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**THE EFFECT OF TRAINING AND DEVELOPMENT ON
EMPLOYEES PERFORMANCE
‘A CASE OF BUNNA INTERNATIONAL BANK S.C’**

**A Thesis Submitted in Partial Fulfillment of the Requirements for
the Award Degree of Master in Human Resource Management**

BY: Tsegay Beyene

ADVISOR

Abebe Ejigu(PhD)

**ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE
GRADUATE PROGRAM**

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Approved by Board of Examiners

ADVISOR

SIGNATURE

DATE

INTERNAL EXAMINER

SIGNATURE

DATE

EXTERNAL EXAMINER

SIGNATURE

DATE

DECLARATION

I declare that the project entitled “THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEE PERFORMANCE A CASE OF BUUNA INTERNATIONAL BANK S.C” is my original work and has not been presented for a degree in any other university, and that all sources of material used for the project have been duly acknowledged.

By: **Tsegay Beyene**

Signature_____

Date_____

Advisor's Name: **Abebe Ejigu(PhD)**

Signature: _____

Date: _____

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LIST OF ABBREVIATIONS

BIB-	Bunna International Bank
HR-	Human Resource
HRM-	Human Resource Management
T&D-	Training and Development
HR and FMD-	Human Resource and facility Management Directorate
NBE-	National Bank of Ethiopia
SPSS-	Statistical Package for Social Science

ABSTRACT

The quality of human resource is an asset to any organization and as a result training and development become an issue that has to be faced by every organization. The practice of training in any organization is continuous process to improving the caliber of employees. It is an attempt to improve their performance, it is also an effort made by the employer to provide opportunity for the employee to acquire enhanced job interrelated knowledge, skill and abilities. Therefore, the objective of the study was to assess the effect of training and development on employee performance in context of Bunna international bank S.C. The research is based on primary and secondary data. The primary data was collected using self-administered questioners distributed to 105 respondents taken as sample size from head office and city branches of the bank. The researcher used SPSS 20, descriptive statistics, correlation and regression analysis to analyze the data collected and to evaluate the relationship between the two variables. The result of the study signifies that there is a positive and significant relationship between training and employee performance in the context of Bunna international bank S.C. The study also recommend that in order to enhance employee performance the bank should continue its training program so that it can build and strengthen employee's competencies.

Key words: Training, Development, Performance,

CHAPTER ONE

1.1. Background of the Study

Employees are the organization's most valued assets that need continuous capacity building activities to stay competent in a competitive industry. For any organization to achieve a competitive advantage, each staff in every department must perform excellently. Therefore, it is every organization's responsibility to enhance the job performance of the employees. Certainly implementation of training and development is one of the major steps that most companies need to achieve. Staff development and learning encompasses various activities intended to support staff in meeting performance expectations and growing professionally.

One of the main functions of human resource management is training and development. This function is believed to be the most important function which enhances employee performance in the organization. For example, Armstrong (2009) compared training to other Human resource functions, training and development is not very time-consuming but quite important as it will also help to contribute to enhance employee's performance.

This study presents a context for research on the practice of training and development and its effect on employee's performance. The study particularly focuses on the case of Bunna international bank S.C. Hence, it helps to clarify on how the research will contribute toward training and development and employee performance enhancement in the bank. Armstrong (2009, p. 675) defined "Training is the use of systematic and planned instruction activities to promote learning". It involves the use of formal processes to communicate knowledge and help people acquire the skills necessary for them to perform their jobs satisfactorily.

The focus of training and development is on practical skills and is concerned with applying and implementing techniques and processes. Therefore, training is investing in people to enable them to perform well and empower them to make the best use of their natural abilities.

The objectives of training, as identified by Armstrong (2006), are to develop the skills and competences of employees to improve their performance, to help people grow within the organization in order for the organization to meet its future human resource needs, to reduce the

learning time for employees on appointment, transfer or promotion, and to ensure that they become fully competent.

Organizations are facing increased competition due to globalization, changes in technology, political and economic environments (Evans, Pucik and Barsoux 2002) and therefore prompting these organizations to train their employees as one of the ways to prepare them to adjust to the increases above and thus enhance their performance.

Bunna International Bank S.C. has joined the Banking industry of Ethiopia following the favorable economic developments witnessed in the country during the last two decades and the incessantly growing needs for financial services in the country. The Bank has obtained its license from the National Bank of Ethiopia (NBE) on June 25, 2009 in accordance with Licensing and Supervision of Banking Business Proclamation No. 592/2008 and the 1960's Commercial Code of Ethiopia.

The Bank officially commenced its operation on October 10, 2009 with subscribed & paid up capital of Birr 308 million and Birr 156 million, respectively intending to enhance the commercial activity in the banking industry. Currently, the bank opened more than 73 branches throughout the country and has more than 650 employees. Moreover, the Bank has more than 11,200 share holders, which makes it one of the strong and public based private Banks in Ethiopia.

The customary training and development program undertaken currently in the bank starts by developing training and development plan by the HR and FMD. The plan contains list of possible training courses and distributes to all work units. So that each work unit send their needs of training by consulting with their staffs using the developed format to Human Resource and Facility Management Directorate. The directorate forwards the collected plans to training and development division for compilation and checking against budget and appropriateness of the trainings with the job of each work units, afterwards the training and development division will move to prepare the action plan of training courses, number of trainees and time of delivery. The trainings can be in-house or outsourced.

Practically the Bank has great intention to train and develop its employees and assigns comparatively enough budgets.

1.2. Statement of the Problem

In view of the challenges confronting companies there is increasing realization of the effect of human resource training and development. Though some researchers believe that training and development and its effect towards enhancement of employee performance as well as organizational performance is very important. Amir and Amen (2013), the majority of governmental, private and international organizations fail to recognize the importance of training to increase their employees' productivity and when the economy slows or when profits decline, many organizations first seek cuts in their training budgets. This will leads to high job turnover then increase the cost to hire new employees which lower down the organization's profitability.

For example, Saleem et al. (2011) stated that good training and development system help organizations make sure those employees in every organization can understand the condition in which the company is in and keeps them updated to have the required skill that they need to perform their day to day activity. This shows human resource training and development provides an opportunity for human resource department to play a more strategic role in employee performance enhancement.

Neelam et al., (2014) also stated that training and development is an important aspect of HRM and it is important for organizations to get skilled and capable employees for better performance, and employees will be competent when they have the knowledge and skill of doing the task. Training and development would provide opportunities to the employees to make a better career life and get better position in organizations.

In doing so, organizations' efficiency would be increased. On the other hand, employees are the resources and assets of an organization if they are skilled and trained would perform better than those who are unskilled and untrained. Therefore, the purpose of this study is to find out the relationship between training and development and its effect on employees' performance.

On the contrary, few people these days would argue against the importance of training and development and its major influence on the success of organizational effectiveness and employee performance enhancement. According to Andrew (2012), investment on training and development entails obtaining and maintaining space and equipment. It also means that operational personnel employed in the organization's main business function must also direct their attention from time to time towards supporting training and development and its delivery.

This means they are required to give less attention to activities that are obviously more productive in terms of the organization's main business.

Having the above debatable issues in mind the researcher while conducting the preliminary assessment observed basic problems in human resource training and development practice in Bunna bank. Such as, due to lack of trainings for appropriate employee the performance of employees in the bank is not developing as needed. It is also assumed that the bank's profitability is not growing as expected because of lack of trained employees. It is also observed that some of the employees are not adapting with the technology the bank is using as soon as possible. Some of the customers of the bank are not satisfied by the service provide as most of the employees did not get customer service training. This problem is identified by observation and preliminary interview question provided for the banks staff and customer informally.

Though there are enormous researches conducted on the practice of training and development and its effect on employee performance, no research has been undertaken to examine whether the available researches can be applied to Bunna international bank S.C. Hence, conducting this research is important to know the effect of employee training and development toward enhancement of employee performance in the bank and to forward possible recommendations.

1.3. Research Question

The main research question that can be addressed in this study is 'what effects do training and development has on employee's performance of Buna Bank?' The study also will answer the following specific research questions.

- Is there any relationship between training and development and employee performance?
- Are the employees satisfied with the overall training and development practice of the bank?
- What does the supervisors and manager's attitude look like after the employees have participated in training and development program?
- Does the Bank's performance increased after implementing training and development program?

1.4. Hypothesis

The researcher proposed the following hypothesis to assess the practice of training and development and its effect toward enhancement of employees' performance. The hypothesis will also give us tentative answer on the relationship between training and development and employee performance.

H0: there is no any relationship between training and development and employees performance.

H1: there is relationship between training and development and employee performance.

1.5. Objectives of the Study

1.5.1. General Objective

The general objective of the study is to assess the effect of training and development toward enhancement of employee's performance in Bunaa international bank.

1.5.2. Specific Objectives

- To assess the relationship between training and development and employees performance.
- To assess satisfaction of employees on the bank's training and development practice.
- To identify the supervisors and managers attitude towards those employees who participated on training and development programs.
- To assess whether the bank's performance has enhanced after implementing training.

1.6. Significance of the study

The study deals with the practice of training and development to identify its effect on employee performance. It will help the management of the bank to concentrate on variables that have significant influence on not only employee's performance but also company's performance.

Therefore, this study has important implications, as it will help Ethiopian banks and other business organization to practice training and development in order to enhance their employee's performance. It is also assumed that the result of this study will help for top management of the bank to make proper decisions in relation to training and development.

Finally, the outcome of this study will serve as a catalyst for further research on the area. It is also predicted that the study will make a theoretical contribution to the body of knowledge related to the practice of training and development and its effect on employee performance with particular emphasis in Bunna international bank S.C.

1.7. Scope and Limitations of the Study

The scope of the study was delimited only to Bunna international bank S.C among other government and private financial institutions particularly at the head office and Addis Ababa branches by emphasizing on the effect of training and development on worker's performance. Furthermore, it was good if the researcher studies all human resources factors and Bank's activities that have great influence on employee's performance.

However, because of time and cost limitations the study focused on the training and development aspect of the Bank. The limitations of the study that the researcher faced are time, cost and cooperation of some participants to fill the questioner properly.

1.8. Organization of the study

The study is organized into five chapters. Chapter one introduced the study by giving the background information, the research problem, objectives, and significance of the study, delimitation and limitation of the study. Chapter two deals with the review of relevant literature related to the research problem. Chapter three discusses the research methodology adopted for the study and relevant justifications. It outlines the methodology for carrying out the secondary and primary data collections.

Chapter four present the findings on the effect of training on enhanced employee performance due to training and development in Bunna international bank S.C. It also lay out the researcher

analysis on the banks responses to the effect of such training and development on its employees in terms of performance. Chapter five presents the summery and conclusions that was draw from the research findings and recommendations of the researcher to enhance organizational effectiveness through training, and to ensure a stable and committed human resource in the bank.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Overview of Employee Training and Development

Training and development is one of the major areas of the human resource management functions that are particularly relevant to the effective utilization of human capital of the organization. Hardly any organization these days would disagree with the significance of training influencing the success of an organization.

A number of scholars have defined training among which (Noe, R.A 1999), shows that as training refers to a planned effort by a company to facilitate employees' learning of job-related competencies. These competencies include knowledge, skills, or behaviors that are critical for successful job performance. He also added that, the goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day-to-day activities. In this competitive world, training plays an important role in the competent and challenging format of business (Pallavi P. Kulkarni, 2013). Training is designed to provide learners with the knowledge and skills needed for their present job, because only few people come to the job with the complete knowledge and experience necessary to perform their assigned job (Fitzgerald 1992). Aidah (2013) stated that training and development has an impact on the performance of employees with regards to their jobs.

The optimization of the employees' contribution in order to achieve the aims and goals of the any organization is necessary for organization's growth and effective performance. Training is a key element for improved performance; it can increase the level of individual and organizational competency. Training and development helps to reconcile the gap between what should happen and what is happening – between desired targets or standards and actual levels of work performance (Sultana et al., 2012). Furthermore they believed that training need is any shortfall in employee performance, or potential performance which can be remedied by appropriate training. Accordingly they also identified though there are many ways of overcoming deficiencies in human performance at work, training is one of them. In general training can enhance skills, competency, ability and ultimately worker performance and productivity in

organizations.

Most of the time organizational success relied on the skills and abilities of its employees, and this means that organizational success depends to an extent on considerable and continuous investment in training and development. This would ensure an adequate supply of staff that is technically and socially competent. According to Tahir et al. (2014), it is important for organization to get skilled and capable employees for better performance, and employees will be then competent when they have the knowledge and skill of doing the task so that training and development would provide opportunities to the employees to make a better career life and get better position in organization. In doing so, organizations efficiency would be increased. The researchers also tried to give emphasis on training since employees are the resources and assets of an organization if they are skilled and trained they would perform better than those who are unskilled and untrained.

Furthermore on a study conducted by Kasau (2014) to assess the relationship between training and performance showed that employees should be trained to equip with positive attitudes towards work and training should also be done with an objective of building the “how” to deliver quality services to the customers. For the employees to perform well, they should be trained and then positioned for any personal growth opportunities available in the company. Vemić (2007) stated that the renewing knowledge is an imperative for the organization, and not an option. Falola et al., (2014) also argued as training is important for the survival of any organization. It is also imperative for effective performance of employees, enhancement of employees’ ability to adapt to the changing and challenging business environment and technology for better performance, increase employees’ knowledge to develop creative and problem solving skills. The researcher found the following different studies conducted by different researchers on the impact of training and development on employees’ performance helpful to strengthen the literature.

Hameed, and Waheed A. (2011) wrote a research evaluating the theoretical framework and models that are linked with the development of employee and the impact of those models on the performance of employee. The authors stated that the employees are essential elements for an organization. The employee performance has such a significant impact that an organization’s success or failure is dependent on it. For that reason, companies are highly engaged in employee

development and investing large lump sum of money in this regard. The research had proposed certain identified key variables.

The variables namely; skill growth, employee learning, employee attitude, self-directed learning and employee performance. The proposed model was also discussed in the paper to explain the relationship of the identified variables with the employee development. The paper also stated that employee's performance ultimately affect the organizational effectiveness. One of the research findings identifies training and development is essential for employees development and thus for employees performance. And an increased effectiveness of employee's performance results in increased organization's overall effectiveness.

Sultana et al., (2012) studied the training practices that are taking place in Pakistan's telecommunication sector. Also the impact of these training practices on employee performance has analyzed. The research paper emphasized on planed and systematic training design and its implementation, customized exclusively for performance enhancement and productivity improvement, in order to successfully attaining the training program's objectives. It was observed by the researchers that mostly the organizations are dependent on ad hoc and disorganized path to meet the requirements of training whereas there are some organization set certain identified training need analysis and procedure, deign the activities of training in rational and calculated manner and evaluates the results on cost-benefit analysis. The research explores that if companies spend their resources in precise and accurate category of employee training it may develop employee performance along with their skills and competencies. Moreover, training is visualized as a helpful way of deal with the changes cultivated through technological advancement and innovation; market rivalry, organizational configuration and most prominently it performs a vital role in enhancing employee performance.

Farooq and Aslam (2011) did an empirical research to examine the impact of training and feedback on employee performance. The authors also conducted a thorough literature review that illustrates the importance of both factors to influence the employee performance. The review further highlighted the improved quality of task performance and processes because of training and feedback that causes the employee performance enhance. The research was based on questioner as well. The findings of the research were more or less the same as previous authors. The results show that training programs are effective for employee performance keeping the

arrangement and adaptation of training as a planned procedure to make the performance more effective, however the study implies little features of training and feedback. One more point was that the results can easily be applied to the all sorts of organizations.

Elnaga and Imran (2013) studied the impact of training on employee performance and provide suggestions in order to enhance the performance of the employees via effective training courses. Authors resembled the employee with the blood stream of business. The success and failure of company is highly dependent upon its employee performance. Therefore, top level management must realize the significance of investment for training and development in order to enhance the performance of the employee. The research is comprises of qualitative research approach. It analyzes the literature aspects and the several case studies discussing the importance of training to enhance employee performance. Moreover, the analysis of theoretical framework was also the part of research in which models regarding employee development, training and development, several programs of training and development, impact of these programs on employee performance were considered. Furthermore, a review of recent scenarios and researches on these relationships were analyzed. Authors imparted their suggestions keeping in mind recent scenarios. However, the study's limitations are inadequate to illustrate the relationship between two variables, training and employee performance. Therefore, they suggest an empirical study to make the research more reliable.

Fakhar et al, (2011) conducted a research on impact of training on employee performance in context of pearl Continental Hotel, Karachi Pakistan. The research was examined on the basis of age, experience, gender, number of trainings attended, time spent on these training and overall performance scores acquired through training examination. Six dimensions of performance were analyzed namely; job preparedness, work safety, physical maintenance of rooms, hotel hygiene, preparation for serving customers in several ways and communication with the guests. A questioner was developed in order to obtain primary data that was comprised of performance inventory and employees training profile. Several regression models were used to examine the acquired data and calculated R square values for each training factor and develop a relationship among the performance dimensions as well as analyzing the extent of strength of relationship. The results imply that there is essential and strong relationship among variables. Also, those employees who have attended huge number of trainings were found more capable while performing the assigned tasks as compare to those who did not attend any training. The authors

further emphasized that the problems existing in the hotel such as service delivery issues might be tackled by conducting a proper need assessment process, designing of training as per the results of assessment and delivering the training programs accordingly. That helps a training to be more effective and increases the chances of getting expected results. Moreover, a training program must be focused and evaluated in order to cross check the effectiveness. This evaluation might be done through performance appraisals and key performance indicators. This process provides further solutions to tackle the problem or cope up with similar issues arising in the future. The participation of employees in such training programs not only enhances the training process and results but also help in increasing motivational level of employees.

Khan M.I (2012) examined the training and motivation's impact on employee performance and what role does training and motivation has to enhance the employee performance. A correlation existence among training and employee performance was also gauged. The author argued that there are multiple factors that have a great influence on employees for instance motivation, training, work environment, technology and behavior of management. Each factor has different level of impacts on the performance of employee. It depends on employee to employee that which factors have greater importance to him that ultimately have greater impact on his/her performance. The study results illustrate that among all the factors such as technology, motivation, behavior of management and work environment, there is huge impact of training on the employee performance. A positive correlation exists among training, motivation and employee performance. The result emphasizes that factors, motivation and training, impacts the employee performance positively. Moreover, an effective training program of the organization means effective enhancement in the employee performance. The author further suggests focus on effective training and motivation of employee is the key to increase the employee performance.

Acemoght and Pischke (1998)surveyed fresh researches of that time illustrating the theories and importance of training practice within the organizations that are interested in training investment. The authors argued that to understand any model regarding firm's believe on spending on trainings is not possible unless the imperfections in labor market exists. These imperfections broadens the discussion paths on labor market establishments, their effects on wage structures and the way these things influence the firms to acquire investment decisions in human capital. It was evident from the research that the labor markets where competition is low companies squeeze the labor wages and also spends less on their training. That means training is an essential

component to create a competitive edge in the industry. On the other hand, the firms that squeeze the labor wage might invest in general training as well. As the wages are low the companies have more money to invest in training programs. Thus a low wage might increase the training programs investments of the firms. The research also emphasized a proper training procedure to be followed to attain required research such as training need assessment, training designing and development, effective delivering and controlled evaluation to conduct cost-benefit analysis. These gauging of return of training, by and large, requires productivity's straight measures.

Bartel (1994) gauged the gains in terms of productivity as a result of implementing certain training programs for employees. The study emphasized on the data acquired from the personnel policies and economic features of the companies of manufacturing segments effect of formal trainings courses on productivity of labors were evaluated. The results signify that the Companies that were functioning lower than their perceived level of productivity of labors in 1983 has developed new policies for training programs and implemented these programs in the companies in 1983. The results were largely influenced profitability. The labor productivity has showed a considerable rise in 1983 to 1986. That increases in growth of productivity was quite enough to boost up the overall companies' growth and productivity.

Though the above mentioned positive descriptions were given some authors argue that training and development do not really enhance employee performance. According to Robert(2011) Information changes and whatever is learned today will be obsolete after some time so that the employee performance might not be related with the training they were given, training scheduling time may be too short so that the trainer may rush and will not give adequate training as a result no change will be observed on employees performance in work area, wrong person might give the training and the trainee might not get the required knowledge, as a result training will not cause a change on employee performance. On the other hand employee training and development programs could be also to much expensive for the company and due to that no attention might be given to the employee as it does not have immediate effect on employee performance.

2.2. Employee Training

Effective training and development programs aimed at improving the employees' performance. Training refers to bridging the gap between the current performance and the standard desired performance. Training could be given through different methods such as on coaching and mentoring, peers' cooperation and participation by the subordinates.

Training programs not only develops employees but also help an organization to make best use of their human resources in favor of gaining competitive advantage.

Therefore, it seems mandatory by the firm to plan for such a training programs for its employees to enhance their abilities and competencies that are needed at the workplace, (Jie and Roger, 2005).

Training not only develops the capabilities of the employee but sharpen their thinking ability and creativity in order to take better decision in time and in more productive manner (David, 2006). Moreover it also enables employees to deal with the customer in an effective manner and respond to their complaints in timely manner (Hollenbeck et al., 2004).

Training develops self-efficacy and results in superior performance on job (Svenja, 2007), by replacing the traditional weak practices by efficient and effective work related practices (Kathiravan et al., 2006).

It is all about improving the skills that seems to be necessary for the achievement of organizational goals. Training programs may also help the workforce to decrease their anxiety or frustration, originated by the work on job (Chen et al., 2004). The greater the gap between the skills necessary and those possessed by the workforce, the higher the job dissatisfaction of the workers. Rowden (2002), suggest that training may also be an efficient tool for improving ones job satisfaction, as employee better performance leads to appreciation by the top management, hence employee feel more adjusted with her/his job.

According to Rowden and Conine (2005), trained employees are more able to satisfy the customers and (Tsai et al., 2007), employees who learn as a result of training program shows a greater level of job satisfaction along with superior performance.

2.3. The Importance of Training

Training is important and an imperative tool for the organization to revamp the performance of all the personnel for organizational growth and success. It is beneficial to both employers and employees of an organization. An employee will become more efficient and productive if the employee is trained well. Firms can develop and enhance the quality of the current employees by providing comprehensive training and development. Training is essential not only to increase productivity but also to motivate and inspire workers by letting them know how important their jobs are and giving them all the information they need to perform those jobs (Anonymous, 1998). The general benefits received from employee training are: increased job satisfaction and morale, increased motivation , increased efficiencies in processes, resulting in financial gain, increased capacity to adopt new technologies and methods, increased innovation in strategies and products and reduced employee turnover. This is only a partial listing of the many benefits that result from training. Training that is appropriate to the needs of an organization can add great value.

The purpose of training is mainly to improve knowledge and skills, and to change attitudes or behavior. It is one of the most important potential motivators which can lead to many possible benefits for both individuals and the organization. Changing technology requires that employees possess the knowledge, skills and abilities needed to cope with new processes and production techniques. According to Cole (2002), training can achieve:

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

- 6) Give a feeling of personal satisfaction and achievement, and broaden opportunities for career progression; and
- 7) Help to improve the availability and quality of staff.

2.4. Employee Performance

Brown (2008) defines performance as how well a person completes tasks and also the attitude with which he/she completes the tasks. Armstrong (2006) defined performance management “as a systematic process for improving organizational performance by developing the performance of individuals and teams”. According to Kasau (2014), job performance can be defined in terms of quantifiable outcomes of work behaviors such as amount of sales, numbers sold and also in terms of behavioral dimensions which may include work-related communication, decision making, problem solving among other skills. Simply speaking employee performance means the accomplishment of a given task measured against present known standards of accuracy, competency, cost and speed.

Naveed et al., (2014) shows the importance of training to enhance employee performance to achieve the organizational goals employee performance is important that depends on a variety of factors. But training receives high importance as it improves the skills, capabilities, confidence and competencies. The performances of business organizations rely on the performance of their employees and employees’ performance is the degree to which they accomplish job requirements.

All the employees of an organization are working as a team, where employees work in accordance with their skills and competencies and in coordination with one another to accomplish organizational objectives (Muhammad, 2009). Therefore, employee performance is an important building block of an organization and factors which lay the foundation for high performance must be analyzed by the organizations. Since every organization cannot progress by one or two individual’s effort, it is collective effort of all the members of the organization. Performance is a major multidimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000).

Better performance of a business organization like Bank simply means the capability of the organization to achieve desired results or output more efficiently and effectively. Performance is related to measurable accomplishment or results that primarily address customer. Poor performance of employees in the Bank sector or any organizations is due to factors such as the quality of supervision and the lack of training and development of employees (Muhammad, 2009).

The aim of training is to maximize employees learning of new skill, knowledge, attitudes and behaviors to cope with the demand of dynamic business environments. These principles of employee training contribute to the overall organizational development which is a significant reason for organizations to encourage and promote this important human resource management functions (Hartel et al., 2007). It goes without saying therefore that the training of employees is an issue that has to be faced by every organization.

According to Hawthorne studies and many other research works on productivity of worker highlighted the fact that employees who are satisfied with their job will have higher job performance, and thus supreme job retention, than those who are not happy with their jobs (Landy, 1985). Moreover, it is stated that employees are more likely to turnover if they are not satisfied and hence de-motivated to show good performance. Employee performance is higher in happy and satisfied workers and the management finds it easy to motivate high performers to attain firm targets. (Kinicki and Kreitner, 2007). The employee could be only satisfied when they feel themselves competent to perform their jobs, which is achieved through better training programs.

Recognizing the role of training practices, enable the top executives to create better working environment that ultimately improves the motivational level as well as the performance of the workforce.

According to Leonard-Barton, (1992), an organization that gives worth to knowledge as a source of gaining competitive edge than competitors, should build up system that ensure constant learning, and on the effective way of doing so is training. Pfeffer (1994) highlights that well-trained workforce is more capable of achieving performance targets and gaining competitive advantage in the market. Training is determined as the process of enabling employee to complete the task with greater efficiency, thus considered to be vital element of managing the human

resource performance strategically (Lawler, 1993; Delaney and Huselid, 1996).

The importance of training on the employee performance, through accelerating the learning process, is mentioned in many researches (e.g. McGill and Slocum, 1993; Ulrich et al., 1993; Nonaka and Takeuchi, 1995; DiBella et al., 1996). Employee performance, achieved through training, refers to immediate improvements in the knowledge, skills and abilities to carry out job related work, and hence achieve more employee commitment towards the organizational goals (Huselid, 1995; Ichniowski et al., 1997). Kamoche and Mueller (1998) mentioned that training should leads to the culture of enhancing learning, to raise employee performance and ultimately higher return on investment (in training) for the firm.

Employee's performance is important for the company to make every effort to help low performers. Performance is classified into five elements: Planning, monitoring, developing, rating and rewarding. In the planning stage, Planning means setting goals, developing strategies, and outlining tasks and schedules to accomplish the goals.

Monitoring is the phase in which the goals are looked at to see how well one is doing to meet them. Monitoring refers to continuously measuring performance and providing ongoing feedback to employees and work groups on their progress toward reaching their goals. Ongoing monitoring provides the opportunity to check how well employees are meeting predetermined standards and to make changes to unrealistic or problematic standards. During the developing stage an employee is supposed to improve any poor performance that has been seen during the time frame one has been working at the company.

During planning and monitoring of work, deficiencies in performance become evident and can be addressed. The rating is to summarize the employee performance. This can be beneficial for looking at and comparing performance over time or among various employees. Organizations need to know who their best performers are at the end of the cycle is rewarding stage. This stage is designed to reward and recognize outstanding behavior such as that which is better than expected.

2.5. Factors That Contribute to Enhance Employee Performance

The first thing to remember is that employee performance does not occur in vacuum. We have to take systems perspectives and look those factors that contribute for enhancement of employee performance. Some of these factors are information, resources, incentive, knowledge, capacity, motivation and training and development. In fact, there is an increasing awareness in organizations that the investment in training could improve organizational performance in terms of increased productivity, enhanced quality and market share, reduced turnover, absence and conflict.

It is the above mentioned contradictory ideas and problems that lead the researcher to choose this interesting topic to study. It is also believed that the outcome of the research will benefit those who would like to study further in the area of the effect that training and development have on employee performance.

According to Amisano (2009), employee performance may be related to numerous factors within the workplace, such as overall job satisfaction, knowledge, and management. But there is a definite relationship between training and performance, as training programs can address numerous problems that relate to poor performance.

Knowledge

Training programs increase an employee's job knowledge. An increase in job knowledge means that the employee will feel more comfortable doing his/her job and will perform at a high level.

Satisfaction

Job satisfaction can come from feeling comfortable within the organization, job proficiency and even from the knowledge that an employee can work hard and get promoted. Training programs can contribute to all of these factors and lead to more satisfied employees who perform at exceptional levels.

Innovation

Training employees about the organization, where each employee fits in the organization and how the organization fits into its overall industry creates innovation. In other words, employees

who have a knowledge framework, delivered through training, are creative in solving problems, both in the short and long term.

Career Orientation

When training programs are offered as a method to progress in one's career, they also have an effect on how an employee performs. Employees who know they have a future with the organization are more likely to be high performers.

Goal Orientation

Effective training targets the gap between what is expected and what is currently being done. This human performance orientation, especially if delivered through training, makes an aware of her/his goals and how they will reach them.

2.6. The Relationship Between Training and Employees Performance

Most of the previous studies provide the evidence that there is a strong positive relationship between human resource management practices and organizational performance (Purcell et al., 2003). As Guest (1997) mentioned in his study that training and development programs as one of the vital human resource management practice, positively affects the quality of the workers knowledge, skills and capability and thus results in higher employee performance on job. This relation ultimately contributes to supreme organizational performance.

The result of Farooq and Aslam (2011) study depicts the positive correlation between training and employee performance as $r=.233$. Thus, we can predict from this finding that it is not possible for the firm to gain higher returns without best utilization of its human resource, and it can only happen when firm is able to meet its employee's job related needs in timely fashion. Training is the only ways of identifying the deprived need of employees and then building their required competence level so that they may perform well to achieve organizational goals.

Moreover, the result of the study of Sultana et al. (2012) conducted in telecom sector of Pakistan, states the R^2 as .501 which means that 50.1% of variation in employee performance is brought by training programs. Further, the T-value was 8.58 that explain training is good predictor of employee performance. As depicted by the work of Harrison (2000), learning through training

influence the organizational performance by greater employee performance, and is said to be a key factor in the achievement of corporate goals. However, implementing training programs as a solution to covering performance issues such as filling the gap between the standard and the actual performance is an effective way of improving employee performance (Swart et al., 2005).

According to Swart et al.(2005), bridging the performance gap refers to implement a relevant training intervention for the sake of developing particular skills and abilities of the workers and enhancing employee performance. He further elaborate the concept by stating that training facilitate organization to recognize that its workers are not performing well and thus their knowledge, skills and attitudes needs to be molded according to the firm needs. There might be various reasons for poor performance of the employees such as workers may not feel motivated any more to use their competencies, or may be not confident enough on their capabilities, or they may be facing work- life conflict. All the above aspects must be considered by the firm while selecting most appropriate training intervention that helps organization to solve all problems and enhance employee motivational level to participate and meet firm expectations by showing desired performance.

As mentioned by Swart et al.(2005) this employee superior performance occur only because of good quality of training program that leads to employee motivation and their needs fulfillment. According to Wright and Geroy (2001), competencies changes through effective training programs. It not only improves the overall performance of the employees to effectively perform the current job but also enhance the knowledge, skills an attitude of the workers necessary for the future job, thus contributing to superior organizational performance. Through training the employee competencies are developed and enable them to implement the job related work efficiently, and achieve firm objectives in a competitive manner.

However, employee performance is also effected by some environmental factors such as corporate culture, organizational structure, job design, performance appraisal systems, power and politics prevailing in the firm and the group dynamics. If the above mentioned problems exist in the firm, employee performance decreases not due to lack of relevant knowledge, skills and attitude, but because of above mentioned hurdles. To make training effective and to ensure positive effect of training on employee performance these elements should be taken into consideration Wright and Geroy (2001). Besides, Eisenberger et al. (1986) stated that workers feel more

committed to the firm, when they feel organizational commitment towards them and thus show higher performance.

Bartel (1994), reports that there is a positive correlation between effective training program and employee productivity, however to make it possible, (Swart et al., 2005); it is the responsibility of the managers to identify the factors that hinders training program effectiveness and should take necessary measures to neutralize their effect on employee performance. In addition, Ahmad and Bakar (2003), concluded that high level of employee commitment is achieved if training achieve learning outcomes and improves the performance, both on individual and organizational level.

Generally, it can be debated that the effect of training program on employee outcomes such as motivation, job satisfaction and organizational commitment, did not received much attention so far. Rare work was done to test whether firms can affect their workers attitude, through proper training interventions. According to Lang (1992) training should be planned in such a way that it results in organizational commitment. On the other hand Gaertner and Nollen (1989) proposed that employees' commitment is a result of some human resource practices, that is, succession planning and promotions, career development and training opportunities. All these practices, when achieved results in greater employee performance. Moreover, Meyer and Smith (2000), investigate the link between human resource management practices and organizational commitment, so as to discover the causes of effective employee performance.

Although the above literature provides the evidences regarding the benefits of training and its positive influence on employee performance, (Cheramie et al. 2007), argued that, management, mostly feel hesitant while investing in its human resource due to various reasons. Sometime, in spite of receiving effective and timely training programs, employee are intended to cash it for the sake of their own market value and employment opportunity , or willing to change job just because of higher salaries, and thus, firm investment in training results as a cost rather than profit. It is also observed that due to the resistance of the organization towards offering training, propels individuals to invest themselves for their career development and greater performance (Baruch, 2006).

As mentioned by Arnoff (1971), training sessions accelerate the initiative ability and creativity of the workforce and facilitate to avoid human resource obsolescence that may occur because of

demographic factors such as age, attitude or the inability to cope with the technological changes. Obisi (2001) reported that training is a systematic process of enhancing the knowledge, skills and attitude, hence leads to satisfactory performance by the employees at job. He further mentioned that the need and objectives of the training program should be identified before offering it to the employees.

Scott, Clothier and Spiegel (1977) argued that training is the crux of better organizational management, as it makes employees more efficient and effective. They further elaborated that training practice is have a strong bond with all other human resource practices as (Mamoria, 1995), it enables employees to develop themselves within the firm and raise their market value in the market. Moreover, training supports to shape employees' job related behavior and facilitate them to participate for the success of the organization and ultimately firm gets higher return due to superior performance of its employees. Mamoria (1995) further mentioned that a well-trained worker is able to make a best use of organizational resources along with minimum level of wastages. As stated by Ohabunwa (1999), when employees are well trained organization can delegate responsibility and authority to them with full confidence of ensuring organizational success.

2.7. Theoretical framework

Being the intellectual property of the firm, employees proves to be a good source of gaining competitive advantage (Houger, 2006), and training is the only way of developing organizational intellectual property through building employees competencies. Hence on the basis of the above review of literature, following proposition could be drawn:

Proposition: Those employees who receive periodical effective training sessions are more able to perform well on the job by increasing the quality of work, hence achieving organizational goals and gaining competitive advantage. Amir and Amen (2013)

According to Amir and Amen (2013), the relationship between training and development and employee performance can be depicted in the following model.

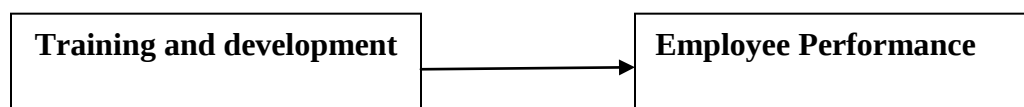


Figure 2.1 Relationship between T and D and employee performance.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Research Design

Research design is a systematic process of identifying and formulating by setting objective and method for collecting, editing and tabulating data to find solution. This study used quantitative research approach for data collection, analyzing and interpreting the data collected to better understand the research problem. It is assumed that quantitative method is sufficient by itself to capture the details of the situation. The study has used quantitative research method for conducting the research as it will help in finding a better result.

The research is descriptive because the researcher describes how employees and managers of the bank perceive training and development to enhance employee performance after analyzing the results of questioner to be collected from the research participants.

3.2. Data Type and Source

Primary data was gathered through distribution of questionnaires which contain critical questions that is organized and prepared by the researcher in order to obtain the relevant data. Secondary sources of data were also included from training and development researches, books, journals and Banks previous report and publications.

3.3. Data Collection Technique

To examine what the bank's employees and managers perception toward the effect of training and development on employee performance in Bunna international bank S.C. a self administered questioner were developed and distributed for data collection.

The questioner was designed in such a way that participants will have freedom to express their views in response to the question asked without any influence or clues from the researcher.

The questionnaire was designed on Likert five point Rating Scale (1=Strongly Disagree, 2=

Disagree, 3=Neutral, 4= Agree and 5=Strongly Agree). To test and see the effect of the variables the data will be analyzed using SPSS software.

The design was based on the structure which can serve to identify the research's purpose that was analyzed from gathered data through the questionnaire. It has two main parts: the first part includes one section which addresses age, gender, educational level, marital status, job title and experience; the second part which contain three section includes 34 items which used to measure the effect of training and development toward enhancement of employee performance and the final section is prepared for supervisory position while the first two sections was prepared for all respondents.

3.4. Target Population

With this context the population of this study is employees and managers of Bunna international bank S.C. The total population is spread all over the country. The target population of the study is mainly clerical staffs of the bank including Managers & supervisors working in head office and all Addis Ababa branches for the purpose of convenience that has 400 (four hundred) employees.

These groups were selected as respondents because the organizations productivity is shouldered in these work forces and the change of technology and other factors which drives organizations to invest a significant amount in training and developments. Thus, the study excludes the non-clerical staffs of the Bank.

3.5. Sampling Technique

A representative samples were taken using a purposive sampling technique from the target population to distribute the questioner.

3.6. Sample Size

A total of 105 respondents were chosen as there was time and cost limitation to take the total population. As described above, the scope of the research was limited to 400 clerical staffs of BIB found in Addis Ababa. The sample size was determined based on the table shown below (Naresh K. Malhotra. 2009) and only 80 employees were enough, but to cover defective questioners the researcher distributed additional 25 questioners. The sample were proportionately distributed and it was comprised of 10 from Human Resource staffs, 15 from different directorates and 35 from city branches and head office supervisors as the performance of employee is measured by them most of the time and the remaining 45 respondents were from city branches.

Table 3.1: Sample Size Determination

Population Size	Sample Size		
	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10000	80	200	315
10001-35000	125	315	500
35001-150000	200	500	800

Naresh K. Malhotra. (2009).

3.7. Data Analysis

Representations like tables are used to ensure easy and quick interpretation of data. In order to ensure logical competence and consistency of responses, data editing was carried out each day by the researcher. The items were grouped based on the responses given by the respondents and coded. Once editing has done, data were analyzed quantitatively using version 20.0-SPSS software. The techniques for quantitative data analysis were the frequency distribution and percentages besides regression and correlation which used to determine the proportion of

respondents choosing the various responses. In general the data obtained is analyzed by using quantitative analysis method to show relationship between the dependent variable employee performance and independent variable training and development. SPSS software also helped the researcher to show the purpose of manipulating the analysis in showing the effect of training and development and enhanced employee Performance.

3.8. Reliability Test

Cronbach's alpha is a coefficient of reliability and it is commonly used as a measure of the internal consistency or reliability of a psychometric test score for a sample of examinees. Hence, according to Lombard (2010), coefficients of .90 or greater are nearly always acceptable, 0.80 or greater is acceptable in most situations, and 0.70 may be appropriate in some exploratory studies for some indices. By tracing this literature the researcher tested the internal consistency of the items which were developed for respondents. Therefore, as shown in table 3.2 the reliability of the whole items is 0.858 which means the whole items were reliable and acceptable because as Lombard stated coefficients of .80 or greater is acceptable in most situations.

Table 3.2: Reliability test

Cronbach's Alpha	Number of Items
.858	34

3.9. Ethical Consideration

The ethical issues for this research is mainly related to all the data collected from the Bank, official letter from the college asking for a permission to access for data was provided to the Bank. Participant's willingness to respond genuinely for provided questioners was communicated and after data collection Participants' response confidentiality and anonymity has guaranteed, confidentiality about the information obtained from the bank was guaranteed according to the bank's policy. As much as possible ethical language was used in the questioners constructed and distributed to the respondents.

CHAPTER FOUR

DATA PRESENTATION, NTERPRETATION AND ANALYSIS

4.1. Overview of Training and Development at Bunna International Bank S.C

Initially, there was no responsible work unit in the Bank for training and development for about three years since the date of establishment. However, it is expected that BIB has been involved in delivering trainings especially for new employees after certain period of its establishment.

After BIB starts to compete in the banking industry and expands its branches as well as its products, it was clear to the management of bank that training could be used widely to induct new employees and improve performance of existing employees.

At that time trainings were administered directly by human resource and facility management directorate. Later training and development division has been included in the bank's organizational structure. Since then different types of training programs are being given frequently for employees of the bank in an organized way. However, this fragmented form of training is not appreciated by the management and employees of the bank. So, that it is found to be necessary to rearrange the companies training and development division in more organized form since early 2013. From this we can understand that training and development division is a recent phenomenon in Bunna international Bank S.C.

Hence, now a day the bank has its own training and development division that operates training and development related activities with its own training division head (even if it is vacant) and training expert (one staff) under human resource and facility management directorate to accomplish the training and development activities. The training and development division develops training manual, conducts training need assessment, designs training programs and follow up the overall raining process.

As explained above, to have healthy, productive and effective employee, the vision of the bank must be considered and the training and development division must contribute its own role in achieving the Banks' mission and vision. The point here is whether BIB will achieve this or not will depend, to a large extent on how efficient and effective its employees are. To realize the vision and mission, it is imperative for BIB to train and constantly update the skills of its

employees, as well as knowing the impact of training and development on employee performance.

This in turn leads to make its employees competent in a rapidly changing business environment in the banking industry. Therefore, the aim of this study is to assess the relationship between employee performance and training and development. The presentation and discussion of the findings are done in accordance to answers given by employees of the bank for questioners distributed to selected employees. This chapter presents the data, which have been collected and analyzed using tables for its interpretation in relation to the research questions.

4.2. Response Rate

Based on the sampling procedure described in chapters three 105 questionnaires were distributed to 13 branches and 6 department staffs. And all questionnaires were returned as shown in the following table;

Table 4.1 Summery of questionnaire's distribution

Item	Work unit	Distributed	Returned	Non-response
1	HR and FM Directorate	10	10	-
2	Information Systems Directorate	5	5	-
3	Credit Directorate	7	7	-
4	International Banking Directorate	4	4	-
5	Product development Directorate	5	5	-
6	Audit Directorate	4	4	-
7	Main Branch	9	9	-
8	Hayahulet Mazoriya Branch	7	7	-
9	Bole Aserasimint Branch	6	6	-
10	Bole Medhanialalem Branch	6	6	-
11	Mesalemia Branch	5	5	-
12	Genet Branch	6	6	-
13	Beklobet Branch	6	6	-
14	Lideta Branch	4	4	-
15	Mehal Merkato Branch	7	7	-
16	Gerji Branch	3	3	-
17	Sholla Gebeya Branch	2	2	-
18	Olympiya Branch	5	5	-
19	Ayer Tena Branch	4	4	-
	Total questionnaire's	105	105	

4.3. Characteristics of Respondents

The demographic characteristic of the participants are summarized as shown in the following table and has elaborated subsequently.

Table 4.2 Summery of respondents' characteristics;

Gender mix of Respondents	Male	74	74%
	Female	26	26%
	Total	100	100%
Age distribution of Respondents	18-30	29	29%
	31-45	63	63%
	46-60	8	8%
	Total	100	100%
Educational Qualification of Respondents	Master's Degree	21	21%
	Degree	77	77%
	Diploma	2	2%
	Total	100	100%
Marital Status of Respondents	Married	70	70%
	Single	30	30%
	Total	100	100%
Position of Respondents in BIB	Managerial	35	35%
	Clerical	65	63%
	Total	100	100%
Service Year of Respondents in BIB	Above 5 Years	19	19%
	3-4 Years	28	28%
	1-2 Years	26	26%
	Less than 1 Year	27	27%
Total		100	100%

4.3.1. Gender Mix of Respondents

It is necessary to know the gender mix of the sample respondents. As a result the collected questioner indicates that 74% of the respondents were male while the remaining 26% were Female. Thus, dominance of male respondent's over female was observed.

4.3.2. Age of Respondents

It is the researcher's intention to know the age distribution of the respondents in the bank as it is very important to categorize employees of the bank age wise.

Based on the data obtained from the questionnaire, 63 respondents were between 31- 45 years representing 63% formed the majority. The next largest number of respondents was between the ages of 18-30 representing 29% and they were 29 in number. The third group of respondents was fall under the age category of 46-60 years, which represent 8% or 8 employees from the total respondents. From the data, it is clear that most of the employees of the bank are young and it is a great opportunity for the bank to perform better and need to give attention for training and development.

4.3.3. Educational background

It was also necessary for the study to determine the educational levels of the respondents as that could determine what kind of training will be most appropriate for employees of the Bank.

From the collected data it can be seen that respondents hold a range of educational qualifications from college diploma to master's level. Majority of the sample group were holders of first degree accounted 77 of the respondent's that is 77%. And 21 out of the respondents were master graduates which accounts 21%. Among the respondents there are 2 in number or 2% diploma holder. This shows that people with different educational qualifications are working in the Bank. This implies that the bank needs to know whether employees with different educational background have different opinion, preference and interests about training and development effect on employee performance though their field of study matters for training and development consideration.

4.3.4. Respondents' Marital Status

The marital status parts of the questioner inquire respondents to give their response of marital status. Accordingly, majority of the respondents' are married which represents 70% or 70 of the total respondents. Whereas, the rest 30% were single. However, the researcher could not find any respondents under the categories of separated, widowed or divorced.

4.3.5. Current Employment Position

Respondents were also asked to indicate their current position in BIB. BIB as a company involved in private banking service provider and related activities over the past few years developed its own organizational structure that flows various job position categories namely non-clerical, clerical and managerial. The employees are assigned to these positions based on their skill, knowledge, educational background, work experience, their employment job title and competencies in the bank.

Accordingly, it was revealed that out of 100 respondents 65 of them are clerical, which account 65%, whereas 35 of them are managerial accounts 35% of the total respondent and there are no non-clerical respondents as the questioner distributed does not include them.

4.3.6. Years of service in the Bank

The study also sought to find out the number of years the sample respondents have rendered to the bank which enable us to put their responses into proper perspective. Accordingly, the respondents have served the bank from less than one year to above 5 years since the bank is now on its 6th year from establishment. This means the bank has a blend of experienced and young professionals who require constant refreshment training to update their skills and perform on the job. It can be seen that respondents who have served form 3-4 years representing 28% that formed the majority whilst respondents who have served for less than one year followed with a frequency of 27 representing 27%. Those who have served the bank from 1-2 years range 26 which represent 26% and the remaining who have served for 5 and above years make 19% which are 19 in number.

4.4. Research findings

A total of 105 questionnaires were distributed and all were received, out of which 5 questionnaires were discarded due to missing data. Therefore, 100 questionnaires were considered and analyzed for this study. The study aims at assessing the effect of training and development on employee performance and the data received from the respondents analyzed

with the help of SPSS-20. Correlation and regression analysis are performed for measuring the (independent variable) that is, effect of training and development (dependent variable) on employee performance. Accordingly, the following result has obtained and summarized.

The first question in the questionnaire asked whether there is a separate department/division responsible for manpower training in the organization, majority of the respondents as indicated in table 4.3 that is 59% agreed Bunna bank has a separate division responsible for training and development, while 28% of them disagree for the existence of the division/department and 13% of the total respondents remained neutral about the existence of the division.

Table 4.3: There is a separate department/division responsible for manpower training in BIB.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	20	20.0	20.0	20.0
Agree	39	39.0	39.0	59.0
Neutral	13	13.0	13.0	72.0
disagree	20	20.0	20.0	92.0
Strongly disagree	8	8.0	8.0	100.0
Total	100	100.0	100.0	

Table 4.4: Selection of employee for training is made on professional way.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly agree	8	8.0	8.0	8.0
agree	40	40.0	40.0	48.0
Neutral	41	41.0	41.0	89.0
disagree	9	9.0	9.0	98.0
Strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

In the above table it is also identified that most of the respondents or 48% of them agree with the selection of employee for training is made on professional way in BIB. On the contrary only 11% of the respondents are not agreeing on selection of employee for training is made on professional way while 41% remain neutral.

Table 4.5: Since I joined BIB I did not participate in any form of training.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly agree	23	23.0	23.0	23.0
agree	12	12.0	12.0	35.0
Neutral	4	4.0	4.0	39.0
disagree	41	41.0	41.0	80.0
Strongly disagree	20	20.0	20.0	100.0
Total	100	100.0	100.0	

In the above table it is identified that 35% of the respondents agree with the question, which means they have never participated in any type of training since they joined the bank. On the contrary, majority of them or 61% disagree with question, which means they have already taken one or more training/s and only 4% of the respondents remain neutral.

Table 4.6: I sponsored myself at least once for further studies to acquire new skills, knowledge and abilities as long as I employed in BIB.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	10	10.0	10.0	10.0
agree	39	39.0	39.0	49.0
neutral	18	18.0	18.0	67.0
disagree	17	17.0	17.0	84.0
strongly disagree	16	16.0	16.0	100.0
Total	100	100.0	100.0	

In the above table it is identified that most of the respondents 49% of them agree that they are sponsoring themselves to acquire new skill, knowledge or abilities while they are employed at BIB. On the contrary, only 33% of the respondents disagree with the question and 18% remain neutral.

Table 4.7: The management request feedback from trainees during their training process

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	11	11.0	11.0	11.0
agree	37	37.0	37.0	48.0
Valid neutral	33	33.0	33.0	81.0
disagree	13	13.0	13.0	94.0
Strongly disagree	6	6.0	6.0	100.0
Total	100	100.0	100.0	

In the above table it is observed that most of the respondents 48% of them agree with the requisition that management of the bank collects feedback from trainees during the training process in BIB. On the contrary only 19% of the respondents disagree with the question raised and 33% remain neutral.

Table 4.8: The management request feedback from trainees before and after training

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	9	9.0	9.0	9.0
agree	20	20.0	20.0	29.0
Valid neutral	37	37.0	37.0	66.0
disagree	28	28.0	28.0	94.0
strongly disagree	6	6.0	6.0	100.0
Total	100	100.0	100.0	

In the above table it is also identified that most of the respondents 29% of them agree with the question that the management request feedback after training is given in BIB while 34% on the contrary disagreed with the question and 37% remain neutral.

Table 4.9: The Bank is good in providing training program such as class room trainings, seminars, workshops frequently

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	6	6.0	6.0	6.0
agree	39	39.0	39.0	45.0
Valid neutral	30	30.0	30.0	75.0
disagree	25	25.0	25.0	100.0
Total	100	100.0	100.0	

In the above table it is also identified that most of the respondents 45% of them agree on the issue that the bank is good in providing training program like class room trainings, workshops and Seminars frequently and among all 25% disagreed and 30% remained neutral.

Table 4.10: Trainers who deliver the required training are competent enough

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	8	8.0	8.0	8.0
agree	46	46.0	46.0	54.0
Valid neutral	30	30.0	30.0	84.0
disagree	16	16.0	16.0	100.0
Total	100	100.0	100.0	

Table 4.10 shows the trainee's opinions on trainers who deliver the required training are competent enough. So that 54% of the respondents agreed and 16% disagreed while the remaining 30% are neutral on the trainer's competency. So trainers of the bank are capable to transfer the required knowledge to the trainees.

Table 4.11: I feel that my level of participation was high at the time of training.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	16	16.0	16.0	16.0
agree	35	35.0	35.0	51.0
Valid neutral	45	45.0	45.0	96.0
disagree	2	2.0	2.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

According to the above table 51% agreed 4% disagreed and the remaining 45% stayed neutral on giving their opinion on the level of their participation during training sessions.

Table 4.12: Overall am satisfied with the training program/s of BIB.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	6	6.0	6.0	6.0
agree	42	42.0	42.0	48.0
neutral	35	35.0	35.0	83.0
disagree	8	8.0	8.0	91.0
strongly disagree	9	9.0	9.0	100.0
Total	100	100.0	100.0	

In response to knowing their overall satisfaction of participants on training program/s which is given by BIB 48% of the respondent agreed that they were satisfied and 17% answered as they were not satisfied while the remaining 35% stayed neutral.

Table 4.13: The training provided by the organization helped me to perform my work quickly and efficiently.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	4	4.0	4.0	4.0
agree	58	58.0	58.0	62.0
neutral	32	32.0	32.0	94.0
disagree	4	4.0	4.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

It is possible to see 62% of the respondents agreed with the training provided by the organization helped them to perform their work quickly and efficiently while only 6% said that they don't agree with the question and 32% of the respondents remained neutral.

Table 4.14: Because of the knowledge, skills and attitude that received from the training I can accomplish activities without waste

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	5	5.0	5.0	5.0
agree	56	56.0	56.0	61.0
neutral	29	29.0	29.0	90.0
disagree	8	8.0	8.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

In the above table it is also identified that most of the respondents 61% of them agree with the received knowledge they can accomplish activities without waste while 10% disagree 29% of them remained neutral.

Table 4.15: I feel that training enable me to perform my work with greater accuracy and precision.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	13	13.0	13.0	13.0
agree	56	56.0	56.0	69.0
Valid neutral	21	21.0	21.0	90.0
disagree	8	8.0	8.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

In response to identify their feeling about weather training enabled them to perform their work with greater accuracy and precession 69% of the respondents agreed and only 10% disagreed while the rest 21% remained neutral.

Table 4.16: Because of the good training practices of the Bank, I am committed for my work and for the organization.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	5	5.0	5.0	5.0
agree	43	43.0	43.0	48.0
Valid neutral	34	34.0	34.0	82.0
disagree	16	16.0	16.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

In the above table 48% of the respondents showed their agreement on the commitment they have for their work and the Bank because of the training program they got while 18% disagreed and 34% remained neutral.

Table 4.17: I feel a strong sense of belongingness to this bank since it has a good training methods to acquire the needed skills and to become loyal for different activities.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	10	10.0	10.0	10.0
agree	37	37.0	37.0	47.0
neutral	37	37.0	37.0	84.0
disagree	12	12.0	12.0	96.0
strongly disagree	4	4.0	4.0	100.0
Total	100	100.0	100.0	

In the above table 47% of the respondents showed their agreement on their strong sense of belongingness they have to the bank because of the good training methods to acquire the needed skills and to become loyal for different activities, while 16% were against the question and 37% remained neutral.

Table 4.18: I think that active participation during training has a positive effect on my commitment to the Bank and for my work

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	21	21.0	21.0	21.0
agree	51	51.0	51.0	72.0
neutral	18	18.0	18.0	90.0
disagree	8	8.0	8.0	98.0
strongly disagree	2	2.0	2.0	100.0
Total	100	100.0	100.0	

In the above table 72% of the respondents showed their agreement on the positive effect of active participation in training programs on their commitment while 10% disagreed and 18% remained neutral.

Table 4.19: I have a good relationship with my trainer to learn more in the training so that I will ask what I did not understand to increase my competence.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	10	10.0	10.0	10.0
agree	43	43.0	43.0	53.0
neutral	34	34.0	34.0	87.0
disagree	7	7.0	7.0	94.0
strongly disagree	6	6.0	6.0	100.0
Total	100	100.0	100.0	

In the above table 53% of the respondents showed their good relationship with the trainers by indicating their agreement to the above question while 13% disagreed and 34% remained neutral.

Table 4.20: I am satisfied with the training condition including the material and facility of the training that the Bank provides to increase my work commitment

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	6	6.0	6.0	6.0
agree	39	39.0	39.0	45.0
neutral	40	40.0	40.0	85.0
disagree	10	10.0	10.0	95.0
strongly disagree	5	5.0	5.0	100.0
Total	100	100.0	100.0	

In the above table 45% of the respondents showed their satisfaction on the materials and facilities provided to them at the time of training are adequate to enable them to enhance their work commitment while 15% disagreed and 40% remained neutral.

Table 4.21: I feel I am better-off to rely on myself for a solution when things are looking difficult in my work because of the knowledge and attitude that I learned from the training

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly agree	5	5.0	5.0	5.0
agree	36	36.0	36.0	41.0
neutral	47	47.0	47.0	88.0
disagree	9	9.0	9.0	97.0
strongly disagree	3	3.0	3.0	100.0
Total	100	100.0	100.0	

The above table shows 41% of the respondents agreed that they can give solution for problems faced in the work area based on the knowledge acquired from the training and 12% of the respondents disagreed and 47% remained neutral.

Table 4.22: I continue to work diligently for this Bank because I don't believe another organization could offer me such a kind of an interesting training

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly agree	14	14.0	14.0	14.0
agree	43	43.0	43.0	57.0
Valid neutral	24	24.0	24.0	81.0
Strongly disagree	19	19.0	19.0	100.0
Total	100	100.0	100.0	

The above table shows 57% the respondents will continue to work for the bank because of the training/s offered for them could not be found in another organization and the 24% of them remained neutral and 19% disagreed.

Table 4.23: Because of good training practice of BIB I feel I have a moral obligation to respond to the needs of the customer.

	Frequency	Percent	Valid Percent	Cumulative Percent
strongly agree	8	8.0	8.0	8.0
agree	41	41.0	41.0	49.0
Valid neutral	33	33.0	33.0	82.0
disagree	15	15.0	15.0	97.0
strongly disagree	3	3.0	3.0	100.0
Total	100	100.0	100.0	

In the above table 49% agreed that they have moral obligation to answer the needs of their customer and 18% disagreed while 33% remained neutral.

Table 4.24: Since the culture of the Bank is good enough to provide training on time, I am so specialized in the services that will be delivered to the clients of the Bank.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	2	2.0	2.0	2.0
agree	29	29.0	29.0	31.0
neutral	47	47.0	47.0	78.0
disagree	13	13.0	13.0	91.0
strongly disagree	9	9.0	9.0	100.0
Total	100	100.0	100.0	

In the above table it is also identified that 31% of the respondents agreed that because of the bank's good culture of training they have got specialized in the service that will be delivered to the client .on the contrary 22% disagreed and the remaining 47% remained neutral.

Table 4.25: Due to best training and development program I believe the bank's performance has enhanced.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	4	4.0	4.0	4.0
agree	36	36.0	36.0	40.0
neutral	41	41.0	41.0	81.0
disagree	12	12.0	12.0	93.0
strongly disagree	7	7.0	7.0	100.0
Total	100	100.0	100.0	

The above question is raised to measure and to know whether the banks performance is enhanced due to training and development or not. Accordingly 40% of the respondents agreed with the question and 19% disagreed while 41% remained neutral.

Table 4.26: Because of enhanced employee performance due to training and development program the bank's profitability has increased

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	11	11.0	11.0	11.0
agree	35	35.0	35.0	46.0
neutral	37	37.0	37.0	83.0
disagree	10	10.0	10.0	93.0
strongly disagree	7	7.0	7.0	100.0
Total	100	100.0	100.0	

The above table shows the respondents answer for the question raised to measure and to know whether the bank's profitability is increased because of enhanced employee performance through training and development program. Accordingly 46% of the respondents agreed with the question and 17% disagreed while 37% remained neutral.

The following ten questions were prepared for supervisors only to check their involvement and opinion on the overall training process of the Bank. And they were 35 respondents in number.

Table 4.27: The management makes use of the trainees' feedback to improve the effectiveness of the training

	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	14	14.0	40.0	40.0
Neutral	9	9.0	25.7	65.7
Valid Disagree	8	8.0	22.9	88.6
Strongly disagree	4	4.0	11.4	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table the question is raised to measure and to know whether the banks management use the feedback obtained from trainees for improvement of training. Accordingly only 40% of the respondents agreed with the question and 34.3% disagreed while 25.7% remained neutral.

Table 4.28: As supervisor I was involved in the designing and development of training programs in BIB

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly agree	2	2.0	5.7	5.7
Agree	8	8.0	22.9	28.6
Valid Neutral	12	12.0	34.3	62.9
disagree	8	8.0	22.9	85.7
strongly disagree	5	5.0	14.3	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

The above question is asked to know the supervisors opinion whether they involve on training and development designing process. Accordingly 28.6% agreed that they involved in the process and 37.2% disagreed and the remaining 34.3% stayed neutral.

Table 4.29: The delivery method that the Bank used is convenient to get the necessary knowledge and skills.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Agree	18	18.0	51.4	51.4
neutral	10	10.0	28.6	80.0
disagree	4	4.0	11.4	91.4
strongly disagree	3	3.0	8.6	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table the question is raised to measure and to know whether the banks supervisors think that the delivery method that the bank used is convenient for the employees of the bank to get necessary knowledge and skills. Accordingly 51.4% of the supervisors agreed, 20% disagreed and 28.6% of them remain neutral.

Table 4.30: In my opinion, training has helped to improve employee performance

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly agree	9	9.0	25.7	25.7
agree	14	14.0	40.0	65.7
neutral	6	6.0	17.1	82.9
disagree	4	4.0	11.4	94.3
strongly disagree	2	2.0	5.7	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table the question is raised to measure and to know whether the supervisor believed training helped employee to improve their performance. Accordingly 65.7% of them agreed with the idea while 17.1% disagreed and 17.1% remained neutral.

Table 4.31: Whenever the performance evaluation report shows that the employee performs poorly, an employee is given the required training.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	agree	7	7.0	20.0	20.0
	neutral	14	14.0	40.0	60.0
	disagree	14	14.0	40.0	100.0
	Total	35	35.0	100.0	
Missing	System	65	65.0		
Total		100	100.0		

It is possible to see from the above table only 20% of the respondents agreed that employees with poor performance are given the required training, while 40% of them disagreed and 40% remained neutral in answering the question.

Table 4.32: I can say that after training employees in BIB are working their regular activities very well

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	2	2.0	5.7	5.7
	agree	18	18.0	51.4	57.1
	neutral	8	8.0	22.9	80.0
	disagree	4	4.0	11.4	91.4
	strongly disagree	3	3.0	8.6	100.0
	Total	35	35.0	100.0	
Missing	System	65	65.0		
Total		100	100.0		

In the above table the question is raised to measure and to know the supervisors opinion how the employees of the bank perform after training. Accordingly 57.1% of them said they perform well while 20% disagreed and 22.9% remained neutral.

Table 4.33: In my opinion, training at BIB is planned and systematic

	Frequency	Percent	Valid Percent	Cumulative Percent
agree	10	10.0	28.6	28.6
neutral	10	10.0	28.6	57.1
Valid disagree	14	14.0	40.0	97.1
strongly disagree	1	1.0	2.9	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table the question is raised to know if training is planned and systematic in BIB. Accordingly 28.6% of the respondents agreed with the question and 42.9% disagreed while 28.6% remained neutral.

Table 4.34: I think that the basis for the selection of trainees the Bank used is Performance evaluation result.

	Frequency	Percent	Valid Percent	Cumulative Percent
agree	2	2.0	5.7	5.7
Valid neutral	20	20.0	57.1	62.9
disagree	13	13.0	37.1	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table only 5.7% of the supervisors agreed that the basis for the selection of trainees the Bank used is Performance evaluation result. However, 37.1% disagreed and 57.1% remained neutral.

Table 4.35: I think that the basis for the selection of trainees the Bank used is Seniority

	Frequency	Percent	Valid Percent	Cumulative Percent
agree	4	4.0	11.4	11.4
neutral	21	21.0	60.0	71.4
Valid disagree	8	8.0	22.9	94.3
Strongly disagree	2	2.0	5.7	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

The above table shows that only 11.4% of the supervisors agreed that the basis for the selection of trainees the Bank used is seniority. However, 28.6% disagreed and 60% remained neutral.

Table 4.36: I think that the basis for the selection of trainees the Bank used is experience

	Frequency	Percent	Valid Percent	Cumulative Percent
agree	8	8.0	22.9	22.9
neutral	20	20.0	57.1	80.0
Valid disagree	6	6.0	17.1	97.1
strongly disagree	1	1.0	2.9	100.0
Total	35	35.0	100.0	
Missing System	65	65.0		
Total	100	100.0		

In the above table it is also identified that 22.9 % of the respondents agreed that the basis for the selection of trainees the Bank used is experience while 20% of them disagreed and 57.1% remained neutral.

4.5. Correlation analysis

Correlation refers to synonym for association or the relationship between variables.

Correlation coefficient is a statistical measure of the degree to which change to the value of one variable predict change to the value of another. Higher correlation value indicates stronger relationship between both sets of data (Coetzee, 2003). In positively correlated variables, the value increases or decreases in tandem.

Correlation coefficients are expressed as value between +1 and -1. A coefficient of +1 indicates a perfect positive correlation. A coefficient of - 1 indicates a perfect negative correlation. In negatively correlated variables, the value of one variable increases as the value of the other decreases.

Accordingly, in this study correlation result is given on table 4.40 which shows the relationship between the independent variable (training and development) and dependent variable (employee performance). To interpret the result it is better to see (Franzblu, 1985) definition which has five classical rules as shown below in interpreting the coefficient of correlation between two different variables.

- (r=0 to 0.20) indicates negligible or no correlation
- (r=0.2 to 0.40) indicates positive but low degree of correlation
- (r=0.4 to 0.60) indicates positive moderate degree of correlation

- ($r=0.6$ to 0.80) indicates positive and marked degree of correlation
- ($r=0.8$ to 1.00) indicates positive and high degree of correlation

Table 4.37: Correlation analysis of training and employee performance

		Employee Training	Employee Performance
Employee Training	Pearson Correlation	1	.643**
	Sig. (2-tailed)		.000
	N	100	100
Employee performance	Pearson Correlation	.643**	1
	Sig. (2-tailed)	.000	
	N	100	100

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

Employee training was correlated with value of variable of employee performance with training and development relationship was observed. The above table shows a correlation between the effect of employee training and enhanced employee performance resulted into strong positive relation with $r = 0.643$, p is significant at 0.01 levels. This value of correlation indicates a stronger relationship and significant at p value 0.01.

4.6. Regression analysis

The result was tested using regression analysis. Regression is a measure of association between two quantitative variables.

The beta value is a measure of how strongly predictor variable influences the criterion variable. So that the beta value of this study as indicated in table 4.38 below is 0.643 which indicates that a change of one standard deviation in the predictor variable i.e. training resulted in a change of 64.3 standard deviations in the criterion variable i.e. employee performance. Thus, there is a higher impact of training on employee performance. Since the higher the beta value the greater the impact of the predictor variable on the criterion variable. Moreover, when you have only one predictor variable in your model, then beta is equivalent to the correlation coefficient between the predictor and the criterion variable.

The following table shows the regression analysis of the effect of training and development on enhanced employee performance.

Table 4.38: Beta coefficient

Model	Standardized Coefficients	
	Beta	
1	(Constant)	
	Employee Training	.643

Table 4.39 can also clearly show the value of R and R square. In this analysis the value of R is 0.643 which is a measure of the correlation between the observed value and the predicted value of the dependent variable (employee performance). Whereas R Square is the square of this measure of correlation and indicates the proportion of the variance of employee performance with the existence of training. Hence, R Square = 0.414 implies that only 41.4% of performance is explained by training. In essence, this is a measure of how good a prediction of the dependent variable we can make by knowing independent variables.

Table 4.39: Model summary of R and R Square

Model	R	R Square
1	.643	.414

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary of findings

From this study, the following particular findings are observed:

First of all it is better to see the summary of demographic part of the respondents. Majority of the respondents are between the age of 31 and 45 which accounts for 63% this shows the bank has young work force distribution. Among the total sample taken 74% are male, 77% have first degree, 70% are married, 63% are clerical and 28% of them served the bank 3-4 years.

The result indicates that proportion of males over female employees is high, and employees of the Bank are comparatively well educated. In addition it is possible to see that the Bank is in a good track for growth, because it has young work force and can adjust themselves with the ever changing demand of customers as well as technology.

The second part of researchers finding is summarized as follows:

The primary objective of this research was to assess the effect of training towards enhancement of employee performance in the banking sector a particularly the case of BIB. The key findings indicated that employees training is positively and significantly correlate and influence employees performance.

From the correlation and regression analysis results it can be seen that the correlation analysis of 0.643 which is significant at 0.01 and ($r=0.6$ to 0.80) indicates positive and marked degree of correlation .On the other hand the beta value also shows 0.643 since the beta value is a measure of how strongly predictor variable influences the criterion variable. Thus, there is a higher effect of training and development on employee performance. Since the higher the beta value the greater the effect of the predictor variable on the criterion variable. Moreover, when we have only one predictor variable in our model, then beta is equivalent to the correlation coefficient between the predictor and the criterion variable.

It is defined that the primary objective of this study is to assess the effect of training toward enhancement of employee performance particularly in the case of Bunna international Bank S.C.

we can clearly see from the finding that training and development has positive effect toward enhancement of employee performance in organizations in general and particularly in Bunna international Bank S.C.

In addition to the above points when we consider the specific objectives of the study, ie. Assessing the relationship between training and employee performance the key findings indicated that training is positively and significantly correlates with employee's performance. This finding also supports (Velada's and Caetano's 2007) conclusion "the impact of training on employee performance is not only significant but also increases job satisfaction and commitment towards the organization".

Another specific objective which identifies the satisfaction of employees over training practice of the bank proved to be satisfactory for the majority of the respondents and it is communicated by the employees themselves clearly and we can understand this from their response.

On assessing the attitude of supervisors which is the third objective of the study it is identified that most of the supervisors agreed that training helped the employee to improve their performance. On the other side responses from supervisors indicate that most of the time they did not involve in the designing and development of training programs. They also showed that, they are not clear on the bases of employee selection for training. Likewise, the researcher understood from their response it is because of weakness of the training and development division of the bank.

The last objective of the study is assessing whether bank's performance increased due to implementation of training practice. Hence, the majority of the respondents agreed on the question provided for them and responded that the bank's profitability enhanced due to efficient training program.

5.2. Conclusion

The following are the major conclusions drawn from the results and findings of the research:

From the results of the study it is concluded that BIB has enough experience and has been involved in a reasonable training over the past few years compared to its age, but this is not enough as the Banking technology changes every day and customers' needs is unlimited. Hence, this continuous employee training has a significant role in the development of individual and organizational performance in BIB.

In addition to this, the bank has a separate division responsible for manpower training. The availability of this division can make things easy to coordinate as well as control the activities under the human resource and facility management directorate. From this, it can be concluded that now a day business organizations gave more attention for manpower training to enhance their employee's performance. Moreover, from the results of the study the processes involved in the Bank is not well planned and systematic.

Based on the responses collected from the respondents, it is possible to conclude that training delivered to employees in the selected Bank helped them to receive the necessary knowledge, skills and attitudes and ultimately achieve its purpose. In addition to this, it also makes them perform their work with greater accuracy.

Finally, from the research conducted, we can conclude that the correlation analysis result showed that training is positively and significantly correlated with employee performance , Employees are satisfied with the training provided to them, supervisors believed training changed the employees performance and the hypothesized statement is true and acceptable .

5.3. Recommendations

It is an undeniable fact that in recent times many organizations have come to the realization of the importance of the role of training programs as it increases the organization's staff efficiency, skills and productivity. Due to this fact, organizations must be clear about the learning requirement of employees. Therefore, both managers and employees must collaborate effectively and communicate the requisite for performance. For instance if a training session is organized then it must be arranged and designed according to their need to enhance their capability to perform.

The training and development division of the bank should request sufficient budget for employee training purpose and in order to get this budget the division should try to convince and persuade the top management of the bank who approve budget for work units by preparing sound training program proposals. After that, the division should utilize this budget effectively.

Moreover, the study recommends that the training division should give great attention and make it participatory when the training plans, policies and programs are first developed and designed so that it will help to duly follow the training processes.

Furthermore, the training programs should be developed in line with the corporate plan and employee should aware and know what it looks like in order to understand the intention of the Bank and to create self confidence among employees. Lastly, the management of BIB should continuously improve and follow up systematically the training plan and policy in operation. This can help the bank to have planned, systematic and up-to-date training and development programs.

Feedbacks from employees on trainings, training methods and trainers capacity should be collected before and after training processes. This will enable the Bank to improve their current and future training programs and to gauge its effect.

In general, to provide effective training and development and to improve employee performance the bank should allocate enough budgets, develop a clear performance measurement system before and after training programs, properly follow the training process, and accordingly follow the policy and give a chance for employees and supervisors to involve in decision making regarding training and other related issues.

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Annex

ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE GRADUATE PROGRAM
MASTERS IN HUMAN RESOURCE MANAGEMENT

Questionnaire for Employees of Bunna International Bank S.C.

This questionnaire is designed to request information for purely academic purposes. This is to enable the researcher, Tsegay Beyene a final year student of Addis Ababa University School of Commerce to complete his thesis on the topic; **assessing the practice of training and development and its effect on employee performance**; the case of Bunna International Bank S.C., in pursuance of Master of Human Resource Management Degree. I would like to thank you in advance for your co-operation and for scarifying your valuable time.

N.B:

1. You don't need to write your name.
2. The researcher has scheduled to get the filled questionnaire back within three days.
3. All information given would be treated with utmost confidentiality.
4. BIB Represents Bunna International Bank S.C.

SECTION A

BASIC DEMOGRAPHIC DATA (PLEASE PUT "✓" INSIDE THE BOX)

1. Age

18 – 30 ☐ 31 – 45 ☐ 46 – 60 ☐ > 60 ☐

2. Gender

Male ☐ Female ☐

3. Educational background;

High School Complete ☐ Diploma ☐

First Degree ☐ Master's Degree ☐

Other ☐ please specify, _____

4. Marital status

Single ☐ Married ☐ Separated ☐ Widowed ☐ Divorced ☐

5. Please indicate your position in BIB

Non-Clerical ☐ Clerical ☐ Managerial ☐

6. How long have you been working with Bunna International Bank?

<1 year ☐ 1-2years ☐ 3-4 years ☐ ≥5 Years ☐

The following set of statements describes your general feelings towards employee training and performance.

Please Tick “✓” on one of your answer and there is no right or wrong answers.

SECTION B. QUESTIONNAIRE ON TRAINING

No	Questions / descriptions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
1	There is a separate department / division responsible for manpower training in BIB.					
2	Selection of employee for training is made on professional way.					
3	Since I joined BIB I did not participate in any form of training.					
4	I sponsored myself at least once for further studies to acquire new skills, knowledge and abilities as long as employed in BIB.					
5	The management request feedback from trainees’ during their training process.					
6	The management request feedback from trainees’ before and after training.					
7	The Bank is good in providing					

	training program such as class room trainings, seminars, workshops etc. frequently.					
8	Trainers who deliver the required training are competent enough.					
9	I feel that my level of participation was high at the time of training.					
10	Overall I am satisfied with the training program/s of BIB.					

SECTION C

QUESTIONNAIRE ON WORKER'S PERFORMANCE

No	Questions or descriptions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
1	The training provided by the organization helped me to perform my work quickly and efficiently.					
2	Because of the knowledge, skills and attitude that received from the training, I can accomplish activities without waste.					
3	I feel that training enable me to perform my work with greater accuracy and precision.					
4	Because of the good training practices of the Bank, I am committed for my work and for the organization.					
5	I feel a strong sense of belongingness to this Bank since it has a good training methods to acquire the needed skills and to become loyal for different activities.					
6	I think that active participation during training has a positive effect on my commitment to the Bank and for my work.					
7	I have a good relationship with					

	my trainer to learn more in the training so that I will ask what I did not understand to increase my competence.					
8	I am satisfied with the training condition including the material and facility of the training that the Bank provides to increase my work commitment.					
9	I feel I am better-off to rely on myself for a solution when things are looking difficult in my work because of the knowledge and attitude that I learned from the training.					
10	I continue to work diligently for this Bank because I don't believe another organization could offer me such a kind of an interesting training.					
11	Because of good training practice of BIB I feel I have a moral obligation to respond to the needs of the customer.					
12	Since the culture of the Bank is good enough to provide training on time, I am so specialized in the services that will be delivered to the clients of the Bank.					
13	Due to best training and development program I believe the bank's performance enhanced.					
14	Because of enhanced employee performance due to training and development program the bank's profitability increased.					

SECTION D

ADDITIONAL QUESTIONNAIRE FOR SUPERVISORS

1	The management makes use of the trainees feedback to improve the effectiveness of the training.					
2	As supervisor I was involved in the designing and development of training programs in BIB.					
3	The delivery method that the Bank used is convenient to get the necessary knowledge and skills from the training.					
4	In my opinion, training has helped the Bank to improve employee performance.					
5	Whenever the performance evaluation report shows that the employee performs poorly, an employee is given the required training.					
6	I can say that after training employees in BIB are working their regular activities very well.					
7	In my opinion, training at BIB is planned and systematic.					
8	I think that the basis for the selection of trainees the Bank used is Performance evaluation result.					
9	I think that the basis for the selection of trainees the Bank used is seniority.					
10	I think that the basis for the selection of trainees the Bank used is experience.					