. The responses rate on the need assessment practice in ATA indicated a grand mean value of 4.09 which indicates most of the respondents agreed with the need assessment practice of the organization or can be interpreted into a very high level of agreement. This mean value could be increased if the organization do the need assessment regularly at all levels of the organization to see the gap on employee performance. This will also help the organization to use the budget on time and efficiently for the right human power that will add more value to the production.

Need identification is the starting point in any training and development activity. Need identification or assessment is not a routine function, because it should conduct carefully and in a diagnostic manner. As discussed above in the questionnaire training and development is conducted based on needs assessment in the organization.

### 4.2.3 Design

Training and development design is the process of developing a plan of instruction for each training program to be offered to meet training objective (Goldstein & Ford, 2007). The success of training should be measured in terms of the objectives set and useful objectives are measurable that serves as a check on internalization, or whether the person really learned. Objectives for training can be set in any area by using one of the following four dimensions: such as Quantity, Quality, Timeliness, and Cost savings as a result of training.

Table 4.4: Design

Descriptive Statistics					
Item	N	Minimum	Maximum	Mean	Std. Deviation
3.1 T&D Policies and programs are designed based on need assessments	77	1	5	3.95	.902
3.2 T&D program of the organization is designed compatible with the actual job to be performed.	77	2	5	4.01	.866
3.3 The T&D program given enables to demonstrate it on the job.	77	2	5	3.90	1.008
3.4 The T&D programs able to improve skills, knowledge and attitude of employees which can increase performance on the job	77	2	5	4.01	.939
Valid N (listwise)	77			<b>3.96</b>	

Source, own survey 2018

As indicated in the above table for designing practice with 4 questions the highest mean value of 4.01 and standard deviation of 1.008 is scored for the question items on HRD designing practice of the organization that shows most of the respondents agreed with the training and development designing practice. The grand mean value is 3.96 which show a high level of agreement on the HRD designing. This value could be improved through use of different designing practices that will feet into the need of employee development and at the same time that will increase productivity level with advanced technologies.

#### 4.2.4 Implementation

Table 4.5: Implementation

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
4.1 The organization gives on the job training ie. Job rotation, Coaching and Mentoring.	77	2	5	3.90	1.008
4.2The training delivery method that the organization used is convenient to get the necessary knowledge and skills	77	2	5	4.01	.866
4.3 Participatory T&D delivery method is implemented	77	1	5	3.95	.902
4.4 The training method that the organization used is convenient to get the necessary knowledge and skills.	77	2	5	3.90	1.008
4.5 The T&D delivery method has enabled to transfer the skills acquired to the job.	77	2	5	3.90	1.008
Valid N (listwise)	77			<b>3.932</b>	

Source, own survey 2018

The above table contain 5 implementation practice related questions and the highest mean value of 4.01 is scored with 1.008 standard deviation rate. The grand mean of the response on the implementation practice of the organization is 3.932 which indicate most of the respondents agreed with the implementation of training and development program in the organization and a high

degree of agreement. With this value one can understand that employees are not fully satisfied with the implementation practice the organization uses. Therefore, HRD implementation practice needs to be revised to make it simple and accessible for all employees on their level that will enable the whole employees to benefit from each training and development. The Training methods can be generally categorized as either on the job or off the job. The training delivery options for either method can be sourced from either in-house or external sources, or a combination of both. In addition, even if, the trainers were capable and knowledgeable and can transfer and demonstrate the training and development appropriately in the organization and training materials and teaching aids are complete and appropriate and the training environment is conducive.

#### 4.2.5 Evaluation

Under evaluation practice there are 12 questions to assess the employee's satisfaction on evaluation practice of the organization.

Table 4.6: Evaluation

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
5.1 The trainers are knowledgeable about the subject matter.	77	2	5	4.01	.866
5.2 The training materials and teaching aids are complete and appropriate to the level of trainees.	77	1	5	3.95	.902
5.3 The training environment given by the organization is conducive to conduct training.	77	2	5	3.90	1.008
5.4 The T&D delivery method has enabled to transfer the skills acquired for the job.	77	2	5	4.03	.873
5.5 The organization tests the trainees before and after the program.	77	2	5	4.01	.866
5.6 The organization asks the trainees for their evaluation through questioners at the end of the T&D program.	77	1	5	4.26	.818
5.7 The organization looks the performance appraisal report of employees after training to evaluate the T&D impact.	77	2	5	3.90	1.008
5.8 T&D efforts are evaluated based on the reaction of participants knowledge.	77	2	5	3.90	1.008
5.9 T&D efforts are evaluated based on learning level of participants.	77	2	5	4.01	.866
5.10 T&D efforts are evaluated based on the change on behavior of participants knowledge.	77	1	5	3.95	.902
5.11 HRD department requests feedback from trainees after training.	77	2	5	4.01	.866
5.12 HRD department makes use of the trainees feedback to improve the effectiveness of future trainings in the organization.	77	2	5	3.90	1.008
Valid N (listwise)	77			<b>3.98</b>	

Source, own survey 2018

The response indicated a highest mean value of 4.03 and standard deviation of 1.008 that indicate most of the respondents agreed with the evaluation process of training and development practices in the organization. The grand mean value is 3.98 which indicate that majority of the respondents agreed about the evaluation practice in the organization which is a high degree of agreement. Evaluation of training and development is the most essential aspect of training program. As discussed above in the questionnaire, majority respondents agreed that the organization evaluates the trainees before and after the program and requests the trainees through questioners at the end of the training and development program. However, the evaluation method should follow the theoretical practices that indicates the need to have systematic evaluation of all T&D approaches that are most popular techniques with the four levels of evaluation: participant reaction, learning, behavior, and results.

#### 4.2.6 Job Satisfaction

Table 4.7: Job Satisfaction

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
6.1 HRD opportunities influence employees' job satisfaction in the organization.	77	2	5	4.23	.826
6.2 Employees are satisfied with the T&D practice of the organization.	77	2	5	4.01	.866
6.3 After receiving T&D employees become motivated.	77	1	5	3.95	.902
6.4 Employees after receiving the T&D their attitude has changed positively and willing to accept more challenging assignments.	77	2	5	4.01	.866
6.5 Employees' job satisfaction increased through the HRD practice of the organization.	77	2	5	4.00	.960
Valid N (listwise)	77			<b>4.04</b>	

Source, own survey 2018

For employee's job satisfaction with regard to the organization HRD practice category, 5 questions were given and a highest mean value of 4.23 and a standard deviation of .960 set. These shows that majority of respondents are satisfied with their job in relation to HRD practices in the organization. The grand mean of 4.04 is scored for employee's job satisfaction in HRD practice of the organization, which indicates most of the respondents agreed with the HRD practice on the process of training and development practices in the organization that also indicates a higher degree of agreement. The origination should do more in terms of improving the employees

satisfaction towards the HRD practice taking into consideration all the recommendations given under each variables above.

#### 4.2 Pearson Correlation Analysis

Correlation means relationship between two variables. It measures the degree to which two sets of data are related. Higher correlation value indicates stronger relationship between both sets of data (Coetzee, 2003). Correlation Analysis is to show the strength of the association between the variables involved. Inter-correlations coefficients (r) were calculated by using the Pearson's Product Moment Alwadaei (2010). Field (2006) also state that the output of correlation matrix can be the correlation coefficient that lies between -1 and +1 within this framework, a correlation coefficient of +1 indicates a perfect positive relationship, and a correlation coefficient of -1 indicates a perfect negative relationship; whereas a coefficient of 0 indicates no liner relationship. According to Alwadael, (2010) Value of coefficient Relation between variables 0.70-1.00 Very strong association, 0.50-0.69 Substantial association, 0.30-0.49 Moderate association, 0.10- 0.29 Low association, and 0.01-0.09 negligible association. Therefore, to show the correlation between the four variables: Need Assessment, Design, Implementation and Evaluation Pearson correlation coefficient was used.

Table 4.8 Correlations

		JS	NA	D	I	E
Pearson Correlation	JS	1.000	.892	.912	.871	.871
	NA	.892	1.000	.827	.750	.750
	D	.912	.827	1.000	.966	.966
	I	.871	.750	.966	1.000	1.000
	E	.871	.750	.966	1.000	1.000
Sig. (1-tailed)	JS	.	.000	.000	.000	.000
	NA	.000	.	.000	.000	.000
	D	.000	.000	.	.000	.000
	I	.000	.000	.000	.	.000
	E	.000	.000	.000	.000	.
N		77	77	77	77	77

Source, own survey 2018

The result in the above table showed us positive and significant correlation exists between the four variables (NA,D,I &E) and JS. A correlation coefficient of 0.892, 0.912, 0.871 and 0.871 is recorded for NA, D, I & E respectively. This indicates that the correlation is significant and there

is moderate association between the variables. Hence, it is possible to conclude that since most of the respondents associated their satisfaction on the HRD practice with the four factors the variables are correlated with each other.

#### 4.3 Discussion of Regression Results

The study aims to investigate the relationship between the independent variable need assessment, design, implementation and evaluation with the dependent variable job satisfaction in ATA. To test the relationship between the independent variables and dependent variable the following regression model is developed. The findings revealed that, there was significant association among need assessment, design, implementation and evaluation at ATA.

Table 4.9 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.946 <sup>a</sup>	.894	.890	.16793	.894	205.954	3	73	.000

Predictors: (Constant), Evaluation, Need Assessment, Design

Table 4.10 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17.424	3	5.808	205.954	.000 <sup>b</sup>
	Residual	2.059	73	.028		
	Total	19.482	76			

a. Dependent Variable: Job Satisfaction

b. Predictors: (Constant), Evaluation, Need Assessment, Design

The R-squared of this model is 0.894335, which means that 89% of the total variation of job satisfaction at ATA is explained by the total variation of need assessment, design, implementation and evaluation or the predictors evaluation, need assessment and design account for 89% of the variance in Job satisfaction. The adjusted R-squared is 0.889992, which means that 89% of the total variation of job satisfaction at ATA is explained by the total variation of need assessment, design, implementation and evaluation, by taking into account the number of independent variables and sample size. Although, the remaining 11% the change is explained by other factors

which are not included in this study model, both the R-squared and the Adjusted R-squared values in this study are found to be sufficient enough to infer that the fitted regression line is very close to all of the data points taken together (has more explanatory power). R-Squared greater than 20% is still large enough for reliable conclusions for such data. (Cameron Trivedi, 2009; Hsiao, 2007, cited in Nyamsogoro, 2010). The overall regression model was significant  $F(3,73) = 205.954$   $P < .001$ ,  $R^2 .89$ .

Table 4.11 Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.155	.171		.907	.367
Needs Ass	.500	.077	.464	6.459	.000
Design	.316	.163	.358	1.938	.056
Evaluation	.135	.120	.177	1.125	.264

a. Dependent Variable: Job Satisfaction

Excluded Variables<sup>a</sup>

Model	Beta In	T	Sig.	Partial Correlation	Collinearity Statistics Tolerance
1 Implementation	. <sup>b</sup>	.	.	.	.000

a. Dependent Variable: Job Satisfaction

b. Predictors in the Model: (Constant), Evaluation, Need Assessment, Design

As mentioned in the methodology part of this study, as far as the assumptions of classical linear regression model hold true, the coefficient estimators of both  $\alpha$  (constant term) and  $\beta$  (independent variables) that are determined by ordinary least square (OLS) will have a number of desirable properties, and usually known as Best Linear Unbiased Estimators (BLUE). Hence, the following sections discuss results of the diagnostic tests (i.e., heteroscedasticity, autocorrelation, multicollinearity, normality and model specification test) that ensure whether the data fits the basic assumptions of classical linear regression model or not.

#### 4.3.1. Heteroskedasticity

When the scatter of the errors is different, varying depending on the value of one or more of the independent variables, the error terms are heteroskedastic Brooks (2008). Heteroscedasticity test is very important because if the model consists of heteroskedasticity problem, the OLS estimators are no longer BEST and error variances are incorrect, therefore the hypothesis testing, standard error and confident level will be invalid. An ARCH test has been made, to ensure that this

assumption is no longer violated. The hypothesis for the heteroskedasticity test was formulated as follow;

*H0: There is no Heteroscedasticity problem in the model*

*H1: There is Heteroscedasticity problem in the model*

$\alpha = 0.05$

Decision Rule: Reject H0 if P value is less than significant level 0.05. Otherwise, accept H0.

**Table 4.12 Heteroskedasticity Test: ARCH**

<b>ARCH Test</b>	<b>P-Value</b>	<b>Decision Rule</b>
F-statistic	0.3292	Accept the Ho
Obs*R-squared	0.3229	Accept the Ho

Source: Own computation (Developed for the research)

As shown in the above table, all versions of the Arch test statistic (F-statistic and Chi-Square) gave the same conclusion that there was no evidence for the presence of heteroscedasticity in this particular study. Since the p-values of 0.3292 and 0.3229 for F-statistic and Chi-Square respectively were in excess of 0.05, the null hypothesis should be accepted.

#### 4.3.2 Autocorrelation

According to Brooks (2008), when the error term for any observation is related to the error term of other observation, it indicates that autocorrelation problem exist in this model. In the case of autocorrelation problem, the estimated parameters can still remain unbiased and consistent, but it is inefficient. The result of T-test, F-test or the confidence interval will become invalid due to the variances of estimators tend to be underestimated or overestimated. Due to the invalid hypothesis testing, it may lead to misleading results on the significance of parameters in the model. In this study to test for the existence of autocorrelation, the popular Breusch-Godfrey Serial Correlation LM Test was employed.

*H0: There is no autocorrelation problem in the model*

*H1: There is autocorrelation problem in the model*

$\alpha = 0.05$

Decision Rule: Reject H0 if p-value less than significance level, otherwise accept H0.

**Table 4.13: Autocorrelation Test: Breusch Godfrey Serial Correlation LM Test**

<b>Arch Test</b>	<b>P-Value</b>	<b>Decision Rule</b>
F-statistic	0.1083	Accept the Ho
Obs*R-squared	0.0853	Accept the Ho

Source: Own computation (Developed for the research)

From the above table, it can be concluded that this research accepted the null hypothesis (H0), since the p value for both F-Statistic and Chi-Square is 0.1083 and 0.0853, which is greater than significance level of 0.05. Thus, it can be concluded that the model does not consist of autocorrelation problem.

### 4.3.3 Multicollinearity

According to Brooks (2008), Multicollinearity will occur when some or all of the independent variables are highly correlated with one another. If the multicollinearity occurs, the regression model is unable to tell which independent variables are influencing the dependent variable. The consequences of Multicollinearity are large variances and covariance of OLS estimators, wider confidence interval, insignificant t ratio, high  $R^2$  but few significant t ratio, sensitivity of OLS estimators and their standard errors to small changes in data. There is no one unique method to detect the multicollinearity problem, it only have some rules of thumb, which are high  $R^2$  but few significant t ratio, high pair wise correlation coefficient and Variance Inflation Factor (VIF) or Tolerance. This study used high pair-wise correlation coefficients method to test the presence of multicollinearity problem in a regression model. Because it can see the correlation of independent variables between each other one by one. If the correlation coefficient is higher than 0.8, the model would be considered as it consists of serious Multicollinearity problem Gujarati (2004).

Table 4.14: Multicollinearity Test: High Pair-Wise Correlation Coefficients

	NA	D	I	E
NA	1.000000	0.644234	-0.034732	0.206216
D	0.644234	1.000000	-0.215191	0.231066
I	-0.034732	-0.215191	1.000000	0.244792
E	0.206216	0.231066	0.244792	1.000000

The table above shows that there is no strong pair-wise correlation between the independent variables (Need assessment, Design, Implementation and Evaluation). As a rule of thumb, inter-correlation among the independent variables above 0.80 signals a possible multicollinearity problem. In this study the correlation coefficient is below 0.80 between the independent variables. Thus, it can be concluded that all variables have low correlation power; as a result there is no multicollinearity problem in the independent variables.

#### 4.3.4 Normality

Normality tests are used to determine if a data set is well-modelled by a normal distribution. With the normality assumption, ordinary least square estimation can be easily derived and would be much more valid and straightforward. This study used JarqueBera Test (JB test) to find out whether the error term is normally distributed or not. The hypothesis for the normality test was formulated as follow:

*H0: Error term is normally distributed*

*H1: Error term is not normally distributed*

$\alpha = 0.05$

Decision Rule: Reject H0 if p-value of JB test less than significance level, otherwise accept H0.

Table 4.15: Normality Test: Bera-Jarque Test

Probability (P-Value)		Decision Rule
JarqueBera Test	0.615601	Accept Ho

The above table indicates that distribution of the panel observation is symmetric about its mean. The Jarque-Bera statistic has a P-value of 0.61 implies that the p-value for the Jarque-Bera test is greater than 0.05 which indicates that there was no evidence for the presence of abnormality in the data. Thus, the null hypothesis that the data is normally distributed should be accepted since the p-value was considerably in excess of 0.05.

#### 4.3.5 Model Specification

According to Brooks (2008), Specification error occurs when omitting a relevant independent variable, including unnecessary variable or choosing the wrong functional form, so that regression model will be wrongly predicted. If the omitted variable is correlated with the included variable, the estimators are biased and inconsistent. If the omitted variable is not correlated with the included variable, the estimators are unbiased and consistent. Ramsey RESET test was used to see whether the developed model is correctly regressing.

*H0: the model is correctly specified*

*H1: the model is not correctly specified*

$\alpha = 0.05$

Decision Rule: Reject H0 if p-value is greater than significance level. Otherwise, accept H0.

Table 4.16: Model Specification Test: Ramsey-RESET Test

<b>Test Statistic Value</b>		<b>Decision Rule</b>
Ramsey-RESET test	Prob. F Test = 0.9968	Accept the Ho

From the above table, it can be concluded that this research accepted the null hypothesis (H0), since the p value is 0.9968, which is greater than significance level of 0.05. Thus, it can be concluded that the model specification is correct. Overall reliability and validity of the model was enhanced further by the Prob (F-statistic) value of 0.000000.

## Conclusion and Recommendation

### 5.1 Summary of findings

The purpose of this study was to assess the effect of HRD practice on employee satisfaction in the case of ATA. As discussed above in the questionnaire, the organization's training and development plan has been developed in accordance with the strategic plan and the organization has a realistic and measurable training and development objectives and roles. This study has revealed that, in ATA Training and development plan is well communicated to all employees and it enables programs to improve skills, knowledge and attitude of majority employees which can increase their performance on the job. The organization has HRD guideline and committed to improve its employee's knowledge and skills thus most of the respondents are satisfied by the opportunity of further education in organization. HRD practice has a remarkable impact on the performance of employees in ATA and the organization is practicing fair treatment in providing education and training to all its employees. There is good practice on education grant and providing training program but talent development department has to collect trainees feedback after training or education and also need to use it to improve and provide effective training in the future.

### 5.2 Conclusions

- Need assessment should be done regularly at all levels of the organization to see the gaps identified on employee performance and also to include new employees to enhance their capacity to the organization level. This will also help the organization to use the allocated budget on time and efficiently for the right human power that will add more value to the production.
- The current designing practice could be improved through use of different designing practices depending on the type of work and availability of resources that will feed into the need of employee development and at the same time that will increase productivity level with advanced technologies.

- HRD implementation practice needs to be revised to make it simple and accessible for all employees on their level that will enable the whole employees to benefit from each training and development practice. The Training methods can be generally categorized as either on the job or off the job. The training delivery options for either method can be sourced from either in-house or external sources, or a combination of both.
- The evaluation method should follow the theoretical practices that could identify the success of employees after training session is given. This indicate the need to have systematic evaluation of all T&D approaches that are most popular techniques with the four levels of evaluation: participant reaction, learning, behavior, and results.

### 5.3 Recommendations

Taking into consideration the above research findings and conclusions, the researcher suggests the following recommendations to the management of the organization and other concerned officials are forwarded:

- The organization should continue improving educational level of its employees and also providing trainings in order to utilize their performance and increase their satisfaction.
- The organization should set short term plan to maintain those employees who are benefited from its further education and trainings by availing promotional opportunities to them so that employees may stay long and give their contributions for the organization.
- Talent development unit in the organization should collect feedbacks from employees after they finished their education and training, these practices may enable the department to improve for future training programs and educational fields which may help the advancement of agricultural sector.
- Mangers of functional departments and HRD department should have short term plan to provide the required training for employees when the performance evaluation report of the employees show poorly performed.
- Finally, as ATA is a recently established and fast-growing organization they should share experience with other similar organizations to improve performance of their vital resource.

## 5.4 Future Research

The intension of this study was to assess the effect of HRD practice on Employee Satisfaction in the Case of ATA. Thus, future researchers can take other branches of the organization employees. Furthermore, potential researchers can study on the advanced HRD practices that needs to be used to assess the performance before training and development given to the employees and after they trained or educated.

Finally, the study is emphasized on one sector and other researchers can study on other public organizations or private firms and confirm whether or not HRD practices have an effect on employees satisfaction.

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## ANNEX 1

ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE GRADUATE STUDIES

### Introduction

Dear Respondent,

I am a postgraduate student in the Department of Human Resources Management and presently conducting a research on the “Assessment of the Effect of HRD practice and its impact on Employees satisfaction in ATA”.

As part of my thesis I would like to gather some information from you on the HRD practice of the organization and its impact on Employees satisfaction. You are kindly requested to complete the attached questionnaire as honestly as possible. The information being solicited from you is purely for academic purposes. All information provided by you will be treated confidentially; hence, your name and that of your Signature are not required. Your honest completion of this questionnaire will assist in generating information that will help organization to improve HRD practices and get employees knowledge and skill. Hence that enhances quality service delivery and improved productivity.

### **Instructions**

The questionnaire will be prepared in close-ended questions. These Close-ended questions are rating scale type questions which offer 1-5 rating scale, with answers ranging from strongly disagree to strongly agree or very dissatisfied to completely satisfied you will put X or √ in front of each items in the given tables below. If clarification is needed, my phone number is 0911-602777.

Thank you for your cooperation.

## Section I: Demographic Information

Sex		Age	Educational Levels			Service of years in the organization	Employment Category	
Male	Female		Diploma	Degree	Masters and above		Non-Manager	Manager

## Section II: Questions related to HRD practices

Listed below are statements about the practices of Human Resource Development of the organization. Please indicate your level of agreement with the statements so that your answers to these questions will enable the researcher to assess what you think about the practices of human resource development focusing on training and development program (TDP) in your organization.

No	Items	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
<b>1</b>	<b>General (Strategic)</b>					
1.1	T&D policy and program is well defined and conducted based on the strategic plan and objectives of the organization.					
1.2	The organization has realistic and measurable T&D Policy objectives and roles.					
1.3	T&D plan of the organization is well communicated to all employees.					
1.4	T&D plan enables to improve skills, knowledge and attitude of employees which can increase performance on the job.					
1.5	The organization reviews its strategies and objectives to reveal valuable information for T&D.					
1.6	Employees are being benefited equally from Human Resource Development(HRD) practices of the Organization.					
1.7	The selection of candidate for T&D is clearly defined.					
1.8	The organization provide training program - local and abroad.					
1.9	T&D helped employees to perform the work quickly and efficiently.					
1.10	HRD practice of the organization reduces the employee turnover rate.					
<b>2</b>	<b>Need assessment</b>					
2.1	T&D needs are assessed regularly.					
2.2	T&D needs analysis methods of the organization enables to clearly identify the required training that employees need to perform their job.					
2.3	T&D needs identified are prioritized properly					

2.4	T&D needs assessment can able to differentiate performance problems caused by employees lack of skills, knowledge and abilities.					
2.5	T&D needs analysis methods of the organization enables to clearly identify the required training that employees need to perform their job					
<b>3</b>	<b>Design</b>					
3.1	T&D Policies and programs are designed based on need assessments					
3.2	T&D program of the organization is designed compatible with the actual job to be performed.					
3.3	The T&D program given enables to demonstrate it on the job.					
3.4	The T&D programs able to improve skills, knowledge and attitude of employees which can increase performance on the job					
<b>4</b>	<b>Implementation</b>					
4.1	The organization gives on the job trainingie. Job rotation, Coaching and Mentoring.					
4.2	The training delivery method that the organization used is convenient to get the necessary knowledge and skills					
4.3	Participatory T&D delivery method is implemented					
4.4	The training method that the organization used is convenient to get the necessary knowledge and skills.					
4.5	The T&D delivery method has enabled to transfer the skills acquired to the job.					
<b>5</b>	<b>Evaluation</b>					
5.1	The trainers are knowledgeable about the subject matter.					
5.2	The training materials and teaching aids are complete and appropriate to the level of trainees.					
5.3	The training environment given by the organization is conducive to conduct training.					
5.4	The T&D delivery method has enabled to transfer the skills acquired for the job.					
5.5	The organization tests the trainees before and after the program.					
5.6	The organization asks the trainees for their evaluation through questioners at the end of the T&D program.					
5.7	The organization looks the performance appraisal report of employees after training to evaluate the T&D impact.					
5.8	T&D efforts are evaluated based on the reaction of participants knowledge.					

5.9	T&D efforts are evaluated based on learning level of participants.					
5.10	T&D efforts are evaluated based on the change on behavior of participants knowledge.					
5.11	HRD department requests feedback from trainees after training.					
5.12	HRD department makes use of the trainees feedback to improve the effectiveness of future trainings in the organization.					
6	<b>Job Satisfaction</b>					
6.1	HRD opportunities influence employees' job satisfaction in the organization.					
6.2	Employees are satisfied with the T&D practice of the organization.					
6.3	After receiving T&D employees become motivated.					
6.4	Employees after receiving the T&D their attitude has changed positively and willing to accept more challenging assignments.					
6.5	Employees' job satisfaction increased through the HRD practice of the organization.					

## Annex 2

### Research Interviews

This interview has been designed to seek information purely for academic purposes. The main purpose of the study is to conduct a thesis on the topic: “Assessment on the Effect of HRD practice and its impact on Employees satisfaction in ATA”. The purpose of interview is to gather additional data which may not be obtained through the questionnaires to be filled by respondents. Thus, as a Training and Development unit leaders and experts of the Organization, it is hoped that the success of the study depends on the information you provide. Therefore, the researcher kindly request you in advance your invaluable cooperation.

#### **Thank You!!**

1. How does training and development practices of ATA have been conducted?
2. How does the below listed steps of HRD practices implemented in your organization?
  - a. Need assessment
  - b. Designing
  - c. Implementation and
  - d. Evaluation
3. Have you ever evaluated staff satisfaction towards HRD practices?  
If Yes, How?  
If No, Why Not?
4. Does the organization give enough emphasis for the development of all employees in the organization?
5. What formal and informal opportunities exist for professional as well as personal growth and development?
6. What are the effects of human resource development practices on employee satisfaction in ATA?
7. What are the major issues in HRD practices which affect employees satisfaction in ATA?