



**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
MASTER'S OF HUMAN RESOURCE MANAGEMENT**

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

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**ADDIS ABABA UNIVERSITY
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MA PROGRAM**

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DECLARATION

I declare that the project entitled “Assessment of Training Practice at Commercial Bank of Ethiopia.” is my original work and has not been presented in Addis Ababa University or any other University, and that all sources of material used for the project have been duly acknowledged.

Haimanot Lemma (The Researcher)

CERTIFICATE

This is to certify that Haimanot Lemma has carried out his research work on the topic entitled, "Assessment of training and development practice at commercial bank of Ethiopia" for the partial fulfillment of Masters of Art in Human Resources Management at Addis Ababa University-School of Commerce. This study is an original work and not submitted earlier for any degree either at this university or any other University and is suitable for submission of Masters Degree in Human Resource Management.

Advisor: Dr. Abeba Beyene

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Abbreviations and Acronyms

NISC	National Industry Skills Committee
TD	Training and Development
CEDEFOP	European Centre for the Development of Vocational Training
MSC	Manpower Services Commission
HRD	Human Resources Development
CBE	Commercial Bank of Ethiopia
HRD	Human Resource Development
TNA	Training need analysis

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Abstract

The study aims at assessment of training and development practices in Commercial Bank of Ethiopia with due emphasis on practices of TD, analyzing training and development need, Designing TD program ,Developing TD program, Implementing TD program and evaluation of TD effectiveness. Accordingly, all the necessary data has been gathered from primary sources using questionnaires and interviews and secondary data such as source manuals of the CBE. Stratified sampling technique was used and the number of participants was 192 manager and non-manager employees. I used descriptive analysis with the help of tables and percentages to analyze the data. The study revealed that the major weaknesses of the company in training and development practices being lack of periodical and balanced method of TD needs assessment, imbalance between TD method of trainings, absence of trainees' evaluation practice at different phases, and absence of evaluating the effectiveness of TD activities. The identified strengths include being practicality of technical trainings, suitable training facility, and belief of top level management on the importance of TD to organizational performance. Hence, the Company needs to keep up with its strengths and alleviate its weaknesses by adopting a systematic approach of TD practices.

Key Words: Training and development, commercial bank of Ethiopia and assessment of TD Practice.

CHAPTER ONE

INTRODUCTION

The study aims at assessment of training and development practices in Commercial Bank of Ethiopia with due emphasis on practices of analyzing training and development needs, designing TD program, developing TD Program, implementation and evaluation of TD effectiveness. This chapter specifically shows the introduction part includes background of the study, statement of the problem, objective of study, significance of the study, scope of the study and finally depicts the conceptual frame work of the research.

1.1 Background of the Study

Human Resource has become strategic resource to gain sustainable competitive advantages in this age of globalization. Human capital is the differentiator between a good company and a great company. Human Resource is the very important and the backbone of every organization and it is also the main resource of the organization (Elnaga and Imran 2013).

Human resource development is like many other virtues in that those who advocate it easily out number actual practitioners. Some organizations do indeed do a great deal in this area and do it extremely well (Armstrong, 2008).

Training is a learning experience that seeks a relatively permanent change in individuals that will improve their ability to perform on the job. Investments in training are fundamental to the formation of human capital. Through employee training, individuals learn to adjust to the corporate culture of an organization and become or remain productive under changing conditions (Chris, 2010).

Training is generally defined as a planned and systematic effort to modify or develop knowledge, skills and attitudes through learning experiences, to achieve effective performance in an activity or a range of activities. Training refers to a planned effort facilitate the learning of job related knowledge, skill and behavior by employee (Armstrong, 2006).

DeCenzo and Robbins (2008) state that “training is designed to assist employees in acquiring better skills for their current job” and through training firms “attempt to reach the goal of having competent, adapted employees who possess the up-to-date skills, knowledge and abilities needed to perform their current jobs more successfully”. In other words, the purpose of firms’ training programs is to improve employees’ job performance by changing their skills, knowledge, abilities and behavior in their work environment. Development is systematic efforts affecting individuals’ knowledge or skills for purposes of personal growth or future jobs and/or roles (Goldstein & Ford, 2007).

The business world is changing all the time. Old technology is being replaced with new and modern one and it is happening very faster than it was before. Changes in external and internal organizational environments require adaptation with the new processes, procedures, technologies, and systems. Therefore, human resources of an organization need to develop skills, knowledge, attitudes, behaviors, and proficiencies to adapt with the new processes, procedures, technologies, and systems.

Commercial banks are not an exception of this fact. New processes, systems, and technologies in the banking sector e.g., online banking, automated teller machine, e-cash, debit cards, credit cards, computer-based data entry, and propensity of using customer friendly new technologies among commercial banks indicate the need of know-how. Bankers need to be trained and developed with the changes in process, procedure, system and technology in the banking sector (Rana, Haque Bhuiya and Barua, 2015)

1.2 Back ground of the Company

Commercial Bank of Ethiopia – CBE was established in 1942. It is a pioneer to introduce modern banking to the country. CBE is striving to become a world class bank by rendering state of the art and reliable services to its millions of customers. The business strategies of the bank focus on the interest of the public it serves. The aggressive expansion strategy which is developed and implemented in 2009/10 enables them to increase their distribution outlet throughout the county. As of January 20, 2016 CBE has more than 1000 branches stretched across the country with more than 11 million account holders and 22,000 employees whom is regards as its key assets.

Commercial Bank of Ethiopia has reliable and long-standing relationships with many internationally acclaimed banks throughout the world because CBE has a vision to become a world-class commercial bank by the year 2025 and a mission that are committed to best realize stakeholders' needs through enhanced financial intermediation globally and supporting national development priorities, by deploying highly motivated, skilled and disciplined employees as well as state-of-the-art technology. They strongly believe that winning the public confidence is the basis of their success.

Commercial Bank of Ethiopia is a leading African bank with assets of 311 billion Birr as on September 30th 2015 and plays a catalytic role in the economic progress & development of the country.

CBE still dominates the market in terms of assets, deposits, capital, and customer base and branch network, despite the growing competition from the private banks over the last 18 years. Which makes it one of the most reliable and strong commercial bank in the country.

The management of CBE comprises a centralized nature of administration with district administrative structure, tools and procedures. The restructuring of the system and the input of new technology structure as well the introduction of BPR had enhanced the provision of service and the granting of loans and forced the bank to be oriented towards new service

approach. In addition they claim to improve the quality of financial products and promote new banking products in order to become competitive and succeed in the new financial environment that has been created.

Generally, nowadays there is great mobility in the countries' banking where banks are trying to enhance their presence through aggressive expansion. CBE control the largest share of the banking market in the Ethiopian Banking industry and tending to expand further their operations in the counties by creating new branches.

Commercial Bank of Ethiopia recognizes training as one of its important organizational activities to bring a desirable change in employees' behavior and attain organizational effectiveness and efficiency. The bank commits itself to providing full support to the training and development of its employees.

Training activities are oriented toward meeting business objectives, and will be conducted in a transparent, purposeful and consistent manner. The training department is responsible for the presentation, implementation and evaluation of the bank's corporate training plan.

The objective of the training policy are to provide appropriate training opportunity to address the professional development needs of staff members and to support the organization in fulfilling its mandates.

To attain its objective and mandate by effectively manage and utilize its human resource, CBE is given a due consideration to training practices. The training policy of CBE is designed with objectives, scope, general principles and support provided for learning and development with final approval from the Board of Directors. www.combanketh.com

1.3 Statement of the Problem

Training and development consists of organized learning activities capable of improving individual performance through changes in knowledge, skills, or attitudes. In a broad sense, it includes experiences intended to meet essential job requirements, updated skills that prepare people for career movement of any kind, rectify knowledge or skill deficiencies, and evoke new insights or even create new knowledge. Considering this, the Commercial Bank of Ethiopia has been committed towards improving its overall service quality which is reinforced by its vision. In effect, to know the changes that individuals have acquired from the training and to measure the progress under way, standardized tools should be implemented for measuring. Thus, the bank wants quality training through enhancing the number and competent internal trainers and the required training facilities. To achieve this, current training and development practice and related problems, if any, should be assessed and identified so as to provide effective and efficient training in the bank.

Even though training is intended to enhance employee's competency practically, different problems are observed in the effectiveness of TD in the work place. An attempt was made to explore the gap from learning and development officers. A rough assessment on Customer Account and Transaction Service (CATS) technical coverage indicated some of practical training related problems are unfair or uneven distribution of training opportunities to employee who perform at the same level or job grade, trainings were not given to those who needed it, unwillingness by line managers to release those employees for training purposes, and lack follow up after training on the performance of employees by most of the line managers, insufficient training facility, lack of adequate trainer's and to some extent trainers' lack of the required competency to deliver trainings and there is no well designed lesson plan (Demile , mitiku, Mamo, and Girma, 2015). These gaps were identified in the technical training programs provided to CATS section of the Bank.

Regardless of the existence of the above mentioned problems related to training and development, there exists no scientific research work in this area except the assessment done by Frankfurt School of German in 2014 as a TD agent of CBE. To the best of the researcher's knowledge, there is no comprehensive and formal research work that incorporates all the processes of CBE such as Customer Accounts and Transaction (CATS), Credit Management, Human Resource Management, Finance, Information Systems, Credit Appraisal and Portfolio, Facilities, Trade Service, Legal & Loan Recovery, Risk and Compliance, Internal Audit, Business Development Management and Strategic Management Process. Filling this gap is what motivated the researcher, he believes that assessing TD practices is timely and priority issue because of the relevance of TD for organizational success and its associated high costs if not applied properly. www.combanketh.com

1.4 Research Questions:

To find out of the prevailing practice of Training and Development in CBE, the study was designed to answer the following research question:

1. What methods are used in identifying TD needs in CBE?
2. How are TD packages designed in CBE?
3. What are the methods used for conducting training and development (implementation)?
4. What are the methods applied for evaluating effectiveness of TD activities?
5. How do employees and human resource managers perceive the effectiveness of TD practices in the company

1.5 Objective of the Study

The purpose of this assessment was to set the truck by which the training programs are well addressed, designed and evaluated the targets groups as planned or not and also what trainings needs to be delivered for those employees who didn't get the chance for different reasons.

1.5.1 General Objective of the Study

The general objective of the study was to conduct an assessment of training and development practices in Commercial Bank of Ethiopia.

1.5.2 Specific Objectives of the Study

Derived from the general objectives and research questions, the study is also intended:-

1. To assess the methods used in assessing TD needs in CBE.
2. To assess how TD programs are designed in CBE.
3. To assess how TD programs are implemented in CBE.
4. To assess the methods used in evaluating effectiveness of TD activities in CBE.
5. To identify how employees and human resource managers perceive the effectiveness of TD practices in CBE.

1.6 Significance of the Study

The findings of this research are believed to have a number of significances. Included are:

- Primarily, the highlights of the findings will contribute to the Commercial Bank of Ethiopia by indicating the areas that need improvement. This information may help CBE to consider how it should get the best return out of the money it invests to training and development programs.
- Secondly, The Department of Learning and Development of CBE will get important input that motivate it how it should design effective training and development programs for various employees of CBE.
- Thirdly, employees will benefit as a result of getting the best possible knowledge, skill, and attitude out of the training packages they take. This helps them to improve and upgrade the performance of human resource to achieve the required level of effectiveness and to remain successful.
- Fourthly, it may have a contribution to the literature and serve as one reference for students and improve the quality of the next research in employee training scheme.

1.7 Scope of the Study

The study was focused on human resource, and learning and development department of commercial bank of Ethiopia. The study was covered out at the Commercial Bank of Ethiopia Addis Ababa City Branch (Appendix-C). Most importantly, there is a large pool of employees who have undergone training at the Bank's headquarters and Addis Ababa district office. The variables focused on Analyzing Training and Development Needs, Designing TD Program, developing TD Program, implementing TD Program and evaluating TD Program.

1.8 Limitation of the study

It was better to make a comparative study involving as many organizations as possible to further support the concepts in this study. However, considering the time, budget, access to data, expected rate of return for research instruments and convenience, this research concentrated on the case of commercial Bank of Ethiopia.

1.9 Operational Definition of Terms

The definition of the terms and phrases that are used in this study and the sources of the definitions are given below.

Training- learning employee specific skills for a particular job. (Armstrong, 2006)

Development- deals with the growth of employees in all aspects. (Armstrong, 2006)

Managers- Customarily and regularly direct the work of two or more employees.

·Non-managers- Perform tasks of a functional / technical nature in the area of specialty.

Assessment:- in this study an assessment refers to the process of gathering and identifying information about practices of employees training and development in Commercial Bank of Ethiopia .

Employee Development: - increasing the capacity of employees through various training methods and education to introduce knowledge and new skills which strengthen their competencies

Employees: - refers to workers employed by the Commercial Bank of Ethiopia.

Organization: - refers to Bank of commercial Bank of Ethiopia.

1.10 Organization of the Study

This study is organized in five chapters. Chapter one provides a brief background information to the study, overview of the company under case study, discusses the research problem, research questions scope and limitation, and significance of the study. Chapter two reviews detail literature related to the study. Chapter three presents methodology employed in the study. The fourth chapter focuses on the results and discussions of the study; and finally in chapter five summary, conclusion and recommendations are drawn based on the results of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter deals with the general concepts and principles of employee training and development programs. The review raises basic (core) issues in training and development like benefits of Training and TD training need assessment, setting training program objectives, determining contents of training programs, selecting appropriate trainers and trainees, conducting training programs and finally evaluating training program.

2.1 Introduction

Skill and knowledge can be obsolete in the same way as machines and technology (Vemic, 2007). There must be consistently kept up to date if the organization is to survive and develop. And new technologies exert a continual need for employee training in business firms and other organizations to be engaged in providing their employees with training and development opportunities. Nowadays, organizations are spending a significant amount of money for the purposes of employee training. Since, the most valuable asset of the organization in a 21st century is its workers knowledge and their productivity (Cribb, 2005).

The effectiveness and success of an organization, therefore, lies on the people who work within the organization. Therefore, for the employees to be able to perform their duties and make meaningful contributions to the success of the organizational goals need to acquire the relevant skills and knowledge. In appreciation of this fact, organizations conduct training and development programs for employees found in the different levels of the organizational hierarchy (Isiaka, 2011).

Training and development offers competitive advantage to a firm by removing performance deficiencies; making employees stay long; minimized accidents, scraps and damage; and meeting future employee need (Hameed & Waheed, 2011).

According to Vemic (2007), training consists of planned programs are undertaken to improve employee knowledge, skills, attitudes and social behavior so that the performance of the organization will be considerably improve. Unfortunately, too much emphasis is often placed on the techniques and methods of training to be used rather than first defining what the employee should learn in relation to desired job behaviors. Furthermore, very few organizations place much emphasis on assessing the need and outcomes of training activities.

Nowadays, the interest of investment in training and development has been increasing (Haslinda & Mahyuddin, 2009). However, the mainstream training and human resource literature has neglected the issue of how companies assess the effectiveness of training and development investments and in particular employee training and development effectiveness.

2.2 Definition and Concepts of Training and Development

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

Training can be defined as the systematic development of the attitude, knowledge, skill and behavior pattern required by an individual to perform adequately given task or job (Subha, 2011:78).

CEDEFOP (1996), The European Centre for the Development of Vocational Training, defines training as an activity or program of activities designed to teach the skills and knowledge required for particular kinds of work. Training usually takes place at working places, whereas education takes place at educational establishments. Isiaka (2011) sees the word development in relation to the process of helping managerial employees who perform non routine jobs to improve their management, administrative and decision-making abilities and competence. It is needed for both present and future jobs.

Development is not primarily skill oriented. Instead it provides the general knowledge and attitudes, which will be helpful to employers in higher positions. Development provides knowledge about business environment, management principles and techniques, human relations, specific industry analysis and the like is useful for better management of a company (Subha, 2011:78).

Both of the above definitions explain the application of training to the requirements of the organization and this training tends to occur in the workplace. They also indicate a relatively narrow limitation to specific skills and operations. Moreover, training normally has an immediate application and is generally completed in a shorter time scale than education (Van, Cayer and Cark, 1993). Though development has several definitions, according to its sectoral dimensions, the relevant to the subject under study is the one defined by MSC (1981) as development is the growth or realization of a person's ability, through conscious or unconscious learning. Development programs usually include element of planned study and experience and are frequently supported by a coaching or counseling facility (MSC, 1981).

According to Bolton (1995), development occurs when a gain in experience is effectively combined with the conceptual understanding that can illuminate it, giving increased confidence both to act and to perceive how such action relates to its context.

It can be seen from the definitions that development indicates movement to an improved situation that for the individual means advancing towards the physical and mental potential one can possess. In many respects, development indicates growth and movement by the learner rather than learning itself (Wilson, 1999).

According to Bernatek (2003), training and development help to ensure that organizational members have the knowledge and skills needed to perform jobs effectively, take on new responsibilities, and adapt to changing conditions.

For Fitzgerald (1992), training focuses primarily on teaching employees how to perform their current jobs and helping them acquire the knowledge and skills they need to be effective performers, whereas development focuses on building the knowledge and skills of organizational members so they are prepared to take on new responsibilities and challenges. Training tends to be practiced more frequently at lower levels of an organization; development tends to be used more frequently with professionals and managers (Jones and George, 2011). Both training and development can play a critical role in attracting and retaining workforce (Wilson, 1999). Training can be an essential tool for maintaining and improving the productivity of employees there by upgrading their skills that are relevant to meet specific business, customer needs and ever changing industry standards while development Opportunities motivate employees by providing them with skill and knowledge enrichment (NISC, 2008).

2.3 Distinction between Training and Development

Even if most literatures use training and development interchangeably, it has its own difference in concept (Armstrong, 2006). These differences are stated below. For Fitzgerald (1992), training focuses primarily on teaching employees how to perform their current jobs and helping them acquire the knowledge and skills they need to be effective performers, whereas development focuses on building the knowledge and skills of organizational members so they are prepared to take on new responsibilities and challenges. Training tends to be practiced more frequently at lower levels of an organization; development tends to be used more frequently with professionals and managers (Jones and George, 2011).

Both training and development can play a critical role in attracting and retaining workforce (Wilson, 1999). Training can be an essential tool for maintaining and improving the productivity of employees there by upgrading their skills that are relevant to meet specific business, customer needs and ever changing industry standards while development Opportunities motivate employees by providing them with skill and knowledge enrichment (NISC, 2008).

Table 2.1 Distinction between Training Developments

Training	Development
<ul style="list-style-type: none"> ➤ Training means learning skills and knowledge for doing a particular job. It increases job skills. 	<ul style="list-style-type: none"> ➤ Development means the growth of an employee in all aspects. It shapes attitudes.
<ul style="list-style-type: none"> ➤ The term training generally is used to denote imparting specific skills among operative employees. 	<ul style="list-style-type: none"> ➤ Development is associated with the overall growth of management.
<ul style="list-style-type: none"> ➤ Training is concerned with maintaining and improving current job performance. Thus, it has a short term perspective. 	<ul style="list-style-type: none"> ➤ Management development seeks to develop competence and skills for future performance. Thus, it has a long term perspective.
<ul style="list-style-type: none"> ➤ Training is job centered in nature. 	<ul style="list-style-type: none"> ➤ Development is career oriented in nature.
<ul style="list-style-type: none"> ➤ The role of trainer or supervisor is very important in training. 	<ul style="list-style-type: none"> ➤ Self-development

2.4 Benefits of Training and Development

Organizations find it difficult to stay competitive in recent global economy. Importance of employee training development program is growing for the organizations those pursuing to receive an advantage among competitors. Employees are esteemed resource of the organization and success or failure of the organization relay on the performance of employees. Therefore, organizations are financing large amount on employee training and development programs. Furthermore, in training program it is supportive for companies to emphasis on knowledge, expertise and ability of employees. The literature described here is a vigilant benefits of TD Program to organizations and employees.

2.4.1 Individual Benefits from Training and Development Program

In every sector the accomplishment of any organization is tremendously relay on its employees. However, there are different other aspects that perform a major part; an organization need to ensure efficient employees in line with financially dominant and competitive in the market. Therefore to sustain this valuable human resource, organizations required being conscious about the Employees satisfaction and retention of employees, Career Competencies as discussed below.

a) Career Competencies

Employee development program help employees to survive in the future and develop their abilities to cope with new technologies, to appraise their professional capabilities to sustain their employment. Due to this situation numerous employees have rehabilitated their attitude to acquire promotion inside their organizations to work and develop out of the organization (Feldman, 2000). Therefore, workers used to prepare year plan for their future and constantly change their plans after two years as per the change of technology and information (Wilson 2000).

b) Employee satisfaction

Employees have no feeling about their organizations if they think that their organizations are not caring about them (Garger, 1999 cited in Bashir, 2013). Companies which are willing to spend money on their employees, give value to work with those companies, even though that investment eventually benefits the organization (Wilson,2000). Companies which are providing the training and development programs for their employees are achieving high level of employee satisfaction and low employee turnover (Wagner, 2000). Training increase organization's reliability for the reason that employees recognize their organization is spending in their future career (Rosenwald, 2000).

c) Employee Performance

Training effects on behavior of employees and their working skills which resulted in enhanced employee performance and constructive changes (Satterfield & Hughes 2007) that serves as increase trained employee. Benefits of training program are also related to technical skills of the employees.

Training positively affects employees' performance. During a qualitative study concerning mechanics in India, Barber (2004) originates that on-the-job training headed to superior novelty and implicit skills. Technical and professional skills are very important for the employees to perform a job in an effective way. Providing training opportunities to employees can enhance the performance of the employees.

2.4.2 Organizational Benefits from Training and Development Program

The organizations which are using employee development programs are getting positive results from the individuals by using this program.

Market Growth

Employee development programs are important for any organization to stay solvent and competitive in the market. Though it is expensive for the organization to spend the money on their employees but this investment is positive for the organizations to hold the place in the market. American Society for Training and Development mentioned two motives that are significant for employee's knowledge, first employees identify the worth of training and marketable by organization and second CEOs of the companies understand that how fast information is transferring in current business environment (Barber, 2004). Greengard (2000) described that organizations are required to develop and maintain such learning environment for the employees that expand the knowledge of organization and competitive ability. However, employee training programs derived through a high price, but have a positive impact on return-on-investment. Microsoft, and General Electric Company are entirely large effective organizations, and these organizations realize training opportunities as an investment (Kleiman 2000).

Organizational Performance

Training has been defined as mainly contributing factor to the organizational effectiveness (Schuler and MacMillan 1984 cited in Bashir, 2013). Exploration on this topic recommends that investment in training and development program can be justified by the impact it creates to developed individual and organizational effectiveness (Bartel, 2000).

Human resource management practices impacts on attitudes and work-related manners (Allen, Shore and Griffeth (2003)). To evaluate the effectiveness of training and development program it has been advised that check directly the relationship of training and organizational commitment. Further it has been revealed as certainly correlated to the efficiency of the organization (Bartlett 2001).

Employee Retention

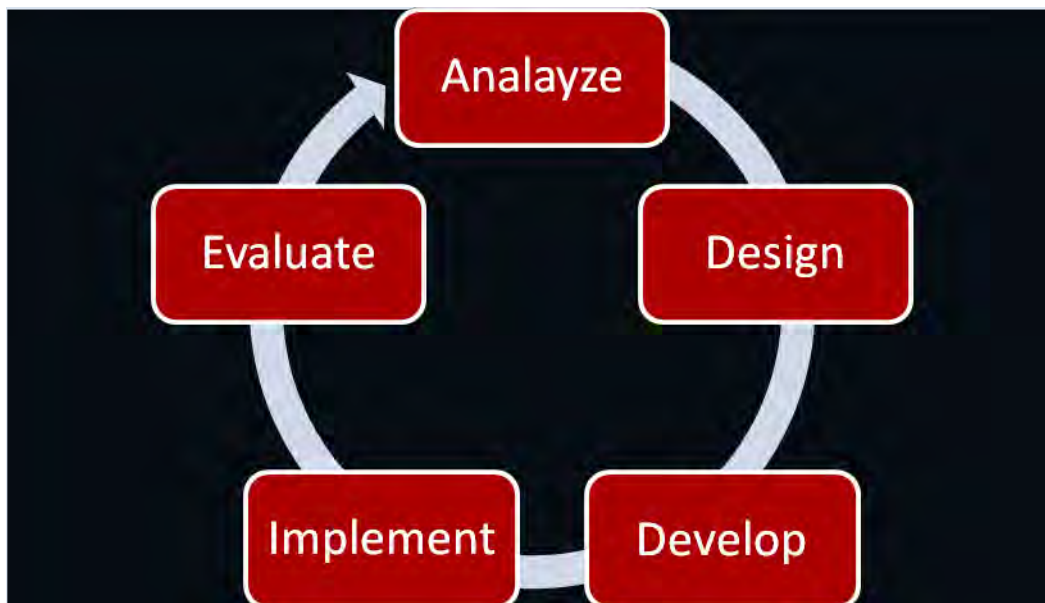
The research described that employee retention is a challenging notion and there is no particular method to retain employees with the organization. Several organizations have revealed that one of the characteristic that help to retain employee is to offer them opportunities for improving their learning (Logan 2000). Therefore, it has confirmed that there is strong relationship between employee training and development, and employee retention (Rosenwald 2000).

Companies should realize that experienced employees are important assets and companies have to suffer the challenge for retaining them (Garger 1999 cited in Bashir,2013). Therefore, companies which are providing training and development programs to their employees are getting success in retaining them. Sears has established that in localities where manager provide help to their employees to develop professionally, turnover is almost 40-50 percentage fewer than those stores where association with the managers does not available (Logan 2000). On other side, numerous employees participate in employee training programs are not assured of a conventional association between programs and employee retention (Rosenwald 2000); several managers found that positive learning atmosphere directed to higher retention rates (Dillich 2000).Organizations that are offering employee development programs are getting success with retaining employees. An effective design of training program can also increase retention among employees. Employee retention is a volunteer move by organizations to create an environment which involves employees for long term (Chaminade, 2007 cited in Haslinda and Mahyuddin, (2009).

2.5 Systematic Training and Development Process

Training and development activities allow organizations to adapt, compete, excel, innovate, produce, be safe, improve service, and reach goals (Salas, Tannenbaum, Kraiger and Smith-Jentsch, 2012). However, not all training and development practices are effective in achieving organizational objectives (Pineda, 2010). In order to be effective, it is advisable to adopt a systematic approach that benefits both employers and employees (Armstrong, 2006).

Figure 2.1 Systematic Training and Development Process



2.5.1 Analyzing Training and Development Needs

It is the first step in any training and development practice that deals with conducting a proper diagnosis of what needs to be trained, for whom, and within what type of organizational system (Salas et al., 2012). It is based on accurate and relevant information on organization's present performance, problems and future plans (Tannenbaum & Yukl, 1992).

Training and development needs emanate from the deviation of actual performance from desired performance (McClelland, 2002 in Tannenbaum & Yukl, 1992). Salas et al. (2012) pointed that training is not always the ideal solution to address performance deficiencies, and a well conducted needs assessment can also help determine whether a non-training solution is a better alternative.

According Salas et al. (2012), a thoroughly conducted assessment provides the following outcomes: Expected learning outcomes, guidance for training design and delivery, ideas for training evaluation, and information about the organizational factors that will likely facilitate or hinder training effectiveness.

The traditional tracheotomy for needs assessment involves organizational analysis, task analysis, and person analysis (McGhee & Thayer, 1961 in Latham, 2014).

Organizational Analysis

The purpose of this analysis is to provide information as to where and when training is needed in an organization (McGhee & Thadyer, 1961 cited in Latham, 2014). In doing so, organizational analysis provides a theme to link training and organizational strategy. Two themes underlie in this area. First, training needs must be linked to corporate strategy.

That is, training courses should support the strategic direction of the organization, and training objectives should be aligned with organizational goals. Second, organizations have an ethical responsibility for developing training programs that minimize the technical obsolescence of their employees (Sonnenfeld and Peiperl, 1988).

Task Analysis

A task analysis identifies the nature of the tasks to be performed on the job and the knowledge, skills, and abilities (KSAs) needed to perform these tasks. Increasingly rapid technological changes can modify task requirements, which in turn can influence knowledge, skill, and ability requirements. Rapid changes in job requirements increase the importance of cross job retraining (Latham, 2014).

Person Analysis

Person analysis focuses on identifying who should be trained and what training is needed by an individual. Inadequate person analysis can result in training targeted to inappropriate level or to the wrong people. In addition to determining who needs training, person analysis can be used to assess whether employees have the prerequisite attitude, knowledge, and motivation to benefit from training (Feldman, 2000).

Individuals who lack basic skills or motivation prior to training are less likely to succeed and may require remedial preparation prior to entering a specific training program (Tannenbaum & Yukl, 1992).

Ford and Noe (1987), studied self-assessed training needs and found small but significant differences for managers with different job levels, functions, and attitudes towards the utility of training. Lower-level managers reported higher needs for administrative skills than did middle managers. Managers who perceived training to be worthwhile reported greater need for training in quality-control skills.

New employees also have unique training needs, and formal training programs for new employees often fail to present material at the appropriate level of difficulty and job specificity (Feldman, 2000).

2.5.1.1 Common Training and development need analysis methods

The common methods to analyze training and development needs according to Leat (1997) include the following:

- 1. Questionnaires:** There are different ways of writing questionnaires, but there are some common principles for writing effective questionnaires. It is important to set clear objectives, work out how you are going to analyze the information before you write the questionnaire, allow free space for people's comments, and make sure your questions are unambiguous and structured. by the use of a structured questionnaire, data can easily be analyzed for TNA purpose.
- 2. Focus groups:** A focus group is essentially a group whose task is to focus on a specific issue within an organization. In the case of a focus group for training needs, the organization might (depending on what is required) select group members from the same team or from different parts of the organization, or choose representatives from a department.
- 3. Structured interviews:** These are interviews which have a formal or structured basis. When the bank sets up an interview, it finds a room that, if possible, is quiet and private. It is also important to agree on a time with the interviewee/s and to send them in writing a clear idea of what you hope to have from them.
- 4. Performance interviews/appraisals:** Effective performance interviews should result in individual development plans from which individual and team training needs may be assessed. For this to work well for both managers and team members, the format or design of the development plan needs to be agreed so that the needs assessment is perceived as constructive by both the parties.
- 5. Observation:** Assessing needs via on-job observation can give very accurate information on the skill levels of individuals, their knowledge and their behavior in the workplace.

- 6. Assessment centers:** Assessment centers can be an effective way of identifying the strengths and weaknesses of an individual. From a development view point, they can be used for identifying training needs by assessing performance through a comprehensive set of simulations ,e.g. what, if, scenarios, etc.
- 7. Critical incident analysis:** This method can be used to focus on a particular incident/situation, e.g. a project that went well or one that went badly, and to analyze reasons for this. This could be done via structured individual interviews or by putting together a focus group comprising individuals involved in the critical incident. The results can then be analyzed to find out why a particular team, for example, performed outstandingly well and to develop a set of success criteria.
- 8. The Delphi method:** It is a structured communication technique, originally developed as a systematic and interactive forecasting method which relies on a panel of experts. In the standard version, the experts answer questionnaires in two or more rounds. After each round, a facilitator provides an anonymous summary of the experts' forecasts from the previous round as well as the reasons they provide for their judgments. Thus, experts are encouraged to revise their earlier answers in light of the replies of other members of their panel. It is believed that during this process the range of the answers will decrease and the group will converge towards the "correct" answer. Finally, the process is stopped after a pre-defined stop criterion.
- 9. PERT (Program evaluation and review technique):** The Program (or Project) Evaluation and Review Technique, commonly abbreviated as PERT, is a model for project management designed to analyze and represent the tasks involved in completing a given project. Brown (2002), It is commonly used in conjunction with the critical path method or CPM. PERT is a method to analyze the involved tasks in completing a given project, especially the time needed to complete each task, and identifying the minimum time needed to complete the total project.

According to Elbadri (2001) who both found mixed evidence regarding the perceived reliability and validity of the training methods used are better and they found that multiple data collection methods and techniques were adopted to identify training needs? However, their approaches were probably less sophisticated and involved minimal analysis.

2.5.2 Designing Training and Development Program

It is an enabling factor which covers the planning and creation of training and development programs by taking in to account learning objectives, trainee characteristics, current knowledge about learning processes, and practical considerations such as constraints and costs in relation to benefits. As cited in Salas et al. (2012), empirical studies on all forms of employee training consistently show that when training is designed systematically and based on the science of learning and training, it yields positive results. Trainees are more likely to transfer the training content to the work context when they perceive that the training program was designed and delivered in such a way that maximizes the trainees' ability to transfer the training to the job (Holton, 2005 in Velada, Caetano, Michael, & Lyons,2007). Tannenbaum and Yukl (1992:43) provided the following guidelines for design of training that would contribute significantly to training effectiveness:

1. The instructional events that comprise the training method should be consistent with the cognitive, physical, or psychomotor processes that lead to mastery
2. The learner should be induced to produce the capability actively
3. All available sources of relevant feedback should be used, and feedback should be accurate, credible, timely, and constructive
4. The instructional processes should enhance trainee self-efficacy and expectations that the training will be successful and will lead to valued outcomes
5. Training methods should be adapted to differences in trainee aptitudes and prior knowledge

2.5.3 Developing Training and Development Program

During the Development stage, the trainer organizes the knowledge and performance objectives, instructional materials, course design, and model. With combining effort of development and design stage can achieve learning objectives easily. During this stage, existing materials will be reviewed lesson plans will be selected and new ones will be produced. In the review process, critical input is essential to ensure that the training materials are clear, concise, and effective in addressing objectives. The objective will describe how the trainer and employees will perform during training to achieve the learning objectives (Noe, Hollenbeck, Gerhart, and Wright, 2006).

2.5.4 Implementing Training and Development Program

The Implementation stage is the process that cannot be taken for granted. This is when conditions are determined (who, what, when, where) under which the training will be offered and the solution implemented. This is done by reviewing the data collected during the life of the project, reviewing the lessons learned about field conditions from the validation, and discussing with employees who are knowledgeable about conditions at the job. The outcome of this step defines the guidance and support needed to ensure successful training plan. Next, the availability of trainers, facilities, and resources is confirmed and used to create the training program schedule. Training will be delivered as planned, and trainees and trainers performance is evaluated (Armstrong 2006).

2.5.4.1 Training Facilities and Environment

Appropriate training facilities and good training environment are another crucial factor for the effectiveness of training programs. Watson (1979:131) explains that seating arrangements and layouts of the training rooms as well as the location of the training sites are extremely important aspects of effective training.

Thus for effective training program appropriate training facilities and proper training environment (rooms and seating conditions) should be carefully planned and selected in advance.

With regard to the importance of selecting appropriate facilities and premises, Faller (1976:410) states that carefully selected facilities and equipment can aid a good training program in making the course content more easily understood. Supporting the above mentioned statement, Bell (1997:374) claims that well-chosen facilities and premise can enhance the effectiveness of training program by:

- Adding variety to the learning process, thereby helping maintain involvement and motivation;
- Benefiting those learners whose learning style responds better to one type of approach than another;
- Provide certain stimuli not available without their use. It is obvious that training (instructional) aids support the training program to achieve its objectives. These materials can be visual, audio or audiovisual. Audiovisual such as television, videotapes and films are the most effective means of providing real world conditions and situations in short time. The benefit of using training aids in learning is to enhance the learning process. People learn better by observing, hearing, feeling and practicing. Using visual aids makes issues more vivid for the learner. Since there are a variety of training aids available to trainers, they should decide which training aids are best for the purpose. Generally, for effective training program, appropriate training environment i.e. the location, setting, and layout of training rooms should receive proper attention. Similarly, the choice of any training method or technique for imparting training depends up on cost, time available, number of persons to be trained, depth of knowledge required, background of trainees and many other factors. As Bell, (1977:375) explains training aids must be relevant to the purpose for which they were created and to the trainee's level of understanding.

2.5.4.2 Selection of Trainers and Trainees

After deciding the suitable method and techniques, as well as contents of the training Program, selecting the appropriate participants of the training program comes worth and valuable. In training programs trainers and trainees are the important components of training program. As Tracey (1984) states trainers provide guidance and assistance for trainees and trainees receive the designed content of instruction with active participation. To be efficient and effective, the training program must be provided with trainers who have been carefully screened and selected for their suitability. In the same token, it is advisable to select the correct trainees to be able to achieve the best training program results (Truelove, 2000). Taking the role of a trainer in to consideration, setting clear and well defined selection criteria of appropriate person who is capable to carry out the responsible is not arguable. A good trainer should be equipped with both knowledge of the subject matter and art of interpersonal skills, conscious of several essential elements, including a controlled environment, good planning, and the use of various training methods, good communication skills, and trainee participation (Tracey, 1984).

Regarding the criteria of selecting trainers, Chaddock (1979) lists the necessary Points as organizational knowledge, professional knowledge, personal qualifications, Education and training, skills and abilities. Tracey (1998) on his part argues that Competence of trainer performance is a function of subject matter expertise, pedagogical knowledge and skills, communication skills, and personal traits and qualities.

On the question of sources for good trainers, Tracey, 1984) indicates that from the company's trained personnel, operative and technical employees, line supervisors and managers, staff training specialists and outside experts are the main sources of instructional staff. Selecting an outside source for training has advantages and disadvantages.

The biggest advantage is that these organizations are well versed in training techniques, which is often not the case in- house personnel. The disadvantage of using outside training

specialists is their limited knowledge of the company's product or service or customer needs. These trainers have a more general knowledge of customer satisfaction and needs and therefore this knowledge helps them update themselves to the real situation quickly prior to training the employees. The other disadvantage of using outside trainers is the relatively high cost compared to in-house training, although the higher cost may be offset by the increased effectiveness of the training.

Likewise, in selecting the appropriate trainees, attention should be given to the responsibility and level of trainees, educational background, work experience, openness to new ideas and perceived need for self-improvement (Watson, 1979) Similarly, as Tracey, (1984:406) states selecting trainees needs to be based on certain factors. The main criteria should be:

- Worker's responsibilities and his/her position in the organization,
- Qualification and related requirements (language, technical skill etc.,)
- Ability to transfer the knowledge and skills required,
- Applicability of the skills/knowledge in his/her organization.

To conclude, to maximize the overall impact of the training program, the training designer should consider very much on the selection of best instructors (trainers) in addition to appropriate training content, materials, facilities and coordination. Similarly it is also important that employees be motivated by the training experience. Employee failure in the program is not only damaging to the employee but a waste of money as well. Hence, selecting the right trainees is important to the success of the training program.

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2.5.5 Evaluating the Effectiveness of Training and Development Program

Evaluation of training in organizations is the analysis of the total value of a training system or action in both social and financial terms, in order to obtain information on the achievement of its objectives and the overall cost-benefit ratio of training, which in turn guides decision-making. Evaluation involves collecting information on the results obtained in order to analyze and evaluate them and facilitate the optimization of training in the future (Pineda, 2010). Effective evaluation enables to make adjustments, decide to continue or not (Salas et al., 2012). It ultimately focuses on determining the extent to which training has responded to the needs of the organization and its translation in terms of impact and profitability (Pineda, 2010). Lingham, Richley, & Rezani(2006) (2006) suggest that effectiveness of training should be based on the extent to which trainees are able to apply the knowledge, skills and attitudes they obtained in the training suggesting the importance of applicability of training programs.

There are several model of training evaluation that organize the process, provide guidelines for the content and outline the phases of its implementation. According to Pineda (2010), the most commonly used is the Kirkpartick model which has four hierarchical levels:

1. **Reaction** - *What did the participant think about the program?* It helps to measure the reaction of the trainee regarding the learning experience, the instructor, the methodology used, and the like.
2. **Learning** - *Did the participant learn what was expected?* It deals with the measurement of what new skills, knowledge, and/or change in attitude acquired by way of testing or self-assessment.
3. **Behavior** - *Did the learning transfer to the job?* It is concerned with measuring the extent to which the participant has applied the learning to his job.
4. **Results** - *Has the training contributed towards the overall performance or well-being of the organization?*

Evaluation ultimately measures tangible outcomes of training, such as greater profit, reduced cost, or fewer errors

According to Salas et al. (2012), the temporal phases of evaluation process may take place before, during, and after training.

1. **Before Training:** The participants' skills and knowledge are assessed before the training program; it helps to identify the method of training.
2. **During Training:** It is a phase at which training is going on, and evaluation involves short test on regular basis.
3. **After Training:** It is the phase when the participants' skills and knowledge are evaluated in a way to determine whether training has brought the desired effect.

2.6 Methods and Types of Training and Development Programs

The most commonly used workplace training and development methods can take two major forms (Craig, 1987): On-the-job and off-the-job trainings.

2.6.1 On-The-Job Training

On-the-job training refers to the instructions which may be theoretical or practical depending on the job requirement, which takes place when an individual joins an organizations or a new assignment before a person begins a job or task (Maurya & Kaushik, 2013). It is the most commonly used and least expensive methods of training and development (Craig, 1987). However, on-the-job training becomes much effective when it is employed in a structured manner (Salas et al., 2012). Structured on-the-job training assumes that new employees lack certain skills and the goal of on-the-job training program is to instill these skills using several steps (Maurya & Kaushik, 2013).

According to Bernatek (2003), the most commonly used on-the-job training take the following forms: Coaching, Job rotation, Apprenticeships, and Internships.

2.6.2 off-The-Job Training

Off-the-job training is a method in which workers are required to undergo training for a specific period away from the work place (Bernatek, 2003). The method is concerned with both knowledge and skills in doing certain jobs, and can be conducted in several forms (Craig, 1987).

The most commonly used off-the-job training methods are special lectures and discussions, conference and seminar, case study, role playing, and management games.

However, the benefits and limitations of each method are well discussed in the works of Maurya and Kaushik (2013), Aguinis and Kraiger (2009), Aragon-Sanchez, A., Barba-Aragon & Sanz-Valle (2003) as follows:

Advantages and Disadvantages of On-The-Job and Off-The-Job Training

Table 2.2 Advantages and Disadvantages of On-The-Job and Off-The-Job Training

Type of Training	Advantages	Disadvantages
On-the-job	<ul style="list-style-type: none">• It is most cost effective,• It is directly related to real job tasks,• It helps to fill the gap between the present and the required skill levels,• It enhances trainees motivation, and• - It is practical and free from artificial classroom situations	<ul style="list-style-type: none">• Quality of training depends on the ability of trainer,• Bad habits might be passed on,• It is mostly used for small number of trainees,• Learning environment may not be conducive, and• Potential disruptions to operation may occur.
Off-the-job	<ul style="list-style-type: none">• Elimination of frustration and bustle of work create conducive environment to take in more information,• Helps to acquire the latest information, current trends, skills and techniques,• It is systematically organized and maintains reasonable standard,• Large number of trainees can be trained at one time, and• Trainers are usually experienced enough to train.	<ul style="list-style-type: none">• It is more expensive as compared to on-the-job training,• It is not directly related to the job tasks, and• It is more artificial in nature.

2.7 Types of Training and Development Programs

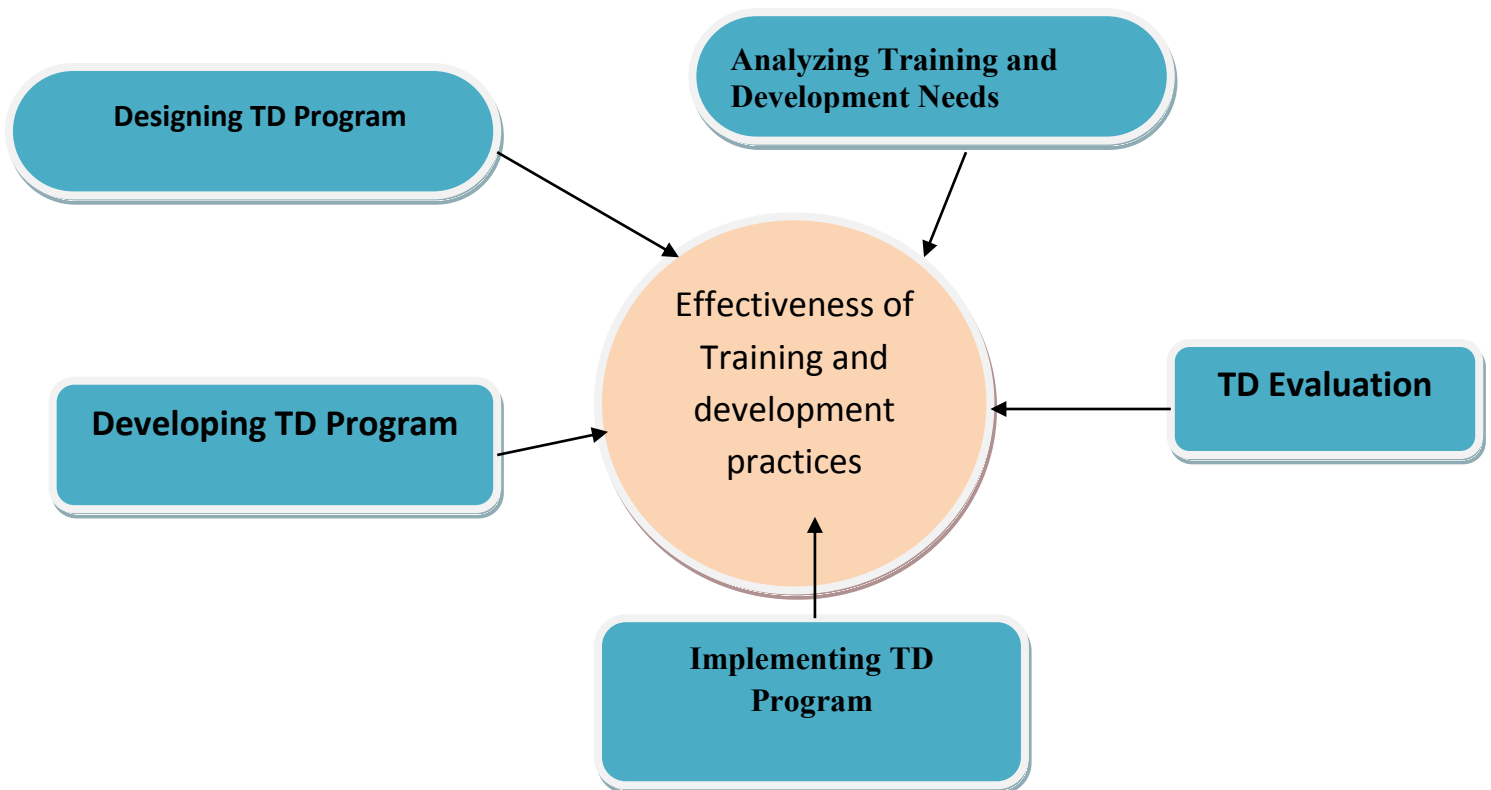
Organizations may apply different types of training and development programs to any number of employees to ensure the skills needed for various positions are instilled. According to Goldstein (1989), companies gear training and development programs towards both specific and general skills, including technical training, communications training, organizational development, career development, supervisory and management development. The goal of all these programs is for trainees to acquire new knowledge or skills.

1. **Technical Training:** Technical training seeks to impart technical knowledge and skills using common training methods for instruction of technical concepts, factual information, and procedures, as well as technical processes and principles.
2. **Communications Training:** Communications training concentrates on the improvement of interpersonal communication skills, including writing, oral presentation, listening, and reading.
3. **Organizational Development (OD):** It refers to the use of knowledge and techniques from the behavioral sciences to analyze existing organizational structure and implement changes in order to improve organizational effectiveness.
4. **Career Development:** Career development of employees covers the formal development of an employee's position within an organization by providing a long-term development strategy and training programs to implement this strategy and achieve individual goals.
5. **Management and Supervisory Development:** Management and supervisory development involves the training of managers and supervisors in basic leadership skills enabling them to function effectively in their positions. For managers this typically involves the development of the ability to focus on the effective management of their employee resources, while striving to understand and achieve the strategies and goals of the organization.

2.8 Conceptual Framework for Training and Development Practice

To do this study, the most critical steps in training and development process i.e., needs Analyze, Design, Develop, Implement and Evaluate will be considered as independent and effectiveness of training and development practices as dependent variables. The Five factors will be taken to see the effectiveness of training and development practices in commercial Bank of Ethiopia, because a thorough needs assessment neither ignores relevant training nor accepts irrelevant ones and provides a clear picture for objective formulation. Sound and structured training methods also ensure training transferability. Moreover, without evaluation of training outcomes; realization of impacts as well as potential future improvements cannot be considered. To this end, the popular ADDIE model (Analyze, Design, Develop, Implement, and Evaluate) is central to organizations TD practices which involve phases of TD process (Armstrong, 2006)

Figure 2.2 conceptual frameworks for training and development practice



CHAPTER THREE

RESEARCH METHODOLOGY

This chapter incorporates the detail research design and methodology in general. It will explain the research design, the sample size and sampling technique, data source and collection method, procedure of data collection uses to analyze and to get the proper assessment result from the trainees.

3.1 Research Design

The study was conducted using mixed research approach. The rationale for combining both quantitative and qualitative data is important to better understand a research problem by combining both numeric values from quantitative research and the details of qualitative research in order to neutralize limitations of applying any of a single approach. According to Creswell (2011), the mixed research approach uses separate quantitative and qualitative methods as a means to offset the weaknesses inherent within one method with the strengths of the other method. Descriptive method of research will be used.

Descriptive method of research design helps to clearly describe relevant aspects of the phenomenon of interest about a particular individual, group, or situation (Sekaran, 2003). For the purpose of Describing TD practices, interview guide and questionnaire were developed and used. The following variables are incorporated in the interview guide and questionnaire to be administered.

TD Need assessment: The items incorporated focus on the frequencies, approaches, level and methods used in identifying HRD needs.

TD design and Development: The items incorporated focus analyzing existence and/or effectiveness of training objectives, lesson plan, quality of programmer, Relatedness of TD program with the current work and scheduling the TD programs.

TD implementation: The items incorporated focus the method frequently used, interaction of trainer and trainees. Facility and equipment, co-operation of superiors, peers and subordinates of TD program of HRD programs and interventions.

Effectiveness of TD program: The items incorporated are related to the Enhancement of employee capacity and efficiency, innovation and creativity for competitive advantage, Develop employee's skills and knowledge and improves organization performance are method used to evaluate TD programs.

3.2. Method of Data Collection

The data for the study were collected using questionnaire and interview. The interview was conducted in the office of the selected officials and learning and development managers of CBE. The interview was based on well-structured interview guide with all the relevant questions clearly written down before the commencement of the interview sessions. Questions that are not included in the interview guide but considered necessary were also asked during the interview session. The interview responses were written down and recorded during the course of conducting the interview.

In addition, questionnaire consisting of mainly structured or close-ended questions were used to collect the primary data for the study from selected samples in order to take the opinions of employees on TD practices of the bank and to complement the data which were obtained through distributing to all managers and non-managers. In all 369 questionnaires were distributed to the selected samples and the researcher personally collected all 362 (98%) completed questionnaires 7 remaining was uncollected from the respondents at their respective branch and head office of CBE.

Secondary sources of data were also reviewed to obtain relevant information with regard to the HRD practice of the bank.

These include the Bank's draft HRD procedure, annual HRD plan, HRD needs surveys and results, data on HRD program participants, HRD program announcements and schedules, training provided to the workforce within the past three years, HRD program evaluations and/or other reports, new employee orientation and handbooks providing employee information, and routine reports providing HRD information such as HRD needs, expenditures and accomplishments

3.3 Target Population

Commercial Bank of Ethiopia has 22,000 (Twenty Two thousand) employees, and number of employees in the Head Office and the Addis Ababa District City Branch's as of January 2016 is 8905 (Eight thousand nine hundred five) as per the information obtained from the Corporate Human Resource. Due to resource constraints and to keep the study manageable, however, the study was focused on four Addis Ababa Districts and Head office organs. (Appendix-c)

3.4 Sampling Technique and Sample Size

According to Sekaran (2003), sampling is "the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics would make it possible for us to generalize such properties or characteristics to the population elements." The samples are drawn from the total collection of all members (population) about which this study wishes to draw conclusions. The population for this research includes 8905 (Eight thousand nine hundred five) employees of CBE.

Probability Sampling: when **probability sampling** is used, each member of the population has an equal likelihood of being selected to be part of the sample. From the types of probability sampling, this study finds stratified random sampling appropriate for selecting samples from the population.

A **stratified random sampling** allows us to take into account the different subgroups of people in the population and helps guarantee that the sample accurately represents the population on specific characteristics. It starts by dividing the population into subsamples or strata. Then samples can be randomly selected from each stratum.

For this study employees of CBE have been categorized in to two strata i.e., **Managerial and Non-Managerial**. Moreover, as Israel(1992) 369 employees are decided to be the size of the samples from a total of 8905 employees (by using sample size calculator after browsing the website www.surveysystems.com as shown in the calculation below). To take such amount of samples from the above two strata simple random sampling technique particularly lottery method was used.

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

Where,

P = sample proportion, q = 1-p;

Z = the value of the standard variant at a given confidence level and to be worked out from table showing area under Normal Curve;

N = size of total population;

n = size of sample.

Given: At 95% confidence level the value of Z = 1.96

P = the population proportion

N = 8,905 which is population size

e = 0.05 which is acceptable sample error

Therefore, by using the above formula a sample of 369 employees was selected from the target population and 7 uncollected. The obtained sample size has been allocated to the two strata proportional to their population size as presented in the following table.

According to the result revealed through the website, the total sample size for this study is 369 of which 330 are non-managers and only 39 are Managers of CBE. Unlike the method of selecting 330 sample employees through randomization, non-probability sampling particularly purposive sampling has been used to select direct human resource related manager out of 39 sample. Out the above sample size collect 362 the remaining 7 was uncollected.

Purposive sampling helps to use his/her judgment to select cases that will best enable the study address the hypotheses or research question(s) and to meet the objective of the research (Sekaran, 2003).

Department	Employees category	No of Employees	Proportional Rate	Sample
Head office	Non- Managerial	2202	0.25	92
	Managerial	183	0.02	7
North District	Non- Managerial	1,315	0.15	55
	Managerial	159	0.02	7
South District	Non- Managerial	1,591	0.18	66
	Managerial	219	0.02	7
West District	Non- Managerial	1,473	0.17	62
	Managerial	260	0.03	11
East District	Non- Managerial	1,326	0.15	55
	Managerial	177	0.02	7
Total		8,905	1.00	369

Table 3.1 Sample Size Determination

3.5 Methods of Data Analysis

Quantitative procedures combined with some qualitative procedures were used to analyze the data collected for this study. The qualitative data obtained through the interviews were analyzed qualitatively and presented in the form of a summary. On the other hand, the quantitative data obtained through the questionnaires were analyzed descriptively in terms of frequencies, average, mean, standard deviation and percentile values and the results were presented in tables and chart. The secondary data on the HRD practice in CBE was also analyzed and the findings were presented in the form of narration.

Then, the findings were interpreted and discussed in relation to the research questions, literature review and the theoretical framework regarding effective HRD practice. Specifically, the „ADDIE” framework was used as the basis of the review because it presents the most comprehensive and concrete view of the elements of effective TD practice.

3.6 Ethical Consideration

In order to secure the consent to the study, I was clearly communicated the purpose and aim of the study. In addition, the researcher notified the participants to participate in the research willingly. Moreover, notified the participants not to disclose their names; and also assured anonymity of data.

3.7 Validity and Reliability

To validate the study free from bias, the questionnaires were developed and forwarded for one subject matter experts in the organization and also my advisor to comment on the content as well the measurement incorporated were reliable and valid enhance reliability and validity. The researcher also utilized the Cronbach's Alpha model installed with the SPSS software application determined the value of alpha as 0.85, which is supported many statistical literatures

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This section of the study deals with presentation, analysis and interpretation and discussion of the data gathered through questionnaires, interview as well as the document analysis.

4.1 Analysis of the background of respondents

Table 4.1 Background information of Respondent

Items	Dimension	Frequency	Valid Percent
Gender	Male	245	67.7
	Female	117	32.3
Total		<u>362</u>	<u>100</u>
Age/Years	20-30	162	44.8
	31-40	143	39.5
	41-50	55	15.2
	51 and above	2	0.5
Total		<u>362</u>	<u>100</u>
Marital status	Single	199	55
	Married	163	45
	Separates	-	-
	Divorced	-	-
	Widowed	-	-
Total		<u>362</u>	<u>100</u>
Educational Qualification	PhD	-	-
	Masters	20	5.5
	First Degree	330	91.2
	Diploma	10	2.8
	Below Diploma	2	0.5
Total		<u>362</u>	<u>100</u>

Items	Dimension	Frequency	Valid Percent
Work Experience/Years	0-5	90	24.9
	6-10	155	42.8
	11-15	115	31.8
	Above 15	2	0.5
Total		<u>362</u>	100
Position	Managerial	32	10.2
	Non-Managerial	325	89.8
Total		<u>362</u>	<u>100</u>

The table depicted above indicates that 67.7 % the respondents were male while the remaining 32.3 % were Female. Thus, males' dominance over female were observed.

The instrument administered categorized the age of respondents in to four major categories namely: 20-30, 31 to 40, 41- 50 and above 50. Accordingly, the results were 44.8 %, 39.5 %, 15.2 % and 0.5% respectively. The majority of the respondents fall under the age group of 20- 30. Thus, it can be implied that the randomly selected respondents were younger and currently taking a lots of TD so the data was enough which can incline the value of the study. As clearly shown in the above table most of the respondents (55%) are single and 45 % of the respondents are married. This implies those who are single (not married) take the lions share from the whole sample of respondents.

With regard to the educational qualification, 5.5 % of respondents were Masters Holders and 91.2 % were first Degree holders, while 2.8 % and 0.5% of the respondents' were Diploma and below diploma respectively. This implies the bank has got a skilled manpower and further enhances the quality of expected responses that ultimately increase the quality of the study.

The table shown above indicated that 24.9% have a work experience of 5 years and less, 42.8 % of the respondents have served the bank for 6 to 10 Years, 31.8 % have been serving the Bank from 11 to 15 years, and 0.5 % of the respondents served the bank for more than 15 Years. The composition of work experience of the representative samples may have a positive effect on the quality of the finding of the study as it incorporates the views of each group.

As can be noted from table above 10.2 managers and 89.8 non-manager employees were participated in the survey with the aim of identifying training and development practices in the company.

4.2 Training and Development need analysis

As Miller (2002:5) states that the main aim of training needs assessment is to identify performance required by the organizations as to help the organization channels its resources to the area with the greatest need and this will help in achieving the strategic objective.

As Hales (1986) explained, the selection of method for training has to be based on identified Training needs, training objectives, an understanding on the part of the trainees, the resources available and an awareness of learning principles.

4.2.1 Training and development need analysis methods

The respondents were asked to indicate their evaluation as to what extent the training and development need analysis in CBE held the possible factors shown in the first column of the table below among the five options given (Never=1, Rare=2, Seldom=3, Frequently=4, and Always=5)

Table 4.2 Respondents' response on the Techniques Used in TD Need Analysis

1. Techniques used in TD need analysis	N	Sum	Mean	Std. Deviation
A. Organizational level				
• SWOT analysis	362	1148.00	3.1713	1.16669
• Organizational scanning	362	1137.00	3.1409	1.16483
• Balanced scorecard	362	848.00	2.3425	.88934
• Pest analysis	362	651.00	1.7983	.77759
B. Operational analysis				
• Task analysis	362	807.00	2.2293	.72542
• competency Analysis	362	941.00	2.5994	.71957
• Job analysis	362	903.00	2.4945	.57772
• Skill Inventory	362	704.00	1.9448	2.95342
• Management Skill Audit	362	657.00	1.8149	.74914
C. Individual level				
• Performance Appraisal	362	1210.00	3.3425	1.11341
• Critical incident	362	607.00	1.6768	.57939
• Chart analysis	362	471.00	1.3011	.62314
• Diary analysis/observation	362	527.00	1.4558	.78028
• Structured Interviews	362	649.00	1.7928	.62155
	362			

Table 4.2 presents information about the respondents' level of evaluation on the techniques used for training and development need analysis. Fourteen TD need analysis techniques were listed in the survey (Table 4.2). It was found that to a certain extent, all techniques were used by the companies. However, the most popular methods used at each categories are SWOT analysis (mean=3.1713, STD=1.16669) and Organizational scanning (mean=3.1409, SD=1.16483) under organization level need analysis, competency level analysis (Mean=2.5994, SD=0.71957) relatively frequently used as operational need analysis. And performance appraisals analysis (stated this practice Mean=3.3425, SD=1.11341). Such practice is perhaps of no surprise as performance appraisals are often considered the most common and widely used techniques in Individual TD need analysis (Brown, 2002).

Table 4.3 the mean and standard deviation of training and development need analysis data collection methods

2. Methods of TD need data collection	N	Sum	Mean	Std. Deviation
Performance Appraisal form	362	1228.00	3.3923	1.23913
Questionnaire Survey	362	719.00	1.9862	.79634
On site observation	362	664.00	1.8343	.61840
Individual interviews	362	615.00	1.6989	.97926
Focus group	362	492.00	1.3591	.77230
KSA	362	659.00	1.8204	.76148
Brainstorming	362	635.00	1.7541	1.18756
Document reviews	362	565.00	1.5608	.73902
Advisory committees	362	558.00	1.5414	.49897
Assessment centers	362	509.00	1.4061	1.02504
Delphi methods	362	414.00	1.1436	.56815
	362			

In terms of training and development needs data collection methods, the study find that performance appraisal form (Mean=3.3923, SD=1.23913) was the main technique and other data collection methods are rarely used by the organization.

4.3 Training and development designing and development dimension

Employees were Selected there level of satisfaction regarding the following factors in the process of training and development activities of the company among the five options given (Very poor=1, Bade=2, Moderate=3, Good=4, and Very good=5)

Table 4.4 Responses on TD Designing and Development dimension

Variables	count /age	Very Poor	Bad	Moderate	Good	very Good
Training and development plan and clarity of objective	count	101	114	138	5	4
	%age	27.9%	31.5%	38.0%	1.4%	1.1%
Relatedness of nature of training programs with work	count	6	23	230	101	2
	%age	1.8%	6.4%	63.5%	27.8%	0.5%
Quality of Training Programmers	count	25	150	162	25	-
	%age	6.9%	41.4%	44.8%	6.9%	-
Topic and understandability of of training and development programs	count	37	30	190	85	20
	%age	10.2%	8.3%	52.5%	23.5%	5.5%
Appropriateness of shorten and lengthen of the training program	count	150	116	53	43	-
	%age	41.3%	32.2%	14.6%	11.9%	-

In order to measure the effectiveness of TD practice of the CBE, perception of participants have been obtained and assessed regarded with TD design and development. Accordingly, as table 4.3 shows, most of the respondents, 101 (27.9 %), believed that Training and development plan and clarity of objectives was very poor followed by 114 (31.5%) who stated it is Bad. Other 138 (38) participants also noted that TD Plan was moderately designed and developed. However 5 (1.4%) and 4 (1.1%) respondents argued that TD plan was good and very-good, respectively.

Respondents evaluated the second variable called relatedness of the nature of training programs with work practices of the bank with respect to Training and development design and development. The majority of them or 230 (63.5%) responded it had moderate relatedness, 101 (27.8%) and 2 (0.5%) believed that relationship between TD program and Work was good and very good respectively. Conversely, the remaining 6 (1.8%) ascertained that it has very poor as the other 23 (6.4%) remarked design was Bad.

With regard to the quality of training and development programmers most of the participants or 162 (44.8%) rated their quality was moderate and 150 (41.4%) rated them as 'Bad'. That is the contribution of the programmers in training and development effectiveness was observed to be low. The other 25 (6.9%) hold that the programmers were very poor. On the other hand, 25 (6.9%) of the participants who rated their contribution as good.

The question posed for employees in this regard was to express their opinion whether the existing training and development topics were designed as best fit in CBE strategies or not and checked the understandability. For this question the majority of the respondents or 190 (52.5%) of the employees expressed it as a moderated one. The number of respondent said good and very good are (85=23.5%) and (20=5.5%) respectively contrary few participants (37=10.2% & 31=8.3%) reflect that topics of training and development topics and understandability was very poor and bad respectively.

As far as the appropriateness of the shorten and lengthen of the training program is concerned, participants response indicated that majority of respondents 150 (41.3%) and 116 (32.2%) reflect that the length of the training program was 'very poor' and 'bad' respectively whereas, 53 (14.6%) of respondents are neutral but 43 (11.9%) of respondents are agree that the shorten and lengthen of TD program was very good. This shows that there was great problem of Training and development program time arrangement in Commercial Bank of Ethiopia.

Table 4.5 Employees respond on TD designing and development

Variables	N	Sum	Mean	Std. Deviation
Training and development plan and clarity of objective	362	783.00	2.1630	.88912
Relatedness of nature of training programs with work	362	1156.00	3.1934	.62820
Quality of training Programmers	362	911.00	2.5166	.72624
Topic and understandability of training programs	362	1107.00	3.0580	.97302
Appropriateness of shorten and lengthen the training program	362	713.00	1.9696	1.01875
Valid N (listwise)	362			

As we can also see from this the mean score of three variables (2.4754, 1.9727 & 2.4016) are below average this indicates that the problem was more significant in the following three areas. According to Zaidaton & Bagheri (2009) the mean score below 3.39 was considered as low, the mean score from 3.40 up to 3.79 was considered as moderate and mean score above 3.8 was considered as high as illustrated by Comparison bases of mean of score of five point Likert scale instrument.

4.4 Participants Respond on training and development implementation

Employees were asked to what extent Training and development implementation hold the following possible factors.

Table 4.6 Response summary on TD implementation Index

Variables	Measurements	strongly disagree	Disagree	Not sure	Agree	Strongly agree
Enough training practice was given during the training period	Frequency	1	216	143	-	2
	%age	0.3%	59.7%	39.5%	-	0.5%
Proper facilities or equipments are provided in the training program	Frequency	-	-	127	206	29
	%age			35.1%	56.9%	8.00%
Interaction Between trainer and trainees is adequate	Frequency	86	211	55	10	-
	%age	23.8%	58.3%	15.2%	2.7%	-
co-operation of superiors, peers and sub-ordinates	Frequency	71	123	152	13	7
	%age	19.4%	33.6%	41.5%	3.6%	1.9%

From the above table 4.6 on whether enough training practice was given during the training program or not by the Commercial Bank of Ethiopia, large number of employees (59.7%) showed their disagreement with the idea. Out of the total respondents, 39.5% said that they were not sure and 0.3% of them said they strongly disagreed with the idea the remaining 0.5% strongly agreed. This shows that CBE training practice during TD implementation did not advocate good performance. Almost more than half of the respondents (56.9%) agreed on availability of training material and equipment, 35.1% were not sure about the adequacy of the training materials provided. Some respondents (8%), however, are strongly agreed on the adequacy and appropriateness of TD implementation materials.

As shown in the table above, 23.8% and 58.3% of the respondents are strongly disagree and disagree regarding the interaction of trainees and trainers during training sessions. On the other hand, 15.2% and 2.7% of the respondents are not sure and agreed for the same respectively. The data obtained from respondents regarding the interaction of trainees and trainers was not good.

Table 4.7 participant response on types of TD methods

Items	Frequency	Percentage
On the job Training	23	6.3%
Off the job Training	87	24.03%
Both	252	69.67%
Total	362	100%

Table 4.7 shows that which TD method the CBE used. While analyzing the questionnaires as summarized on the table depicted above, 6.3% of the respondents participated on the Job Training organized by CBE, while 24.03% took on the Job Training, and the remaining 69.67% confirmed that they participated on both types of training Programs. The data shown that the CBE used both on-the-job and off-the-job method this helps to compensated once disadvantage with the other advantage.

Table 4.8 Respondents response on TD Delivered methods

Variables	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Job instruction	362	1.00	5.00	903.00	2.4945	.57772
Apprenticeship training	362	1.00	5.00	471.00	1.3011	.62314
Audiovisual Training	362	1.00	5.00	607.00	1.6768	.57939
Orientation	362	1.00	5.00	659.00	1.8204	.76148
Coaching and mentoring	362	1.00	5.00	514.00	1.4199	1.03696
Computer instruction method	362	1.00	4.00	713.00	1.9696	1.01875
Seminar, Workshop and conference	362	1.00	5.00	664.00	1.8343	.61840
Lectures	362	1.00	5.00	1228.00	3.3923	1.23913
Job rotation	362	1.00	4.00	911.00	2.5166	.72624
Role plays	362	1.00	5.00	414.00	1.1436	.56815

As shown above table 4.4.3 the majority of the respondents replied that the Bank frequently used lectures method of training techniques of the off - job - training method. *Lectures* present training material verbally and are used when the goal is to present a great deal of material to many people. It is more cost effective to lecture to a group than to train people individually. Lecturing is one-way communication and as such may not be the most effective way to training. On the other hand, the interview made with staffs of Training division supports the opinion of the employees in a way that the bank almost all the time used a lecture technique of the off-job – training either within the bank’s training center or other places up on the approval of the management. The Training officer remarked that other techniques of training methods are rarely applied throughout the bank.

4.5 Training and development evaluation

Table 4.9 Employees Response on Training and Development Evaluation

Part 1	count /%age	Very Poor	Bad	Moderate	Good	very Good
Evaluation after each training program	Count	29	126	207	-	-
	%age	8%	34.8%	57.2%		
Evaluation before each training program	Count	156	42	164	-	-
	%age	43.1%	11.6%	45.3%	-	-
Evaluation during training program	Count	155	131	76	-	-
	%age	42.8%	36.2%	21%	-	-
Regular feedback session on performance after training	Count	155	60	147	-	-
	%age	42.8%	16.6%	40.6%	-	-

The table 4.5 above shows the analysis of the major questionnaire questions that were formulated and directed towards providing answers to the research questions. The table presentation shows a rating of “very poor” to “very good”. The analysis covers four important sections of training evaluation. Firstly, from question one in table above it can be seen that there exists low response in the after Training Evaluation. The information from the employee participant of the Bank showed 34.8 % Bad, 57.2% moderated and 8% very poor no one respondent believed that there exists feedback section after training This shows that the does not put much effort in organizing trainings.

Secondly, on the evaluation of the trainers before training programs shows a negative response with 43.1% rated it as very poor and 11.6 % as bad and 45.3% as moderate. From the employee’s perspectives, management evaluation of training especially on the use of training needs assessment before selecting who to be trained and the nature of training to be offered show a very poor.

Third, It can be inferred from the above table that, 42.8% of the employees rated trainers evaluation during training program as very-poor, 36.2% of the employees rated trainers evaluation with the as bad and 21% of the employees rated trainers evaluation with the group as moderate.

It can be understood from the above table that, majority of 42.8% of the employees rated trainers regular feedback session on performance rating as very poor, 16.6% of the employees rated trainers evaluation of the CBE as bad and 40.6% of the employees rated trainer’s evaluation was moderate.

Table 4.10 Employees respond on Kirkpatrick model of training evaluation

Part 1	count /age	Never	Rare	Seldom	Frequent	Always
Reaction (how well trainees liked the training)	count	13	4	97	153	95
	%age	3.6%	1.1%	26.8%	42.3%	26.2%
Learning (Principles, facts, or skill learned)	count	264	82	11	1	4
	%age	72.9%	22.7%	3%	0.3%	1.1%
Result (tangible outcomes of training)	count	103	235	15	7	2
	%age	28.5%	64.9%	4.1%	1.9%	0.6%
Behavior (resulting changing in behavior on the job)	count	235	103	13	4	7
	%age	64.9%	28.5%	3.6%	1.1%	1.9%

Table 4.5.1 Presents the how the respondents reacted to the four elements of Kirkpatrick’s Model of Training Evaluation. 42.3%, 26.2% and 26.8% of respondent rate that, the existing reaction measurement practice is frequently, always and seldom respectively used and very little (3.6%) and 1.1 % of the respondents say the reaction TD measurement package provided rate was never and rare respectively. to them. In general, many of the employees rate the reaction provision practice of CBE TD was relatively good and done frequently

In relation to learning, 72.9 % and 22.7 % said that measurement was never and rarely used respectively bonus practice where as 3%,0.3% and 1.1% respectively reflect that seldom, frequent and always mode of measurement. This shows employees’ rate learning measurement practice of the CBE was between never and rare. According to the information gathered there was no frequent learning practice in the commercial Bank of Ethiopia.

The other Model valued by employees was the Result TD effectiveness measurement dimension. In this regard, 64.9% and 28.5% of the respondents claim that the practice was rare and never respectively, and other 4.1%,1.9% and 0.6% respectively responded that result was seldom, frequent and always applied. However, the overall ratings, as the mean, shows that employees rate result measurement practice as never and rare.

The last practice presented for respondents to rate was the behavior practice of the CBE. As shown on the table above, significant number of the respondents (64.9% and 28.5%) rate the practice as never and rare respectively. While the remaining participated (3.6%, 1.1% and 1.9% frequency of application was seldom, frequently and always respectively. Therefore, overall rating of the Behavior measurement practice was rarely implemented or applied in commercial bank of Ethiopia

Training evaluation is the most important aspect of training and development. It is a subject which has been much discussed but superficially carried out. There are various reasons for that which has been discussed earlier. One of the main reasons is that all models are descriptive and subjective in nature, its indicators for evaluating training and development is not clearly given and explained. From the above discussion it has been found out that Kirkpatrick model is widely used model at reaction level but in this case also what should be the main indicators at reaction level and other levels is not explained properly.

4.6 Training and Development Effectiveness

Training adds value to the operations of an organization in ways that are difficult to measure with empirical precision. Training is commonly used to promote customer service, goodwill towards the organization, productivity, operating proficiency and efficiency, safety, and awareness of policies (sexual harassment, security, diversity, etc.), which can contribute to increased sales, profitability, and morale as well as reduced turnover, absenteeism, spoilage, and legal claims. The extent of both the effectiveness of training and its relative contribution to organizational performance are still highly unresolved issues. Henry Ford once said something to the effect of: I know that only half of my advertising dollars makes a difference, but I don't know which half. This same sentiment could be expressed about training. Nonetheless, the fact that management professionals ask the question how much does training contribute to organizational performance is an indication in and of itself that training does contribute to it and is more than simply an expense; it can be a long-term investment in organizational performance. With this fact the researcher tries to examine the effectiveness of the organization from the training effectiveness direction. (Latham, 2014)

4.11 Summary of TD Effectiveness

Part 1	count /age	strongly disagree	Disagree	not sure	Agree	Strongly agree
Enhance employee capacity and efficiency	count	159	71	97	28	7
	%age	43.92%	19.68%	26.8%	7.7%	1.9%
Promote innovation and creativity for competitive advantage	count	73	68	180	38	3
	%age	20.17%	18.78%	49.75%	10.5%	0.8%
Develop employee's skills and knowledge	count	78	112	162	8	1
	%age	21.66%	30.94%	44.77%	2.28	0.28%
improves organization performance	count	50	73	228	11	-
	%age	13.8%	20.2%	63%	3%	-

As the above table depicts that 159 (43.92%), 71 (19.68%), 97 (26.8%), and 28 (7.7%) and the remains 7 (1.9%) of the respondents reflected that the effectiveness of the organization TD employees to enhance employee capacity and efficiency was strongly disagree, disagree, not sure, agree and strongly. And 73 (20.17%), 68 (18.78%), 180 (49.75%), and 38 (10.5%) and 3(0.8) of the respondents responded that the return of the training towards promote innovation and creativity for competitive advantage in the organization was strongly disagree, disagree, not sure ,agree and strongly agree respectively. under ‘develop employee’s skill and knowledge ‘depicts that 78 (21.66%), 112 (30.94%), 162 (44.77%), and 8 (2.28) and the remains 1 (0.28%) of the respondents reflected that the effectiveness of the organization TD employees to develop employee’s skills and knowledge was strongly disagree, disagree, not sure, agree and strongly.

Since organization are spending significant amount of money on training in the hope of future return of benefit based on this truth most of respondents proofed that the sample organizations are ineffective in relation to enhance employee’s capacity and efficiency of work force, promote innovation and creativity for competitive advantage and develop employee’s skills and knowledge in the organization after the training. Also asked the participants about how the organization was benefited from the training by improves organization performance (for banks in terms of customer served, profit, and overall effect with a particular period of time) and 50(13.8%), 73(20.2%), 228(63%), 11(3%) of the respondents responded that strongly disagree, disagree, not sure, agree and strongly agree

4.7 Interview Analysis

To gather more information about employee training and management development practice of the commercial Bank of Ethiopia both structured and unstructured interview questions were forwarded to the learning and development Managers of the CBE. Interviewees' responses to the questions are depicted briefly as follows.

Other ways of improving employee competency level and organization's performance other than training in the commercial Bank of Ethiopia: In the CBE, management development and employee training program are the best ways by which employee competency and productivity can be improved. Sometimes education opportunities are given for employees in local universities, colleges and in the form of scholarships.

■ **Allot sufficient funds to carry out training and development programs effectively:** In the CBE there is no big problem with regards to the funds needed to implement the training and development program. Adequate fund is budgeted at the beginning of the new fiscal year to carry out effectively training and development programs.

■ **Provide the required training materials:** As mentioned above, the company allotted sufficient fund to fulfill any relevant training facilities that are essential for the success of the program. Thus, no significant problems were observed with respects to the facilities as the interviewee replied. For instance, the video conference room located at the training and development institution venue was one of the basic facilities available to carry out training and development programs.

■ **The presence of right trainers who have adequate technical proficiency and skills for the right trainees:** The companies have appropriate trainers for the right trainees, particularly for local training and development program. Moreover, some senior and skilled internal staffs are rarely used as relevant trainers; especially for technical trainings. Sometimes, the CBE invite applicants from external consultants (Frankfurt school of Germen) who need to provide trainings on fee basis.

■ **The base for selecting right trainees for the right trainings:** For internal training and development programs, the departmental management and an immediate supervisor were

responsible to nominate appropriate trainees for appropriate training. Right trainees were selected by taking in to consideration their past and current job performance, (performance evaluation), the number of years of service in the bank and the nature of jobs they were assigned for. For abroad trainings, top management and/or governors of the organization were responsible to nominate appropriate trainees. But line managers were not given more emphasis because they don't participated in the decision due to this they are reluctant forward to employees.

■ **Presence of well-known training and development objectives for the trainees:** As the interviewee said, training and development objectives were established for each trainee. That means, the trainees lack of knowledge what was expected from them after taking any form training and development programs given by learning and development division but the concerning body specially the line manager don't communicate to the right employee at right time

■ **Factors considered in selecting appropriate methods of training and development:** In selecting instructional methods and media, a trade-off existed. No single method or Medias always best, the best method or media depends on several factors. In the CBE, appropriateness of the facilities for the objectives it is aimed is the basic factors considered in selecting instructional methods and media. For instance, Medias like overhead projector, LCD and white boards are used to give lecture for trainees. Moreover, desired training program content, trainer preference and capabilities are also considered.

■ **Process to assess the organization's future training needs, way of carried out, participates and considered knowledge and ability in assessing training needs?**

The interview response showed that the performance appraisal form of need assessment was filled by the line managers collects the formats every quarter. The interview revealed that the training delivered from HRD were more or less synonymous from year to year because of reasons cited among which lack of qualification, competencies and time constraints of the managers. The interviewee replied confirmed that the lack of knowledge and experience with

regard the three dimensions of need assessment namely: task, person and organizational analysis. Further the interview with the Training Division staffs also supported that the three dimensions of the need assessment were not conducted till now.

4.8 Documentary Analysis

To deal with the rapidly changing technology and other external environmental pressures that results in new techniques of doing an activity and to facilitate the achievement of the banks objectives, the existing and newly recruited staffs need to be refreshed, updated and Introduced to the standard of quality on customer handling and providing efficient and effective services. This depends on the capacity building of both the management and non-management staffs through training and development with new knowledge and practices. In CBE, the human resource development sub process located under HRM main process is responsible for human resource development as a whole.

Training is the only activity the HRD sub-process of the bank provides for employees to develop their knowledge, skills, and abilities. Both on-the-job and off-the-job training are made available to the employees. However, other developmental aspects of the HRD such as organization development and career development are totally neglected. In CBE, technical training is offered to operational staffs. Developmental training is provided for employees working in other functional areas of finance, marketing, audit, and human resource management. Accounting, customer service, strategic planning, audit, and marketing management are the most common areas of training offered to the employees.

Regarding HRD needs assessment practice of the bank, the unapproved HRD procedure of the bank indicates HRD needs assessment should be conducted at organizational, process/task and individual levels periodically and as the situation demands. However, the documentary analysis revealed that HRD needs assessment is conducted seasonal using a form (a sort of questionnaire) distributed by the corporate HRD sub-process at the time of budget call or preparation.

Concerning the designing of HRD programs, there is no document that shows objectives were set for HRD programs and also lesson plan were prepared. Moreover, HRD programs participants are selected only on the bases of training type, trainees' record and subjective judgment of HRD officers, line managers and/or supervisors.

In CBE, the commonly used HRD delivery methods are on-the-job and formal classroom training methods. Besides, lecture is the most frequently used training techniques in the bank. The in house trainings mainly technical trainings are organized periodically by the bank using its own senior staffs. The external training including of local and overseas or abroad training is also given to selected senior management members to update their skills and knowledge.

This indicates that structured and rigorous approach to evaluation HRD efforts using objective criteria is not practiced and it makes the HRD evaluation ineffective.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

A study has been conducted to assess training and development practices in Commercial Bank of Ethiopia. Based on the data presented and analyzed in chapter four of this study, the following summary of finding, conclusion and recommendations are drawn.

5.1 Summary of finding

The following findings are drawn based on the cumulative result of commercial Bank of Ethiopia employees.

1. **TD Need identification:** The commonly used TD need analysis techniques in CBE were organizational analysis specially SWOT analysis (mean=3.1713) and organizational scanning (mean=3.1409) and rarely used Pest analysis (mean=1.7983). Less emphasis has been given to individual level analysis except performance analysis (mean=3.3425 and observed That Company predominantly used Performance appraisal form to collect data of TD needs. Though there is a trade-off between the methods, less emphasis has been given to all need assessment techniques specially ignore operational analysis (most of technique's mean result below average).

2. **TD designing and development**

The practice of setting training plan by CBE before the delivery of the training program, the process of setting the clear objectives neglected in the organization. On the relatedness of nature of training programs with work shows a positive response with 230 (63.5%) good and 101 (27.8%) moderated. The feedback on TD programmers those who Design and develop the training programs shows relatively negative response with 41.4% were reported to be bad and 44.8% moderate. Training content determination was not participatory. Both client organizations and trainees were not invited to participate in this major issue by CBE. The training content and understandability of training program was ambiguous to

overcome trainee's knowledge, skill and attitude gaps and could or not contribute to improve organizational performance problems. And majority of participant responded as moderate (52.5%).the shorten and lengthen of the TD program not properly adjusted with the training content and it's important (41.3%=very Poor and 32.2%=Bad, remaining 14.6% and 11.9 moderate and good respectively)

3. **TD Implementation:** In CBE, the commonly used HRD delivery methods are off-the-job (24.3%), both on and off the job was (69.67%). Formal lecture (mean=3.3923) training methods frequently used. Besides, job instructions and job rotation techniques were the second frequently used training techniques in the bank. The in house trainings mainly technical trainings were organized periodically by the bank using its own senior staffs. The external training including of local and overseas or abroad training is also given to selected senior management members to update their skills and knowledge. The training facility and equipment was very nice (56.9%) in the CBE. There was a problem on enough training practice was given during the training period, Interaction between trainer and trainees was satisfactory and good co-operation among superiors, peers and sub-ordinates.
4. **TD Evaluation:** There was no practice of evaluating trainee's done before, during, after and regular session the training and development program. Except reaction (42.3% frequently used) other effective measurement such as learning, result and behavior was ignored in commercial bank of Ethiopia. Irregularities on training program evaluation (i.e., repetitiveness versus lack of adequacy) were also mentioned as a weak point.
5. **TD Effectiveness:** The effectiveness of training and development was unsatisfactory measured in different dimensions. With regard to enhancing employee capacity and efficiency, participants responded 43.92%, 26.8%, 19.68% strongly disagree, not sure and disagree respectively. Employees were not sure that the CBE TD, Promote innovation and creativity, competitive advantage, less performance of TD on Develop employee's skills and knowledge and improve organization performance.

5.2. Conclusion.

- ✚ Based on the findings, it was observed that training theories and principle were not respected in the training practice conducted by commercial Bank of Ethiopia in the research period. Training need assessment, which is the foundation for proposing, designing and implementing training programs, was neglected. It is clear that results obtained based on improper foundation are not effective and efficient.
- ✚ Training designing, objective setting and content determination tasks were totally left to CBE and The training content, which should have addressed the specific knowledge, skill and attitude gaps the trainees, was left to the discretion of the trainer who had little or no knowledge of the client organization's vision, mission, product, service or customers.
- ✚ The training method, which focuses both on off-the-job method, this the strength of the company and helps to extract benefit from both method.
- ✚ The lecture method, which was not supported by visual teaching aids, did not attract trainees to participate in the training process as desired.
- ✚ The training location, inputs and facilities were in a good position to deliver effective training.
- ✚ Absence of training before, during and after assessment also couldn't applied in the CBE of the training practice on the achievements of organizational objectives and service provisions

In general, training need analysis, the foundation for all training program phases was not exercised in accordance with the training theories and principles. Because of this the trainings were not responsive to the specific need of the client organizations. The training design and implementation couldn't be effective and were not able to respond to demands of the commercial Bank of Ethiopia. In addition, to that failure to conduct training evaluation shows that the company TD has less contribution to, organizational performance, service Excellency and innovation and creativity.

5.3 Recommendations

Based on the findings and conclusions made from this study, the following recommendations can be forwarded.

- Training programs largely help an organization to accomplish its goals and objectives. This is possible when training programs are provided to employees by identifying areas where it can make a real contribution to organizational success. Therefore, all concerned bodies have to carry out TD need analysis using the right approach in order to avoid misuse of resources as well as for effective accomplishment of organizational objectives. The practice of conducting training need assessment should encompass the needs of an individual employee so that they are able to determine their own needs. In doing so, it is recommended that there should be participation of both trainees and client organizations.
- I recommended that the HRD department of the CBE should use mixed methods to take advantage of all methods and to ensure effectiveness of need assessment. Elbadri (2001) stated that mixed evidence regarding the perceived reliability and validity of the training methods used are better and multiple data collection methods and techniques were adopted to identify training needs. The performance appraisal method is also less effective as it tends to focus only on present performance problems / needs while being deficient in determining future organizational demands, an imperative for organizations to remain competitive in today's fast-paced and increasingly global business environment.
- Setting clear and precise objective at the start would help managers to decide whether the trainings are good enough for the attainment of organizational goals and directs the trainers to know what to train and trainees to decide whether the objectives set are related to accomplishment of their tasks. Thus it is recommended that the preparation

of training objectives should be done with meaningful participation of all concerned bodies.

- Designing what knowledge and skills need to be thought is an important task in the development of training designs. Therefore CBE should play a great role in participating stake holders in identifying training contents that hold detailed statement of what trainee need to learn based on comparison between the job specification and trainee level of competence. Furthermore, to make the contents understandable and retainable they must be systematically grouped, integrated and sequentially organized and above all they should be well-suited with those of the organizational training needs and the training objectives set, in order to bring the performance deficiencies, identified by TD need analysis .
- The CBE has to focus on improving its organizational capacity i.e. structure, working systems, manuals etc. with the view to rendering quality training provisions to its clients that can really addresses the specific performance problems of organizations.
- The quality of training service provision of the bank largely depends up on having qualified and motivated trainers. To this end, it has to develop and ensure a means by which it can attract and retain professionals, trainers, consultants and researchers.
- Methods of training and development should be all inclusive. That is, it is better to take into consideration of all managerial and non managerial staff, particularly in abroad training, because of the presence of less emphasis and also use off-the-job training methods with that of on-the-job methods because the companies may lose the advantage that comes from off the job training methods.
- All training and development stage process should be participatory especially designing steep otherwise difficult to implement effectively.

- The CBE should communicate training and development policies, strategies and plan to all managers and non-manager employees. This helps to increase commitment of line managers and employees to their achievements.
- Finally, since training and development was found to be a positive predictor of employee performance, commercial Bank of Ethiopia should engage in increasing the qualities and quantities of the training program so as to increase their employees' performance.

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Appendix- A



SCHOOL OF COMMERCE
GRADUATE PROGRAM IN HUMAN RESOURCE MANAGEMENT
Research Questionnaire

My name is Haimanot Lemma. I am a Master's of Human Resource Management student at Addis Ababa University **School of Commerce**. The purpose of this questionnaire is to collect data in order to study employee training and development practices in Commercial Bank of Ethiopia. Kindly cooperate in filling the questionnaire as your genuine, complete, and timely responses are crucial for the success of my study. Besides, I would like to assure that the data collected using this questionnaire is purely for academic requirement and your responses will be held confidentially and anonymously. Hence, the researcher kindly requests you to respond each item carefully.

Note:

- No need of writing your name
- Please fill the answer by putting “√” mark
- Kindly provide your response attentively and return the completed questionnaire as soon as possible
- If you need further explanation, you can contact me through the address indicated below:

Haimanot Lemma

Mobile 0913 41 83 96

PART I: Background Information of Respondents

No.	Items	Option/dimension	Put (√)
1	Gender:	Male	
		Female	
2	Age:	20-30 Years	
		31-40 Years	
		41-50 Years	
		51 Years & Above	
3	Marital Status:	Single	
		Married	
		Separates	
		Divorced	
		Widowed	
4	Educational Qualification:	PhD	
		Masters(2nd Degree)	
		First Degree	
		Diploma	
		Below Diploma	
5	Work Experience (Overall):	0-5 Years	
		6-10 Years	
		11-15 Years	
		Above 15 Years	
6	Current Position:	Managerial (overall)	
		Non-Managerial	

Source:-Abeguki .O. E, Paul,S,O ,Akinrole,O,O, David,U,A (2014). Strategic role of human resource training and development on organizational effectiveness in Nigerian banking industries, Global Journal of Human Resource Management, Vol.2,No.4,pp.24-39,.

Part II Training and Development Need Analysis

INSTRUCTION: List of techniques and methods used in training need analysis is given in the first column of following table. Please tick (√) in the box that best reflects your answer in relation to the question, “To what extent did training and development need analysis hold the following possible factors in Commercial Bank of Ethiopia?”

1. Techniques Used in Training needs analysis					
To what extent did Training and development need analysis hold the following possible factors in CBE?	Never	Rare	Seldom	Frequently	Always
a) Organizational level					
• SWOT analysis					
• Organizational scanning					
• Balanced Scorecard					
• Pest Analysis					
b) Operational analysis					
• Task analysis					
• Competency analysis					
• Job analysis					
• skill inventory					
• Management Skills audit					
C) individual level					
• Performance appraisal					
• critical incident					
• Chart analysis					
• diary analysis /observation					
• Structured Interviews					

2. Methods of training need analysis	Never	Rare	Seldom	Frequently	Always
• Performance Appraisal forms					
• Questionnaire survey					
• On-site Observations					
• Individual interviews					
• Focus group					
• KSA (Knowledge, Skill, Ability) test					
• Brainstorming					
• Document reviews					
• Advisory committees					
• Assessment centers					
• Delphi Method					

Notice

- **The Delphi method:** It is a structured communication technique, originally developed as a systematic and interactive forecasting method which relies on a panel of experts.
- **PERT (Program evaluation and review technique):** The Program (or Project) Evaluation and Review Technique, commonly abbreviated as PERT, is a model for project management designed to analyze and represent the tasks involved in completing a given project.
- **Assessment centers:** identifying training needs by assessing performance through a comprehensive set of simulations, e.g. what, if, scenarios, etc.
- **Focus groups:** A focus group is essentially a group whose task is to focus on a specific issue within an organization.
- **Brainstorming** is a tool used by teams to bring out the ideas of each individual and present them in an orderly fashion to the rest of the team. The key ingredient is to provide an environment *free of criticism* for creative and unrestricted exploration of options or solutions (Viewgraph 1).

Source: - Liza, R. S., M, M. and F, T. (2011). *Training Need Analysis of Banking Sector in Bankgaldesh, ASA University Review, Vol.5 No.1*

Part III Training and Development Designing and Developing

INSTRUCTION :From list of Training and Development designing and developing items, Select your level of satisfaction regarding the following factors in the process of training and development activities of the company. Please tick (√) in the box that best reflects your answer in relation to the question.

Items	Very Poor	Bad	Moderate	Good	Very Good
Training and development plan and clarity of objective					
Relatedness of Nature of Training Programs with work					
Quality of Training Programmers					
Topic and understandability of training programs					
Appropriateness of shorten & lengthen The Training program					

Source: - Kavita Rani and Diksha Garg(2014):A Study on Training and Development in Public Sector Banks:International Journal of Management and Social Sciences Research (IJMSSR):Volume 3,;page;5)

Source-2:- Rani, K. and Garg, D. (2014). A Study on Training and Development in Public Sector Banks, International Journal of Management and Social Sciences Research (IJMSSR):Volume 3,;page;5)

Part IV Training and Development Implementation

Setion-1 **INSTRUCTION:** To what extent Training and development implementation hold the following possible factors? Please tick (√) in the box that best reflects your answer where:

Items	Strongly disagree	disagree	Not sure	Agree	Strongly agree
Enough training practice is given during the training period					
Proper facilities or equipment's are provided in the training program					
Interaction between trainer and trainees is adequate					
Co- operation of the superiors, peers and sub-ordinates					

section-2 Which among the training method/s, have you participated in training programs so far?

- On the job training method Both Methods
 Off the job training method

Section-3 How often the following training delivery techniques were used in training programs you have

Methods	Never used	Almost Never used	Sometimes used	Almost every time used	Frequently used
Job instruction					
Apprenticeship Training					
Audiovisual Training					
Orientation					
Coaching and mentoring					
computer Instruction method					
Seminar, Workshop and conference					
Lectures					
Job rotation					
Role plays					

participated so far. Please tick (√) in the box that best reflects your answer where:

Source: - Akilandeswari,p., Jayalakshmi, D.(2014). A Study on Effectiveness of Training in Indian Banks, International Journal of Recent Advances in Organizational Behaviour and Decision Sciences, Volume: 1 No.1

Source:-Hameed, s.,Rajinikanth, J. and Mohanraj, P.(2014). A Conceptual Study on Training and Development Programs of Bank Employees,International Journal of Advance Research in Computer Science and Management Studies, Volume 2, Issue 5.

Part V Training and Development Evaluation

To what extent Training and development Evaluation was effective with the following possible factors? Please tick (√) in the box that best reflects your answer where:

Items	Very Poor	Bad	Moderate	Good	Very Good
Evaluation after each training program					
Evaluation before each training program					
Evaluation during training program					
Regular feedback session on performance after training					

Source:-Hameed, s.,Rajinikanth, J. and Mohanraj, P.(2014). *A Conceptual Study on Training and Development Programs of Bank Employees,International Journal of Advance Research in Computer Science and Management Studies, Volume 2, Issue 5.*

Part V Training and Development Effectiveness

Section -1 INSTRUCTION what measurement criteria are often used? Please tick (√) in the box that best reflects your answer where:

Dimension	Never	Rare	Seldom	Frequent	Always
Reaction(how well trainees liked the training)					
Learning(Principles, facts, or skill learned)					
Result(tangible outcomes of training)					
Behavior (resulting changing in behavior on the job)					

Section-2 - INSTRUCTION: Please suggest your level of agreement to Training and development effectiveness dimensions by choosing from the alternatives stated below. Please tick (√) in the box that best reflects your answer in relation to the question.

To what extent did Training and development outcome hold the following possible result in CBE?	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
Enhance Employee capacity and Efficiency					
Promote Innovation and creativity for Competitive Advantage					
Develop Employees' Skills and Knowledge					
Improves organization performance					

Source:-Ugoji, C. and Mordi, C.(2014). Training evaluation: A case of employee training and development within the service industries in Nigeria, Journal of Research in International Business and Management 4 :p-18

Thank you

APPNIDEX-B

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

To be filled by Human Resource development department

1. Does the company allot sufficient funds to carry out training and development program effectively?
3. Does the company provide the required training materials?
4. Does the training have the right trainers who have adequate technical proficiency and skills for the right trainees?
5. What is your base for selecting appropriate trainees for appropriate training?
6. Have you ever established training and development objectives for the trainees?
7. What factors do you consider in selecting instructional methods and media for training and development program?
8. Is there a process to assess the organization's future training needs? If yes, how is this assessment carried out? Who participates? And Are job skills, knowledge and ability considered in assessing training needs?

**Appendix-c (MANAGEMENT INFORMATION SYSTEM) MIGRATED ON
JAN 15/2016**

Department	Managerial and Administrative	Non- Managerial
Accounts & Reconciliation	3	59
Acquired Asset Administration		2
Appl. & Infrastructure Mgt.	5	102
Appln System & Infrast. Suppor	8	24
Aquired Asset Administration	1	4
Archive	1	4
Board Office	1	1
Build.constructi&contract Adm.		10
Build.maintena.& build.admin.		30
Buildg Constrn & Office Mat Mt	7	37
Building & Construction Office	2	43
Business & Corp. Customer Rlsp	1	25
Business and Corporate Credit	1	34
Business Development	3	22
CATS CPC	9	321
Cats Process	2	12
Change Management		6
Chief Internal Audit		1
CHIEF INTERNAL AUDITOR	14	36
Commercial Credit	1	51
Compliance Management	1	12
Construction Project		11
Consumer Loan East Addis	2	50
Consumer Loan North Addis	4	46
Consumer Loan South Addis	4	43
Consumer Loan West Addis	4	52
Corporate Communications	1	11
Corporate HR Development	1	0
Cr. Appraisal & Portfolio Mgt.	1	3
Credit Appraisal	1	42
Credit Portifolio Management	1	14
Credit Process	1	3
E-Payment Center	11	177
Ethics & Anti Corruption Offic	5	8
Exec. Asst. To The Pres. Off.	4	10

Department	Managerial and Administrative	Non-Managerial
Facilities Management		4
Facility Process	3	9
Finance Process	1	7
Financial Institutions Relshp		10
Foreign Transfer & NR/NT Acct	7	157
Fund Management	2	9
Health Care Center	1	24
Information System Security	3	13
Interest Free Banking	6	13
Internal Audit	7	36
IS Process	2	4
Legal & Loan Recovery	1	13
Legal Services		14
Loan Recovery	3	44
Management Information service	3	36
Mobile & Internet Banking		4
Monitoring & Evaluation		7
Office of Strategy Management	1	10
OUTSOURCING MANAGEMENT PROJECT		8
President Offices	2	5
Procurement	2	71
Program MGT Office	18	95
Project Management Office		3
Promotion & Brand Mgt.	1	16
RECONCILIATION		3
Research & Development	1	20
Resid.Hous.& Inv. Mach.	1	9
Risk & Compliance Management	1	2
Risk Management	1	13
Security Services	1	4

Department	Managerial and Administrative	Non-Managerial
Accounts & Reconciliation	3	59
Acquired Asset Administration		2
Appl. & Infrastructure Mgt.	5	102
Appln System & Infrast. Suppor	8	24
Aquired Asset Administration	1	4
Archive	1	4
Board Office	1	1
Build.constructi&contract Adm.		10
Build.maintena.& build.admin.		30
Buildg Constrn & Office Mat Mt	7	37
Building & Construction Office	2	43
Business & Corp. Customer Rlsp	1	25
Business and Corporate Credit	1	34
Business Development	3	22
CATS CPC	9	321
Cats Process	2	12
Change Management		6
Chief Internal Audit		1
CHIEF INTERNAL AUDITOR	14	36
Commercial Credit	1	51
Compliance Management	1	12
Construction Project		11
Consumer Loan East Addis	2	50
Consumer Loan North Addis	4	46
Consumer Loan South Addis	4	43
Consumer Loan West Addis	4	52
Corporate Communications	1	11
Corporate HR Development	1	0
Cr. Appraisal & Portfolio Mgt.	1	3
Credit Appraisal	1	42
Credit Portifolio Management	1	14
Credit Process	1	3
E-Payment Center	11	177
Ethics & Anti Corruption Offic	5	8
Exec. Asst. To The Pres. Off.	4	10

Department	Managerial and Administrative	Non-Managerial
Strategy Mgt.and Planning	2	7
Trade Service	1	4
Trade Service Advisory & Train		5
Trade Service CPC	6	123
Trade Service Process	1	5
Trade Service Special Outlet	2	26
Transport Management	3	63
Sub Total	<u>283</u>	<u>2202</u>
Nort Addis District city Branchs	159	1315
South Addis District city Branchs	219	1591
West Addis District city Branchs	260	1473
East Addis District city Branches	177	1326
	815	<u>5705</u>
	1098	7907
Grand Total		8905



የኢትዮጵያ ንግድ ባንክ
COMMERCIAL BANK OF ETHIOPIA

INTER DEPARTMENTAL MEMORANDUM

DATE
ቀን : **May 3, 2016**

TO
ላ : **To whom it may concern**

FROM
ከ : **Manager, Learning and Development**

SUBJECT
ጉዳይ : **Request for Cooperation**

Addis Ababa University under its letter dated February 08, 2016 has requested our bank to assist and cooperate Ato Haimanot Lemma, who is M.A. student in Human Resource and currently undertaking an a research work on "Assessment of training and development practices of CBE"

This is, therefore to request you to provide him the required assistance and cooperation without compromising confidentiality.

Regards

Getu Bedilu

Corporate HR Development
Tel: 0114-43-09-05/0114-43-06-01/0114-43-09-56/0114-43-08-48
Fax: 0114-43-08-43