



**EMPLOYEES' OPINION ABOUT HUMAN RESOURCE
DEVELOPMENT PRACTICES OF NATIONAL BANK OF
ETHIOPIA: A STUDY**

**A PROJECT SUBMITTED TO THE SCHOOL OF
GRADUATE STUDIES OF ADDIS ABABA UNIVERSITY IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTERS IN BUSINESS
ADMINISTRATION**

**BY
TAMRAT GETAHUN**

**ADVISOR
DR.G.K.MURTHY**

**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
SCHOOL OF GRADUATE STUDIES
MBA-PROGRAM**

AUGUST, 2007

**ADDIS ABAB UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MBA PROGRAM**

**“EMPLOYEES’ OPINION ABOUT HUMAN RESOURCE DEVELOPMENT
PRACTICES OF NATIONAL BANK OF ETHIOPIA(NBE): A STUDY”**

BY: - TAMRAT GETAHUN

Advisor

Signature

Examiner

Signature

Examiner

Signature

Examiner

Signature

DECLARATION

I declare that the project entitled “Employees’ Opinion about Human Resource development Practices of NBE” 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.

Tamrat Getahun
(The Researcher)

Dr.G.K.Murthy
Faculty of Business and Economics
Department of Management
Addis Ababa, Ethiopia

LETTER OF CERTIFICATION

This is to certify that Tamrat Getahun carried out his project on the topic entitled “Employees’ Opinion about Human Resource development Practices of NBE” under my supervision. This work is original in nature and is suitable for submission for the award of Master of Business Administration.

Dr.G.K.Murthy
(The Research Advisor)

ACKNOWLEDGEMENTS

First and for most, I would like to give my glory and praise to the **Almighty GOD** for his invaluable cares and supports through out the course of my life and helped me since the inception of my education to its completion and enabled me to achieve my career.

Next, I'm grateful to appreciate my Advisor **Dr. G.K. Murthy** who has taken all the trouble with me while I was preparing the paper. Especially, his valuable and prompt advice, attractive facial expressions, constructive corrections and insightful comments, suggestions and encouragement are highly appreciated. A special word of mouth is his credit.

My sincere and heartfelt gratitude goes to **HRM director, HRD officer, HR planning senior officer** and all of the **sample management and non management staff** of NBE for their frank response to my interview questions and questionnaires with out which this paper would come to life.

Last but not least, I'm greatly indebted to my friends **Frezer Kebede, Tamirat Erasha,** and **Tesfaye Belachew** for their moral support and suggestions. More over, I highly appreciate **W/t Yirgalem** for her great assistance in typing and editing the paper.

Table of Contents

	Pages
Acknowledgments	I
Table of Contents	II
List of Tables	IV
Acronyms	V
List of Appendices	VI
Abstracts	VII
CHAPTER ONE	
INTRODUCTION	
1. 1. Background of the study.....	1
1.2 Statement of the Problem.....	3
1.3. Objectives of the study.....	4
1.4. Significance of the study.....	5
1.5. Scope of the study.....	5
1.6. Limitations of the study.....	6
1.7. Methodology of the study.....	6
1.7.1. Procedures of Collecting Data.....	7
1.7.2. Methods of data analysis.....	8
1.8. Organization of the Study.....	9
CHAPTER TWO	
REVIEW OF LITERATURE	
2.1. What is Human Resource Development?.....	10
2.2. Why Training and Development?.....	11
2.2.1. Employee Training.....	11
2.2.2. Management Development.....	13
2.3. The Human Resource Development Process.....	14
2.3.1. Need Assessment.....	15
2.3.2. Training and Development Objectives.....	19
2.3.3. Instructional Method and Media	20
2.3.4 Implementing the Human Resource Development Program.....	26

2.3.5. Evaluation of Training and Development.....	27
2.4. Types of Human Resource Development Programs.....	30
2.4.1. Employee Training Programs.....	30
2.4.1.1. On-the-job Training.....	30
2.4.1.2. Off-the-Job Training.....	31
2.4.2. Management Development Programs.....	31

CHAPTER THREE

DATA PRESENTATION AND ANALYSIS

3.1. Profile of National Bank of Ethiopia (NBE).....	34
3.1.1. Evolution of the National Bank of Ethiopia.....	34
3.1.2. Vision, Mission and Goals of the National Bank of Ethiopia.....	36
3.2. Human Resources Development Practices of NBE.....	39
3.2.1. Documentary Analysis	39
3.2.2. Opinions of Respondents about HRD practices of NBE.....	40
3.2.2.1. Opinions of Management Staff Respondents	41
3.2.2.2. Opinions of Non-Management Staff Respondents....	52
3.2.3 Interview Analysis.....	63

CHAPTER FOUR

CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusions	69
4.2 Recommendations	71

Bibliography

Appendices

LIST OF TABLES

Table1.1. Sample Size Determination

Table3.1. Total Number of questionnaire distributed, returned and unreturned to and by managements staff of NBE

Table 3.2 responses in relation with general information of respondents.

Table 3.3 Response related to Management Development Policy of NBE

Table 3.4 Management Development need analysis

Table 3.5 Types of management development need analysis

Table 3.6 Management training's instruction methods and media

Table 3.7 Types of management development Program

Table 3.8 Responses in relation with relevance of management development in improving current job performance

Table 3.9 Response in relation to whether effectiveness of management development program is evaluated or not

Table 3.10 Measurement criteria used in evaluating the worth management development program

Table 3.11The content of management training program in NBE

Table3.12 Distributed, returned and not returned questionnaire to and by non management staffs.

Table 3.13 Non- Management staff respondents' general characteristics

Table 3.14 Response with regards to whether the employee has taken training or not in their duration of stay in NBE

Table 3.15 Types of Employee training, programs taken by response trainees Response

Table 3.16 Methods of on the job training programs

Table 3.17 Methods of the job training taken by the trainees

Table 3.18 the impact of training on performance of trainees

Table 3.19 Skills, Knowledge and performance of employees before taking training in NBE

Table 3.20 perception of employees in relation with the need for training in NBE

Table 3.21 The bases on which trainees are nominated for training in NBE

Table 3.22 Degree of trainee's satisfaction about training process conducted in NBE

ACCRONYMS

- NBE: - National Bank of Ethiopia
- EIBI: - Ethiopian Institutes of Banking and Insurance
- EMI: - Ethiopian Management Institute
- HRD: - Human Resource Development
- HRM: - Human Resource Manager
- T and D: - Training and Development
- IMF: - International Monetary Fund
- ECSC: - Ethiopian Civil Service College

LIST OF APPENDICES

Appendix I: - Organizational Chart of NBE

Appendix II: - Sample in house training and development activities of NBE for the first
two quarters of the current year (2007)

Appendix III: - Sample Abroad training and development activities of NBE for the first
two quarters of the current year (2007)

Appendix IV: - Questionnaire Prepared for Management Staff of NBE

Appendix V: - Questionnaire Prepared for Non-Management Staff of NBE

Appendix VI: -Interview Questions

Abstract

Now days, organizations operate in a complex and changing environment that greatly enhances or influences their growth and expansion. To cope up with this changing environment and technological advancement organizations need to develop and train their employees. In addition the survival and growth of any organization depends on the quality of human resources of the company. Skills and knowledge can easily become obsolete in same way as machines or technology. So if an organization is to survive these must be constantly kept up to date through effective HRD programs. HRD is especially important in industries with rapidly changing technologic such as banking industries

Having this in mind, the study has been conducted in NBE to assess the practices HRD programs. The methodologies used to undertake the study were both primary and secondary data collection instruments. The sampling technique employed to collect primary information was simple random sampling. Accordingly, the data gathered were analyzed using descriptive statistics.

The finding of the study reveled that NBE'S strength in most of the T and D program processes, especially with respects to adequacy of HRD budgets, HRD methods, trainer's capabilities and skills, appropriateness of training facilities and desired content of the HRD program.. However, NBE is not as such effective enough relation to HRD program's need assessment, objectives, training periods' adequacy, and evaluation as majority the respondents replied. Thus, the bank should keep up with its strengths and should alleviate its weaknesses by applying scientific principles regarding HRD program.

CHAPTER ONE

INTRODUCTION

1. 1. Background of the study

Nowadays, organizations operate in a complex and changing environment that greatly enhances and influences their growth and expansion. To cope up with this changing environment and technological advancement, organizations need to develop and train their employees. In addition, the survival of any organization depends on the quality of human resources of the company. An organization can also use training to try to overcome deficiencies in employees. Often effective training can produce productivity gains that offset the cost of training. Training is especially important in industries with rapidly changing technologies.

Training is a learning process where by people acquires the necessary skills and knowledge to aid in the achievement of goals. Because learning process is tied to a variety of organizational purposes, training provides employees with specific, identifiable knowledge and skills for use on their present job where as, development can be thought of as bringing about capacities that go beyond those required by the current job; it represents efforts to improve managers ability to handle variety of assignments. It is no longer a question of whether we want to develop our human resources or whether we should develop our human resources, it is a matter of survival for our society that we develop human resources. Skills and knowledge can easily become obsolete in same way as machines or technology. So if an organization is to survive these must be constantly kept up to date.

The human resource or personnel department is responsible to undertake the function of upgrading skills and knowledge of the employees and this is done through training, educating and developing. The three terms are almost the same. They are only different aspects of the same idea. Training includes those activities that serve to improve an individual performance on a currently held job or one related to it. It focus on (formal or informal, group or individual) short-term learning experience designed to import or improve the skills, knowledge and job performance of employees. Training activities are supplemented with more traditional education and training courses by human resource department, universities and private trainers. Training program can be given in the institutions' home office training facilities or in house at companies.

Since the need for training and development is of no question, organizations have to conduct it effectively and efficiently. NBE has its own training and development institution, EIBI, to up grade the skills and knowledge of governmental banking and insurance employees in general and its employees in particular. More over the bank also sends abroad some of its selected staffs particularly management staff members for the training and development program provided by World Bank and IMF. However having own training center and sending employees abroad do not guarantee that employees performance is improved through increase in productivity, reducing cost of operational error. The important issue is whether or not the need is assessed, an objective is established, appropriate methods and media are selected, the program is well implemented and close evaluation and follow up is carried both during and after the program. In general, this paper tried to assess the practice of employee training and management development in National Bank of Ethiopia (NBE).

1.2 Statement of the Problem

Recruiting, selecting, orienting and then placing employees in jobs do not ensure success. In most cases, there may be gap between employee knowledge and skill and what the job demand. The gap must be filled through training programs. Hence, personnel training and retraining is one of the major way that work organizations attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demands. (scarpello and Ledvika,1998). The connection between economic survival and productivity has become obvious in the last decade, with the result that increased productivity has become a strategic goal for many firms. The rapid changes in production systems and method have had significant impact on production skill requirement. Thus employees face the need to constantly upgrade their skills and develop an attitude that permits them to adopt change. The delivery of efficient and effective training is required to enhance the productivity of employees and improve their performance. However, the problem in training and development is that people usually like the training and learn the material taught, but behavior and performance do not always reflect the extent of training delivered and supposedly learned.

Generally, absence well established training and development policy, lack of adequate budget, inadequate needs assessment, inappropriate training and development objectives, trying outdated training and development methods, lack of close supervision and follow up are some of the major problems that most organizations in Ethiopia are facing. These problems later on lead the organizations to lack of optimum man-task relation ship,

resistances of employees in taking future assignments, decrease in productivity, increase in operational error, increase in employee turnover and absenteeism and decrease in employee morale and confidence . This study takes in to consideration of these problems and analyzed the over all situation in NBE with respects to human resource development.

1.3. Objectives of the study

The study has the following objectives:

- ❖ General objective of the study is to assess the training and development practices of NBE

Specific objective are;

- ❖ To investigate how they select workers for training and its compliance with the sciences, that is training and development need assessment
- ❖ To describe training method (s) used for conducting the training and development.
- ❖ To assess whether or not there are well established training and development objectives in the bank
- ❖ To analyze whether there is evaluation of performance, so that their efficiency is improved.
- ❖ To identify principal weaknesses/strengths of training and development of the bank
- ❖ To indicate, some possible solutions to the major training and development program problems in the bank

1.4. Significance of the study

Importance of this study is that it provides possible suggestions for the weaknesses of the training and development division of the bank. And this will help the bank in modification of the way it conducts the training and development activities. In addition, it helps the researcher to acquire knowledge and practical experience, and also for the partial fulfillment of the requirements for masters degree in business administration. Furthermore, it will help as a source document and as a stepping stone for those researchers who want to make further study on the area afterwards.

1.5. Scope of the study

All organizations, for profit or not for profit, governmental or non governmental, need effective training and development practice to up-date their employees' skill and experience which contributes to the productivity and profitability of an organization. For the seek of quality and specialization and to cope with the available time and resource constraints, this study focuses only on training and development practices of NBE although assessment of the program is equally important in all other organizations, particularly other banking industries currently operating in Ethiopia.

1.6. Limitations of the study

There are external (Uncontrollable) variables that confronted the investigation and conclusion although the researcher tried his best to design his research as properly as possible. Lack of up to date literatures in the areas, lack of access to the right secondary data, negligence of some respondents, particularly management staff respondents, to respond to the questionnaire openly and timely, lack of sufficient time and finance to conduct the study were among the various problems encountered by the researcher during his study. More over, sampling restrictions are also another serious problem that under weight the researcher's conclusions.

1.7. Methodology of the study

To obtain information relevant to the study both primary and secondary data were used. The methods employed to get primary information were structured interview with training and development division head of the bank and a well designed questionnaires prepared and distributed to the sampled management and no management staff of the bank .To get secondary data all relevant documents related to HRD and the training and development manual of the bank were used. In addition to the aforementioned sources, the researcher tried to refer to different books, published and unpublished documents, journals, articles and research papers to get information on theoretical frame work of the study.

1.7.1. Procedures of Collecting Data

The study population, sampling method and sample size

For this study the source the source population were the current management and non management staff members of NBE. The preliminary survey undertaken by the researcher before questionnaire distribution indicated that there are 597 grand total population (total staff members) as of April 30, 2007 consisting of 588 in head office

(Addis Ababa) and 9 in branch(Dire- Dawa).The study focused on the population who are currently working in head office excluding those who are working in branch due to remoteness of the area. From the source population of NBE appropriate sample for questionnaire administration was determined by using proportionality sampling technique to give equal weights for each departments of NBE. Once the total sample size from each department was determined appropriate respondents from the management and the non management staffs were selected by using random sampling technique.

As to the sample size determination, from among different methods, the one which has developed by Carvalho(1984),ac cited by Zelalem(2005) was used. The method is presented in table below.

Table1.1 Sample Size Determination

Population size	Sample Size		
	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3021-10000	80	200	315
1001-35000	125	315	500
35001-15000	200	500	800

(Source: Zelalem, Issues and Challenges of Rural Water Scheme, 2005)

As indicated above the population size of the study is 588 which ranges between 501-1200 according to Carvalho's sample size determination indicated in table 1.1. Thus , taking in to account a small population size variance and the cost of taking samples and time consuming for large sample size , medium sample size was applied in accordance with the given population size. There fore, the sample size selected for the study under consideration was 80.

1.7.2. Methods of data analysis

The data gathered through both primary and secondary methods were summarized using descriptive statistics such as tables, frequency distributions and percentages to give a condensed picture of the data. Accordingly, the summarized data were analyzed in brief vis-à-vis the theoretical frame work of the study to arrive at a meaningful conclusion.

1.8. Organization of the Study

The study is organized in to four chapters. Accordingly, the first chapter deals with the introduction part of the study; the second chapter discusses the details of related literature of the study; the third chapter focuses on data presentation and analysis and finally in chapter four conclusions are drawn based on analysis and possible recommendations are forwarded by the researcher based on investigation.

CHAPTER TWO

REVIEW OF LITERATURE

2.1. What is Human Resource Development?

Human Resource Development (HRD) is planned, continuous effort by management to improve employee competency levels and organizational performance through training, education, and development programs (Mondy and Noe, 1990). Training program is directed toward helping employees effectively perform their jobs after training, while developmental program helps the individual handle future responsibilities, with little concern for current job duties (Werther and Davis, 1996). It is a program focused on leadership competency and organizational issues. Education, on the other hand, is learning experiences that improve overall competence in a specific direction (Scarpello and Ledvinka, 1988). The term education mainly is associated with university or college programmes in a particular field of study. Either in public or private organizations "non managers are much more likely to be trained in the technical skills required for their current jobs, whereas managers frequently receive assistance in developing the skills required in future jobs-particularly conceptual and human relations skills" (Stoner et.al., 1996). In the subsequent pages emphasis will be given to the discussion of employee training and management development programs.

2.2. Why Training and Development?

2.2.1. Employee Training

Recruiting, selecting, orienting and then placing employees in jobs do not ensure success. In most cases, there may be gap between employee knowledge and skill and what the job demand. The gap must be filled through training programs. Hence, personnel training and retraining is one of the major way that work organizations attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demands (Scarpello and Ledvinka, 1988).

Training can bring tangible benefits to both the organization and the employees. Hence, the major purposes of training (Chatterjee, 1995) are:

- ◆ It establishes a sound relationship between the worker and his/her job
(Optimum man-task relationship.)

- ◆ It upgrades skills and prevents obsolescence.

To keep pace with changing technology training becomes mandatory for employees in order to update them, teach them newer skills and increase their efficiency.

- ◆ It develops healthy, constructive attitudes.

Training programs are aimed at moulding employee attitudes to achieve support for organizational activities and to obtain better cooperation and greater loyalty.

- ◆ It prepares employees for future assignments.

One of the objectives of training is to provide an employee an opportunity to climb up the promotional ladder or to move on to assignments which will help upward mobility.

- ◆ It increases productivity.

The most efficient and cost-effective ways of performing jobs are taught to the employees which naturally leads to enhanced productivity.

- ◆ It minimizes operational errors.

Unnecessary repetition, wastage and spoilage of materials are brought down; deficiencies in methods of doing work are ironed out in training thereby also reducing the hazard of accidents. Consequently, a safer and better work environment is created.

- ◆ It enhances employee confidence and morale.

With better knowledge and skills, the employee approaches his/her job with greater confidence and sureness. It also improves the morale of the employees.

- ◆ It brings down employee turnover and absenteeism.

Training is a powerful tool that breeds in the employee a sense of pride as well as of belonging. Both these contribute in a major way to checking and reducing turnover as well as absenteeism.

Moreover, training can improve the relationship between the employees and their immediate supervisor. It also helps in understanding and implementing organizational policies.

2.2.2. Management Development

Management development is designed to improve the overall effectiveness of managers in their present positions and to prepare them for greater responsibility when they are promoted (Stoner, et.al., 1996). In other words, Glueck (1978) defined management development as the process by which managers gain the experience, skills, and attitudes to become or remain successful leader in their enterprises. Among other things, making the organization a better environment to work is the responsibility of a manager. To effectively discharge this and other managerial responsibilities organizations must provide an opportunity for managers to improve their knowledge and skills through management development program.

Effective management development program helps managers at all levels to learn to perform their jobs better. Moreover, among the many good reasons for conducting development program the following are the major ones:

- ◆ To stimulate a more creative and innovative approach to problem solving and decision making and provides the manager with the latest information on theory and practice of management.
- ◆ To broaden the manager's vision and understanding in preparation for additional responsibility.
- ◆ To give the managers the opportunity to discuss ideas and problems with other people. It very often gives people the opportunity to check out their thinking with other managers and to compare the ways in which they define and solve problems.

- ◆ To teach managers how to determine the consequences of various specific managerial actions and behaviors (leadership, planning, controlling).
- ◆ To reduce or prevent managerial obsolescence. Obsolescence can occur unless managers are kept up with the changing methods of doing their managerial jobs.

(EMI)

2.3. The Human Resource Development Process

In today's changing environment, employees at all levels need additional training and opportunity to managers to develop their management thinking. In this respect, organizations are required to be engaged in continuous employees training and management development programs.

As shown in Figure 2.1. (Mondy and Noe, 1990) below, the steps in the human resource development process are:

1. Identifying training and development needs
2. Establishing training and development objectives.
3. Selecting training and development methods and media.
4. Implementing the actual training and development program.
5. Conducting evaluation and follow-up.

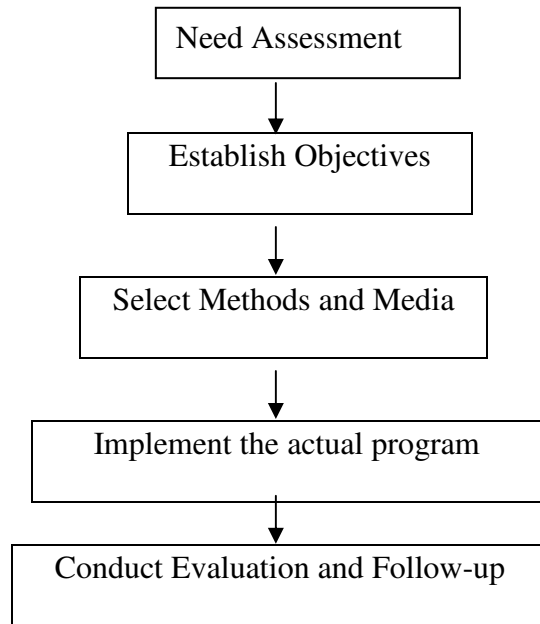


Figure2.1.Steps in the human resource development process (modified)

2.3.1. Need Assessment

The first step in human resource development process is to identify training and management development needs. Since training and development is a need-oriented effort, determining the level, type and duration of the training and development is of prime importance at this stage of the process. If human resource development need analysis is incorrect at this stage:

- Then the later development activity will be inappropriate
- Organization could end up in wasting time, resource and also demotivating staff.
- Employees will develop negative attitudes towards future program.

The dominant framework for identifying organization's human resource development needs has been McGehee and Thayer's three-category need analysis approach (Scarpello and Ledvinka, 1988),

- 1) Organizational analysis
- 2) Task (job) analysis
- 3) Person analysis

1. Organizational Analysis

Organizational analysis is the process of identifying job-related knowledge and skills that are needed to support the organization's short-range and long-range goals (Scarpello and Ledvinka, 1988). This implies that organization's strategic goals and plans must carefully be examined in line with the human resource planning.

In this approach, information related to organizational structure, size, growth, objectives and other factors is gathered to effectively determine where and how training and development programs should be conducted. In other words, according to Chatterjee, 1995), essentially, there are three requirements:

1. Are there an adequate number of people to fulfill organizational objectives?
2. Are these people equipped with the necessary skills and knowledge and is the general level of their performance up to the required standard?
3. Does the prevailing organizational climate provide a wholesome environment for the fulfillment of tasks and objectives?

Chatterjee (1995) further pointed out the approaches that can be used to arrive at meaningful conclusions to each of the above queries. Some of these are:

- Observing employees
- Asking supervisors about employees
- Examining the problems of employees
- Performance assessment and attitude surveys
- Assessment of the organization's public image
- Looking at rules, procedures and systems

Interpretation of the information collected from the above approaches would provide guidelines and clues to the training need.

2. Task Analysis

This approach refers to the determination of skill and knowledge, the job requires. In collecting job information as input into training decisions, however, the job analysis must include (Scarpello and Ledvinka, 1984):

- ◆ A detailed examination of each task component of the job.
- ◆ The performance standard of the job.
- ◆ The method and knowledge the employee must use in performing the job task
- ◆ The way employee learns the method and acquires the needed knowledge.

Thus, job analysis is a means by which facts relating to the job are obtained. It includes a job description and a job specification. If a human resource development program mounted for a specific job is to be successful, there is a need for a clear definition of what the job entails and of the qualities needed for its performance. Furthermore, if information relating to the nature of a specific job was collected prior to the organization of all development programs, then the programs would have much greater relevance to the needs of the job and would also enable to produce staffs that were much better prepared for their responsibilities.

3. Person Analysis

Another training and development need analysis approach is person analysis. Here the concentration is on the individual employee. It is used to analyze the substantive knowledge and skill possessed by the employee (Scarpello and Ledvinka, 1988). This approach deals with two basic questions. These are:

- Who needs to be trained?
- What kind of training is needed?

Information about the person's job behavior can be obtained by:

1. Directly observing job performance
2. Reviewing supervisory evaluations of performance
3. Using diagnostic tests, such as written ability tests and work samples
4. Comparing the behaviors of well-performing employees with those of poorly performing employees
5. Discussing with employees their individual job performance and factors that may inhibit that performance (Bass andVaughan, 1966):

Once actual employee's performance is identified to be below standard, the next step is to determine the kind of training or development needed to equip the employee with specific knowledge and skill required for better performance. Generally, training and development can improve the individual's performance only when:

1. the employee does not have the knowledge and skill to do the job.
2. the low performance is not due to lack of practice
3. the low performance is not due to other causes (Laird, 1983).

Finally, since training and development costs money, organization must ensure maximum return in terms of organization current and further performance.

2.3.2. Training and Development Objectives

Once training and development needs are clearly identified, the next process is to establish objectives. An objective is a specific outcome that the training or the development program is intended to achieve (Scarpello and Ledvinka, 1988). In most cases, training and development objectives are set for the trainees. These objectives define the performance that the trainee should be able to exhibit after training (Scarpello and Ledvinka, 1988).

Human resource development experts suggest that objectives should be stated explicitly and answer the following questions (Scarpello and Ledvinka, 1988):

1. What should the trainees be able to do after training?
2. Under what conditions should the trainee be able to perform the trained behavior?
3. How well should the trainee perform the trained behavior?

Training and development objectives must be specific, measurable and time-targeted (Werther and Davis, 1996). Objectives with such characteristics serve a number of purposes. According to Scarpello and Ledvinka (1988), they assist in developing the criteria to be used in evaluating the training or development outcome. Objective and the evaluation criteria also help in choosing relevant instructional method, media, and material.

2.3.3. Instructional Method and Media

The instructional method and media depend on the program content. The content in turn is shaped by training or development need identification and established objectives. The objective here may be to teach specific skill, provide needed knowledge, or try to influence attitudes (Werther and Davis, 1996). The content, method, and media must match the job requirement of the organization and the learning style of the participant.

Training and development are more effective when learning is based on principles. Learning Principles are guidelines to the ways in which people learn most effectively (Werther and Davis, 1996). The learning principles and their merits are described as follows:

Participation: Learning usually is quicker and longer-lasting when the learner participates actively. Participation improves motivation and apparently engages more senses that reinforce the learning process. As a result of participation, people learn more quickly and retain that learning longer. For example, most people never forget how to ride a bicycle because they actively participated in the learning process.

Repetition: Repetition apparently etches a pattern into one's memory. Studying for an examination, for example, involves the repetition of key ideas so that they can be recalled during a test. Similarly, most people learn the alphabet and the multiplication tables by means of repetition.

Relevance: Learning is helped when the material to be learned is meaningful. For example, trainers usually explain the overall purpose of a job to trainees before explaining specific tasks. This allows the owner to see the relevance of each task and of following the correct procedures.

Transference: The more closely the demand of the training program matches the demand of the job, the faster a person learns to master the job. For example, pilots usually are trained in flight simulators because the simulators very closely resemble the cockpit and flight characteristics of the plane. The close match between the simulator and the plane allows the trainee to quickly transfer the learning in the simulator to actual flight conditions.

Feedback: Feedback gives learners information on their progress. With feedback, motivated learners can adjust their behavior to achieve the quickest possible learning curve; without it, they cannot gauge their progress and may become discouraged. Test grades are feedback on the study habits of test takers (Werther and Davis, 1996).

In selecting instructional methods and media, trade-off exists. That is, no single method or media is always best; the best method or media depends on (Werther and Davis, 1996):

- ◆ Cost-effectiveness
- ◆ Desired program content
- ◆ Learning principles
- ◆ Appropriateness of the facilities
- ◆ Trainee preferences and capabilities
- ◆ Trainer preferences and capabilities

The significance of the above trade-offs depends on the situation. For example, a chalk-board lecture method may be the best technique to communicate academic content in the most cost-effective manner in a large classroom.

There are many different methods for developing managerial abilities and providing opportunities for non-managers to acquire job-related skills. Some of the major methods that can be employed for managers and non-managers are discussed below.

A. Information Presentation Method

The aim of information presentation method is to teach fact, skill, attitude, or concept without requiring trainees to practice the material taught or to experience how the material taught translates into behavior (Campbell et. al., 1970). The three major methods that fall into this category are (1) lecture, (2) conference, and (3) programmed instruction.

1. Lecture

The lecture method is applied in both training and development. In a lecture, the material to be taught is presented by a subject-matter expert to a group of recipients. It is the most widely accepted method and also economical because a large number of people can be trained using one instructor. However, participants do not share each other experiences and

hence the learning is confined to what the lecturer has to say (Chatterjee, 1995). This method can be backed by a number of media such as slide, overhead projector, videotape, closed-circuit television, motion picture, etc.

2. Conference

A conference is a group meeting conducted according to an organized plan in which the members seek to develop knowledge and understanding by obtaining a considerable amount of oral participation (Ahuja, 1988). The objectives of the conference method are:

- ◆ to share idea and experience and pool information among participants
- ◆ to solve problem common to a group
- ◆ to get acceptance of new idea and policy
- ◆ to increase tolerance and understanding (EMI).

3. Programmed Instruction

Programmed instruction is a highly structured, individualized learning method that:

- 1) Specifies what is to be learned
- 2) breaks down the learning topic into small step
- 3) requires the learner to respond to each step of the learning process
- 4) tests the learner's knowledge at the completion of each learning step
- 5) gives the learner feedback of whether a correct or incorrect response was given
- 6) tests the knowledge or skill acquired at the completion of training

(Campbell et.al., 1970)

This method is used to teach a variety of technical and non-technical subjects. For example it has been used to teach managers the principles of motivation (Scarpello and Ledvinka, 1988).

Programmed instruction as an individualized learning method has several advantages.

It:

- requires the trainee's active involvement and provides immediate feedback to the trainee.
- permits the trainee to learn without being influenced by other, and at a time that is convenient
- Minimizes or eliminates the need for an instructor (Scarpello and Ledvinka, 1988).

B. Simulation Method

Simulation method present trainees with an artificial representation of an organizational, group, or personal situation and require them to react as though the situation were real (Campbell et.al., 1970). Some of the methods that are included in this category are (1) case study, (2) role-playing, (3) in-basket exercises, and (4) management games.

1. The Case Study Method

In the case method, the trainee is given a well-developed description of a situation, instructed to identify the problem, analyze the situation, and devise a solution for the identified problem (Scarpello and Ledvinka, 1988). When cases are similar to work-related situations, trainees can develop decision-making and problems-solving skills, as well as increase their abilities in judgment.

2. Role Playing

It is a method, which involves the spontaneous acting of realistic situation by two or more participants. The participants are provided the role script or "write up their own role plays, which can make them totally relevant, and realistic (Scarpello and Ledvinka, 1988). In the role play method issue and problem that emerged during the enactment are examined, so that both the role players and the observers understand the underlying principles that were demonstrated and their organizational implications (Chatterjee,1995). Moreover, the following are some of the major advantages of role playing:

1. Practice in trying out new behaviors.
2. Immediate feedback from other participants and the instructor
3. A high degree of transfer of learning to future job behavior (Scarpello and Ledvinka, 1988).

3. In basket Exercise

In-basket method is mainly used to develop decision making ability. It is a method in which participant act out the role of a manager in an organization. Then after, he/she is given various materials, such as reports, memos, letters, and other documents, which contain important and routine matters. As a manager, the participant is required to examine the materials in the in-basket and take action. In the in-basket exercise the participant is "analyzed and critiqued on the number of decisions made in the time period allotted, the quality of decisions, and the priorities chosen for making them (Glueck, 1978).

4. Management Games

This method is used to develop the decision-making skill of managers or to transmit information about how a real organization operates. The game allows two competing management groups to make decisions about product/service, people, technology and other variables. The decisions taken are computed to determine each group's performance. This simulation exercise is used to help the participants understand "the integration of several interacting decisions, the ability to experiment with decisions, the provision of feedback experiences on decisions, and the requirement that decisions be made with inadequate data, which usually simulated reality" (Glueck, 1978).

2.3.4. Implementing the Human Resource Development Program

Human resource development program should aim at enabling organizations to achieve their objectives. Hence, the program should be set up after having clear-cut objectives in mind. In every program decisions have to be made as to who should be trained, who are the instructors, where and when the program is to be conducted and what are the material requirements. Moreover, according to Chatterjee (1995), providing answers to questions like what skills are going to be taught, what kind of employee development is sought, what long or short term objectives are proposed will determine the design and details of the programs.

Since human resource development program decisions are based on cost considerations, the management must believe that the program will:

- increase the skill and knowledge of employees and hence, they will perform better towards organizational success.

- motivate employees to learn and attain their personal goals.
- provide feedback to improve the program.

2.3.5. Evaluation of Training and Development

Evaluation is the final phase of the training and development program. It is a means to verify the success of the program, i.e. whether employees in the program do the jobs for which they have been trained. As Ahuja (1988) noted, the concept of evaluation is most commonly interpreted in determining the effectiveness of a program in relation to its objectives. Human resource development is an investment in people. The major reason why management investment in training and development program is that to help employee to perform better in the achievement of organizational objectives. Hence, evaluation is a means to assess the cost/benefit of the program to the organization. However, as Milkovich and Boudreau (1991) noted, evaluation is like brushing your teeth after every meal everyone advocates it but few actually do it. Evaluation can be done for various purposes. It may be done:

- To increase effectiveness of the program while it is going on.
- To increase the effectiveness of the program to be held next time.
- To help participants to get feedback for their improvement and efficiency.
- To find out to what extent the objectives are achieved (Ahuja, 1988).

In evaluating the worth of specific programs, sets of measurement criteria should be identified. These, according to writers in the area, are:

1. Reaction

What did the participant think about the program? Participants react to the learning experience by forming opinion and attitude about the instructor, the methodology, participation in the learning session and how well he liked the program.

2. Learning

Did the participant learn what was intended? Learning evaluation requires the measurement of what participant has learned as a result of his/her training i.e. the new knowledge and skill he/she has acquired or the change in attitude.

3. Job behaviors

Did the learning transfer to the job? Job behavior evaluation is concerned with measuring the extent to which participant has applied his/her learning back on the job.

4. Organizational impact

Has the training helped organizational performance? This evaluation attempts to measure the effect of change in the job behavior of the trained employees on the functioning of the organization and the behavior of other employee. The changes may be ascertained in such terms as improvements in service delivery, productivity or reduction in costs.

5. Ultimate Value

Has the training affected the ultimate well-being of the organization? Here evaluation aims to measure how the organization as a whole has benefited from the training in terms of goal achievement, survival or growth.

To measure the effect of human resource development program using the criteria mentioned above requires using data gathering method such as questionnaire, interview and observation. Other measures like management audit, survey, analysis of record and performance data, expert opinion, test and the like can be used to collect evaluation information (EMI).

In sum, human resource development to be useful to both the organization and the employee the management concerned should:

- Properly assess needs
- Formulate clear objectives
- Design program to meet the needs and to attain objectives
- Conduct cost/benefit evaluation

If the training and development shaped the employees in such a way as to fit the job requirements, then it can be concluded that organizations have achieved their objectives and in turn they have also justified the investment made in human resource.

2.4. Types of Human Resource Development Programs

2.4.1. Employee Training Programs

Training is one of the most important tools available to organizations. Management can make use of training programs to enable the organizations achieve their objectives. This is possible by developing the skills and competencies of their employees. There are different types of training programs. The most common ones are briefly discussed below.

2.4.1.1. On-the-job Training

On-the-job training is conducted on the job, to develop the skills of non managerial employees. The employee is placed into the real work situation and shown the job and the tricks of the trade by experienced worker or the supervisor (Glueck, 1978). According to Werther and Davis (1996), on-the-job training includes several steps.

First,

The trainee receives an overview of the job, its purpose, and its desired outcomes, with an emphasis on the relevance of the training.

Then, The trainer demonstrates the job to give the employee a model to copy.

Next, The employee is allowed to imitate the trainer's example. Demonstrations by the trainer and practice by the trainee are repeated until the job is mastered.

Finally, The employee performs the job without supervision.

2.4.1.2. Off-the-Job Training

Off-the-job training program takes place outside the employee work environment. These can be course work at local colleges or other training establishments like that of the Ethiopian Management Institute which have been specially equipped and staffed for both managerial and vocational training. On the other hand, Regions that wants to develop the skill of their accountants and lawyers are sent to the Ethiopian Civil Service College (ECSC) for short-term off-the-job training.

Vestibule Training

Vestibule training is a form of intense education held in proximity to the actual work environment (Holt, 1933). For example, the ECSC new instructor might move to Kotebe College of Teachers' Education to develop their teaching methodology skills. The computer center and the language laboratory of ECSC can be used as vestibule center to train typists and other administrative staff.

2.4.2. Management Development Programs

The realization of organizational objectives depends to a greater extent on the quality of leadership provided by administrators/managers. To this effect, organizations need to improve supervisory, managerial, and executive skills so that they may lead and motivate employees for the betterment of their organizations. There are many types of development programs for managers/administrators. The most common types are briefly discussed below.

1. Formal Training

Formal training courses of managers can be conducted in classroom using instructors from within the organization or by experts from other institutions. The classroom instruction may be coupled with field assignments. Subjects that are going to be covered may include decision-making, financial management, setting objectives and priorities, motivation techniques, performance appraisal, communication, holding meetings and other managerial topics. Field assignments may consist of controlled exercises in simulated situations or actual work with colleagues who act as coaches, often called monitoring (Holt, 1993).

2. Off-the-job Formal Training

In this program, managers/administrators are removed from their work situation for concentrated programs. With a view to increase the capacities of their leaders, organizations send them to colleges or universities or get them enrolled in seminars, workshops, conferences and other programs conducted by training institutions. The Ethiopian Management Institute is a professional organization serving many organizations with development courses and seminars.

3. Job Rotation

This involves rotating trainees for one job to other related jobs to broaden their managerial experience. Besides, giving an opportunity to acquire new managerial skills, rotation enables the organization when resignation, retirement, death, transfer or vacations occur. Advocates of job rotation assets that this approach:

- broadens the manager's back ground,
- accelerates the promotion of highly competent individuals,
- introduces more new ideas into the organization, and
- increases the effectiveness of the organization (Glueck, 1978).

4. Development Position

In this management development program, organization assigns less experienced administrator to work temporarily as an assistant to more experienced administrator. This learning program involves the implication that experienced administrator will create a condition whereby the assistant acquire knowledge and skill needed for effective performance of the world of managing. It is also a means through which organizations develop employees' managerial skills to provide a pool of competent administrators to meet future needs.

CHAPTER THREE

DATA PRESENTATION AND ANALYSIS

3.1. Profile of National Bank of Ethiopia (NBE)

3.1.1. Evolution of the National Bank of Ethiopia

The National Bank of Ethiopia was established in 1963 by proclamation 206 of 1963 and began operation in January 1964. Prior to this proclamation, the Bank used to carry out dual activities, i.e. commercial banking and central banking. The proclamation raised the Bank's capital to Ethiopian dollars 10.00 million and granted broad administrative autonomy and juridical personality. Following the proclamation the National Bank of Ethiopia was entrusted with the following responsibilities.

- To regulate the supply, availability and cost of money and credit.
- To manage and administer the country's international reserves.
- To license and supervise banks and hold commercial banks reserves and lend money to them.
- To supervise loans of commercial banks and regulate interest rates.
- To issue paper money and coins.
- To act as an agent of the Government.
- To fix and control the foreign exchange rates.

However, monetary and banking proclamation No. 99 of 1976 came into force on September 1976 to shape the Bank's role .According to the socialist economic Principle that the country adopted. Hence the Bank was allowed to participate actively in national planning, specifically financial planning, in cooperation with the concerned state organs. The Bank's supervisory area was also increased to include other financial institutions such as insurance institutions, credit cooperatives and investment-oriented banks. Moreover the proclamation introduced the new Ethiopian Currency called 'birr' in place of the former Ethiopia Dollar that eased to be legal tender thereafter.

The proclamation revised the Bank's relationship with Government. It initially raised the legal limits of outstanding government domestic borrowing to 25% of the actual ordinary revenue of the government during the proceeding three budget years as against the proclamation 206/1963, which set it to be 15%.

This proclamation was in force till the new proclamation issued in 1994 to reorganize the Bank according to the market-based economic policy so that it could foster monetary stability, a sound financial system and such other credit and exchange conditions as are conducive to the balanced growth of the economy of the country. Accordingly the following are some of the powers and duties vested in the Bank by proclamation 83/1994.

- ❖ Regulate the supply and availability of money and credit and applicable interest.

- ❖ Set limits on gold and foreign exchange assets which banks and other financial institutions authorized to deal in foreign exchange a hold in deposits.
- ❖ Set limits on the net foreign exchange position and on the terms and amount of external indebtedness of banks and other financial institutions.
- ❖ Make short and long-term refinancing facilities available to banks and other financial institutions.

Moreover, the proclamation has also raised the paid-up capital of the Bank from Birr 30.0 million to Birr 50.00 million. (<http://www.nbe.gov.et>)

3.1.2. Vision, Mission and Goals of the National Bank of Ethiopia

The vision, mission and goals of the National Bank of Ethiopia has emanated from the overall vision of the government which is "to see a country, wherein democracy and good governance are prevailed upon the mutual consent and involvement of its people, wherein social justice is reigned, and wherein poverty reduced and income of the citizens reach to a middle economic level".

Vision of the Bank

To be one of the strongest and most reputable central banks in Africa.

Mission of the Bank

To maintain price and exchange rate stability, to foster a sound financial system and undertake such other functions as are conducive to the economic growth of Ethiopia.

Values of the Bank

A) Core value

- Promoting financial and monetary discipline

B) Individual Values

- Integrity
- Neatness and good appearance
- Punctuality
- Team work spirit

C) Operational Values

- Commitment to Excellence Service
- Confidentiality
- Continuous Improvement
- Transparency
- Accountability

D) Organizational Strategic Values

- Pursuit of Excellence and Professionalism

Strategic Goals

Goal 1: Carry out extensive and sound institutional transformation tasks.

Goal 2: Maintain price and exchange rate stability.

Goal 3: Maintain adequate international reserves.

Goal 4: Improve the soundness of the financial system.

Goal 5: Play a decisive role in economic research and policy advice to the Government.

Goal 6: Create efficient Payment System.

Goal7: Improve the currency management of the Bank. (<http://www.nbe.gov.et>)

Ethiopian Institute of Banking and Insurance (EIBI)

EIBI was established in 1966 by the former Commercial Bank of Ethiopia S.C. to provide in-house skill upgrading training in banking. With the nationalization of banks and insurance companies in January 1975, EIBI was re-structured by the National Bank of Ethiopia as a central training institute in bank and insurance for the employees of the financial sector. The main objective of the institute is to provide professional education at diploma level in banking and insurance streams and to upgrade efficiency by providing various short-term skills upgrading training programs in the areas of banking and insurance operations and computer application course. (<http://www.nbe.gov.et/EIBI/>)

The of Board of Trustees comprises the Governors of the NBE, heads of the three government owned banks and EIC and Directors of the Institute, the Institute /EIBI/ with the Director and D/Director who are responsible for the day to day activities of the Institute; Diploma educational programs with a division head responsible for the banking and insurance educational programs. Technical, operational and management development training programs each supervised by division heads. Parallel to the Board of Trustees, there is the NBE, which is responsible for staff assignment and all other administrative matters.

3.2. Human Resources Development Practices of NBE

3.2.1. Documentary Analysis

To cope with the rapidly changing technologies, 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 with new knowledge and practices. In NBE, the human resource department is responsible in facilitating the human resource development program.

The in house training like workshops, seminars and short term trainings are organized periodically by the bank using its own senior staff as resource personnel. The external training including of local and oversea or abroad training is also given to selected staffs to up date their skills and knowledge.

As the sample training and development activities of NBE for the current year presented in **Appendix II** and **Appendix III** indicates both in house and abroad trainings programs are given to employees. The target group or trainees consists of different individuals with different work status from each department of the bank. This shows that the training and development activities encompass all staff with different positions.

As we can see from **Appendix II**, different types of in house training like procurement of financial sector capacity building project, housing finance development, records management, advanced office management swift training and others were given in NBE-Venue to trainees with different positions for the first two quarters of the year 2007. In the same manner as show in **Appendix III**, abroad training with different training titles such as monetary and foreign exchange operations, Bank supervision using offsite bank examination information, internal auditing and the like were given by different oversea sponsoring institutions like England, Tunisia, U.S.A, Switzerland and others. Most of the time, the target group or trainees for abroad trainings, as we can see from the annexed table, are senior staffs and management group since the number of trainees to be participated in abroad training are limited or restricted by the institutions sponsoring the bank.

3.2.2. Opinions of Respondents about HRD practices of NBE

As presented under the methodology part of the study well designed questionnaires were prepared and then distributed to the sampled management staff and non management staff. Accordingly, 80 questionnaires have been distributed of which 20 were for the management staffs and the remaining 60 were distributed to non management staffs to secure their feelings about the HRD practices of the bank which will help the researcher to draw conclusions regarding the study and then to forward some possible suggestions for any significant problems identified. Thus, under this section the responses for the questionnaires by both the management and the non management group are summarized and narrated in tables and then analyzed one by one. **(Refer to the attached questionnaires” Appendix IV and V)**

3.2.2.1. Opinions of Management Staff Respondents

The questionnaire was distributed to 20 management staffs. From these 18(90%) were kind enough to fill the questionnaires properly and return them on time. The rest 2 (10%) were failed to complete and return the questionnaire. All the returned questionnaires were complete and considered for the analysis that follows.

The data acquired from the completed and returned questionnaires is summarized and narrated here below.

Table3.1Total Number of questionnaire distributed, returned and unreturned to and by managements staff of NBE

Questionnaire	Number	%
Total distributed	20	100%
Returned	18	90%
Unreturned	2	10%

Table3.2 Response in relation with general information of respondents

Descriptions of Respondents	Response	
	Number	%
A. Gender		
Male	13	72.2
Female	5	27.8
Total	18	100
B. Age		
< 25	0	0
25 to 35	3	16.7
36 to 40	6	33.3
41 to 50	6	33.3
51 to 60	3	16.7
>60	0	0
Total	18	100
C. Educational status		
PhD	0	0
Second degree	6	33.3
First degree	12	66.7
College diploma	0	0
Certificate	0	0
12 grade complete	0	0
Below grade 12	0	0
Total	18	100
D. Service Years in NBE		
< 3 years	2	11.1
3 to 5 years	3	16.7
5 to 7 years	3	16.7
> 7 years	10	55.5
Total	18	100%

Source: Appendix IV, question number 1 up to 8

From table 3.2, we can deduce the following facts. About 72.2% of the management staff respondents are male and the rest 27.8% are female. In addition, most of the respondents age (66.6%) is between 36 years and 40 years which indicated their long period experience in work environment. When we see the level of education, 66.7% of the respondents are first degree holders and the rest 33.3 % are second degree holders. This assures the banks capacity of having professional management members. With respects to the status of the respondents the highest number of the management staff falls in middle level management which is 55.6% and the lowest number falls in line management which is 5.5% of the total respondents. To the end, almost more than half of the respondents have been working for more than 7 years in NBE which indicates their long period experience in the bank and that contributes to both the quality and quantity of the information they will provide.

Table 3.3 Responses related to Management Development Policy of NBE

Question	Response	Frequency	%
Does your organization have a written management development policy?	Yes	8	44.4%
	No	1	5.6%
	I do not know	9	50%
	Total	18	100%

Source: Appendix IV, question number 9

As indicated in table 3.3, 50% of the management staff respondents do not know whether NBE has written management policy which implies absence of transparency in the bank while 44.4% responded that we know about the bank's management development policy and only 5.6% of the respondents responded that the bank has no written management development policy. However, every management staff should be clear with their organization's human resource development policy even if the human resource department is responsible to execute the policy.

Table3.4. Management Development needs analysis

Question	Response	Frequency	%
Does your organization analyze manager's development need periodically?	Yes	9	50
	No	2	11.1
	I do not know	7	38.9
	Total	18	100

Source: Appendix IV question number 10

As shown in table 3.4, half of the respondents responded that the bank periodically analyze management development need by taking in to consideration of management as a need oriented effort and 38.9% said that we do not know whether the bank analyze the human resource development need, and the remaining 11.1% responded that the bank does not analyze the development need periodically. The response implies presence of problems in the bank with respects to HRD need assessment in the bank.

Table 3.5.Types of management development need analysis

Types/ Approaches	Frequency	%
Organization analysis	16	88.9
Task analysis	16	88.9
Person analysis	8	44.4

Source: Appendix IV, question number 11

As far as the theory is concerned, the dominant frame work for identifying organization's human resource development needs has been McGhee and Thayer's three category need analysis approach, namely, organization analysis, task (Job) analysis and person analysis. In NBE, as per the response of 88.9% the management group reveals both organization analysis and task analysis are used in identifying management development need analysis and 44.4% said NBE uses person analysis. The response implies that, NBE carefully examine its strategic goals and plans in line with the human resource planning (organization analysis) and it determines the skill and knowledge the job requires before executing the training program. How ever, it does not indicate the way HRD need analyses is executed/implemented.

Table 3.6 Management training's instruction methods and media

Methods/ Media	Frequency	%
Lecture	15	83.3
Conference	9	50
Self study and Programmed instruction	2	11.1
Case study	7	38.9
Role playing and Behavior modeling	2	11.1
In basket exercise	1	5.6
Management games	0	0

Source: Appendix IV, question number 12

The instructional method and media depend on the program content. The content in turn is shaped by training or development need identification and established objectives. As shown in table3.6, most of media used for management training in NBE are by using lecture (83.3%) and conference (50%), and the least are programmed instruction, role playing and behavior modeling (11.1%), in basket exercise (5.6%) and management games are not totally used. The implication for the lecture method that is mostly frequently used (lecture method) is that it is the most widely accepted method and also economical because a large number of people can be trained using one instructor.

Table 3.7 Types of management development Program

Types	Frequency	%
Formal Training	15	83.3
Off the Job formal training	7	38.9
Job and station	4	22.2
Development position	1	5.5

Source: Appendix IV, question number 13

The achievement of organizational objectives depends to a greater extent on the quality of leadership provided by administrators/ managers. To this end Organizations need to improve supervisory, managerial and executive skills so that they may lead and motivate employees for the betterment of their organizations. As table 3.7 depicts, NBE uses to a greater extent formal training as the most commonly used types of its management development programs and development position as the least. The formal management training is conducted in classroom using instructor from with in the bank (in house training) or by experts from other institutions.

Table 3.8 Responses in relation with relevance of management development in improving current job performance

Degree of relevance	Frequency	%
Highly relevant	6	33.3
Moderately relevant	11	61.1
Less relevant	1	5.6
Not relevant	0	0
Total	18	100

Source: Appendix IV, question number 14

One of the basic aim of management development program to improve current job performance of each departments which ultimately improves the productivity of the organization as a whole by up dating the skills and knowledge of departmental managers. As the above table shows, 61.1% of the respondents said, the training they took so far is moderately relevant in improving their current job performance and 33.3% responded as it is highly relevant since it highly contributes to the improvement of their performance. Thus, management development program in NBE is encouraging in its positive contribution to the job performance of its leaders.

Table 3.9 Response in relation to whether effectiveness of management development program is evaluated or not

Question	Response	Frequency	%
Does your organization evaluate the effectiveness of management Development program?	Yes	11	61.1
	No	2	11.1
	I do not know	5	27.8
	Total	18	100

Source: Appendix IV, question number 15

Evaluation is the final phase of human resource development program. It is a means to verify whether employees in the program do the jobs for which they have been trained. As shown in table 3.9, 61.1% of the management staff responded that the bank conducts evaluation to assess the effectiveness of the management development program, particularly while it is going on, the other 11.1% responded as if no evaluation takes place and 21.8% responded that they do not know whether or not management development program evaluation is conducted by the bank. The response implies that there are problems in NBE in relation to evaluation of human resource development since not all the management staff members are clear with the evaluation program.

Table3.10 Measurement criteria used in evaluating the worth management development program

Measurement Criteria	Frequency	%
Reaction	12	66.7
learning	0	0
Job behaviors	4	22.2
organizational impact	5	27.8
Ultimate value	10	55.6

Source: Appendix IV, question number 16

In evaluating the worth of specific human resource development programs sets of measurement criteria should be identified and used with the aim of increasing the effectiveness of the program while it is going on and helping trainees to get feed back for their improvement and efficiency. As indicated in the table, reaction and ultimate value are the two most commonly used measurement criteria as majority of the respondents said, and job behaviors and organizational impact are also used by the bank to some extent. The analysis reveals that most of the participants react to the learning experience by forming opinion and attitude about the instructor (trainer), the methodology, participation in the learning session and how well he or she liked the program. Moreover, how the bank has benefited from the training in terms of goal achievement, survival or growth (ultimate value) is considered by NBE in evaluating the worth the management development program. However, the bank is not as such effective in post evaluation of the program.

Table 3.11 The content of management training program in NBE

Management training program Content	Very highly included		Highly included		Moderately included		Less included		Not included		Total	
	F	%	F	%	F	%	F	%	F	%	F	%
Planning	5	27.8	8	44.4	4	22.2	0	0	1	5.6	18	100
Decision Making and Problem solving	3	16.7	9	50	6	33.3	0	0	0	0	18	100
Communication action	2	11.1	8	44.4	4	22.2	3	16.7	1	5.6	18	100
Resource Management	4	22.2	9	50	3	16.7	1	5.6	1	5.6	18	100
Leadership	10	55.6	5	27.8	3	16.7	0	0	0	0	18	100
Performance appraisal	9	50	6	33.3	3	16.7	0	0	0	0	18	100
Motivation	7	38.9	3	16.7	7	38.9	1	5.6	0	0	18	100

Source: Appendix IV, question number 17

The above table reveals, as majority of the respondents replied, planning, decision making and problem solving, communication and resource management are highly included as appropriate and desired content of the training program they have taken so far and the other majority of the respondents indicated that leadership, performance appreciable and motivational are very highly included in the training program the have taken. In general, the response related to the extent to which the given management functions are included as

appropriate and desired management training content implies, that NBE's effectiveness in incorporating the desired and relevant content of the program. This later on helps each management group in executing their management functions effectively and efficiently which contributes a lot to ward achievement of ultimate value of the bank.

3.2.2.2. Opinions of Non-Management Staff Respondents

Recruiting, selecting, orienting and then placing employees in jobs do not ensure success. In most cases, there may be gap between employee knowledge and skill, and what the job demand. The gap must be filled through training programs. Hence, personnel training and retraining is one of the major way that work organizations attempt to maintain the competency levels of their human resources and increase their adaptability to changing organizational demands (scarpello and LedVinka, 1988).

To assess the practice of non-management staff training program in NBE a well designed questionnaire were prepared and distributed to 60 non-management staffs of NBE. Of these, 58 were kind enough to fill and returned the questionnaire and the rest 2 were failed to return the questionnaire distributed to them. Of the 58 returned questionnaire, 3 were incomplete and not considered for the analysis that follows. In summary, the following table depicts the total number of distributed, returned and unreturned questionnaire.

Table 3.12 Distributed, returned and not returned questionnaire to and by non management staffs.

Questionnaire	Number	%
Returned	58	96.7
Not returned	2	3.3
Total distributed	60	100

The main personal characteristics of the surveyed non-management staff are explained as follows. 72.7 percent of the total is male and the rest 27.3 percent are female. Majority of the respondents (54.5%) are belonged to age group that falls between 25 years and 35 years, which implies that they are youngsters. With regards to educational status, majority of the staff (67.3%) are first-degree holders, 27.2% have college diploma, and only 5.5% are second-degree holders. Regarding respondents' service years in NBE, 40% of the respondents have been working in NBE for less than three years, 27.3% have been working for 5 to 7 years, and 20% have been working for more than 7 years. The data collected with respects to respondents general information is complained and narrated here below

Table3.13 Non- Management staff respondents’ general characteristics

Descriptions of Respondents	Response	
	Number	%
A) gender		
Male	40	72.7
Female	15	27.3
Total	55	100
B) Age		
< 25	6	10.9
25 to 35	30	54.5
36to 40	9	16.4
41 to 50	9	16.4
51 to 60	1	1.8
>60	0	0
Total	55	100
C)Educational status		
PhD	0	0
Second degree	3	5.5
First degree	37	67.3
College diploma	15	27.2
Certificate	0	0
12 grade complete	0	0
Below grade 12	0	0
Total	55	100
D) service years in NBE		
< 3 years	22	40
3 to 5 years	15	27.3
5 to 7 years	7	12.7
> 7 years	11	20
Total	55	100%

Source: Appendix V, question number 1up to 7

Table 3.14 Response with regards to whether the employee has taken training or not in their duration of stay in NBE

Statement	Response	Frequency	%
Have you taken any form of training in NBE so far?	Yes	55	100
	No	0	0
	Total	55	100%

Source: Appendix V, question number 8

As can be seen from table 3.14, all of the respondents have taken some sort of training in one way or another for their duration of stay in NBE. This implies the focus of the bank in updating the skills and knowledge of every employee, which later on contributes to the competency levels of trainees and organizational performance of the bank.

Table3.15 Types of Employee training, programs taken by response trainees Response

Employee training	Frequency	%
On the job	11	20
Off-the-job	37	67.3
Both	7	12.7
<i>Total</i>	55	100

Source: Appendix V, questionon number 10

As indicated in table 3.15, we can find in NBE all types of employee training programs. Most of the respondents (67.3%) have taken off the job training which takes place out side their work environment. These include in house training which is conducted in NBE venue, external training which is carried out by training institutions such as Ethiopian Banking and Insurance institutions (EIBI), Ethiopian management institutes (EMI) and other course work at local colleges. Moreover, abroad training is also given for some senior non management staff although priority for abroad training is given for leaders or management groups. 20% of the respondents replied that they have taken on the job training which is conducted on the job to develop the skills of non managerial employees. To the end, 12.7% of the respondents said they have taken both on the job training program given by the bank. The implication of the data presented in the above table is the emphasis of the bank in providing its non management staff off the job training more frequently.

Table 3.16 Methods of on the job training programs

Methods	Responses	
	Frequency	Percentage
Job instruction	10	55.6
Job rotation	7	38.9
Apprenticeship	2	11.1
Coaching	9	50

Source: Appendix V, question number 11

The table shows that almost all of the alternatives given with respects to on the job training methods are used by the Bank with varying degrees. Job instruction and coaching methods are most frequently used by the Bank as more than half of the respondents are replied.

Table 3.17 Methods of the job training taken by the trainees

Methods	Responses	
	Frequency	Percentage
Lecture and Video Presentation	27	61.4
Vestibule training	2	4.5
Case study	12	27.3
Simulation	2	4.5
Self study and programmed learning	4	9.1

Source: Appendix V, question number 12

As can be observed from the table in relation with the methods use by the Bank to give off the job training for the trainees, lecture and video presentation method are the most frequently used method as 61.4% of the respondents indicated. Case study method is also used next to this method as 27.3% of the respondents replied. Other methods occasionally used to provide on the job training are vestibule training, simulation and self study and programmed learning.

Table3.18 The impact of training on performance of trainees

Statement	Response	Frequency	Percentage
Have you realized any positive change on your performance after taking any for of training in NBE?	Yes	45	81.8
	No	10	18.2
	Total	55	100

Source: Appendix V, question number 14

The above table clearly reveals that the training given by the bank to its employees has positive impact on improving their job performance as 81.8% of the respondents replied and the rest 18.2% feels that they do not see any significant positive change on their performance due to the training given for them. Any ways, the majority of the respondents have positive attitude to wards the training given by the Bank since it helps them to up date there knowledge and skills that results in improvement of their job performance which is a clue for the bank to give more emphasis to its HRD program.

Table 3.19 Skills, Knowledge and performance of employees before taking training in NBE

Statement	Response	Frequency	Percentage
What does your skills, knowledge and performance look like before taking any form of training in NBE?	Needs improvement	37	67.3
	Do not need improvement	18	32.3
	Total	55	100

Source: Appendix V, question number 16

As the table depicts, majority of the respondents (67.3%) said that their skills, Knowledge and performance needs improvement through training and the rest 32.3% of the respondents replied that they do not need improvement. This response is a clue for the Bank in order to plan for employee training program since employees know about themselves more than any one else regarding the adequacy of skills, knowledge they have.

Table 3.20 Perception of employees in relation with the need for training in NBE

Statement	Response	Frequency	Percentage
Do you believe that individual training is the critical factor for improving performance of the bank?	Yes	55	100
	No	0	0
	Total	55	100

Source: Appendix V, question number 17

As can be observed from the table, all of the non management staffs believe that individual training is the key factor for improving the performance of the Bank. This replay helps the bank in giving more attention to the human resource development program since it has positive impact on the organizational performance of the Bank. In this respect, the bank is required to be engaging in continues employee training in order to take advantage of the improved performance of the trained individuals.

Table 3.21 The bases on which trainees are nominated for training in NBE

Statement	Response	Frequency	Percentage
Do you know the bases on which you have been nominated for the training given by NBE?	Yes	10	18.2
	No	45	81.8
	Total	55	100

Source: Appendix V, question number 18

As shown the table, most of the respondents (81.8%) do not know about as to which they are selected for the training given by NBE and only 18.2% replied that they know about the bases. This reply implies that most of the employees may feel dissatisfied since that are not clear with the bases on which they are nominated for training particularly an selected individuals

Table3. 22 Degree of trainee’s satisfaction about training process conducted in NBE

Training process	Very much satisfied		Satisfied		Very little satisfied		Not satisfied		Total	
	F	%	F	%	F	%	F	%	F	%
Selection criteria	2	3.6	14	25.5	19	34.5	20	36.4	55	100
Training Methods	8	14.5	35	63.6	9	16.4	3	5.5	55	100
Training Period’s adequacy	2	3.6	21	38.2	22	40	10	18.2	55	100
Trainer’s Capabilities and skills	10	18.2	31	56.4	12	21.8	2	3.6	55	100
Training objective	6	10.9	29	52.7	16	29.1	4	7.3	55	100
Appropriateness of training facilities	16	29.1	34	61.8	4	7.3	1	1.8	55	100
Desired training program content	11	20	30	54.6	13	23.6	1	1.8	55	100
Training Evaluation	2	3.6	20	36.4	25	45.5	8	14.5	55	100
Training policy	1	1.8	17	30.9	19	34.6	18	32.7	55	100

Source: Appendix V, question number 20

From the above table we can deduce the following. As per the trainees’ selection criteria used in NBE, 36.4% of the respondents feel unsatisfied and 34.5% are very little satisfied.

This indicates there are problems in the Bank relation with selection criteria of trainees as majority of the respondents replied. Regarding the instructional methods and media used to provide training services, almost more than half of the respondents (63.6%) feel satisfied and 14.5% are very much satisfied. This shows as the bank's concern in using the relevant training methods and media to conduct the training program. However, some respondents are still unsatisfied with respects to the methods used to render training services.

In relation with adequacy of training period, about 40% of the respondents are very little satisfied and 18.2% are not totally satisfied. This implies, there are problems in NBE regarding the period or training duration allotted per each training program. Despite this, about 38.2% of the respondents are satisfied for the training period given in NBE more than the average numbers of the respondents (56.4%) are satisfied with the trainers' capabilities and skills which is an indication of the Bank's strength in providing trainer's with adequate technical proficiency and skills. However, some are very little satisfied (21.8%) which is a clue for the bank to further search for appropriate trainers. Almost more than half of the respondents are satisfied is relation with training objectives, appropriateness of training facilities and desired program content. More over, few respondents are very much satisfied for the same. However, some respondents are unsatisfied, particularly in the training objectives and desired training program content which are indications for the bank to improve on these respects.

To the end, 45.5% and 34.6% of the respondents are very little satisfied regarding training evaluation and training policy practices of the bank respectively. In the same manner 14.5%

and 32.7% of the respondents are not totally satisfied for the same respectively. This reply shows areas on which the bank should give greater care and emphasis.

3.2.3 Interview Analysis

To gather more information about employee training and management development practice of NBE structured interview questions were forwarded to the human resource development division head of the bank. Accordingly the interviewee's responses to the questions are depicted briefly as follows.

Q1) What are ways of improving employee competency level and organization's performance other than training in NBE?

In NBE, management development and employee training program are the best ways by which employee competency and productivity can be improved. Some times education opportunities are given employees in local universities and colleges and in the form of scholarships.

Q2) What are the purposes/objectives T and D in NBE?

As it is clearly indicated in the HRD manual and as per the interviewee replied, the major purposes of HRD program are to have motivated work force, to enhance capacity (both present and future skills), to increase ability and productivity of employees, to establish optimum man task relation ship, to prepare employees to take higher assignments, and to up grade skills and prevent obsolescence. Moreover, to help managers at all levels with respects to their task accomplishment NBE also established management development objectives such as stimulating amore creative and innovative approach to problem solving and decision making. How ever, no explicitly stated objectives are set for each trainee.

Q3) What steps/procedures do your organization follows to execute employee training and management development program.

According to (Monday and NUE, 1990), there are five steps that should be followed to conduct T and D program. Namely, need assessment, establish objectives, select appropriate methods and media, implement the actual program, and conduct evaluation and follow up. In NBE, the first four steps are strictly followed as per the interviewee's reply although they are not consistently used per each HRD program. However; NBE is still reluctant on evaluation and follows up of the T and D program.

Q4) Which category of HRD need analysis approach is/are used by NBE?

To identify T and D need, NBE uses organizational analysis and task analysis. That is, the need for the program is identified through organizational analysis by taking in to consideration of the bank's short range and long range goals and then identifying task related skills and ability that contributes to the achievement of organizational objectives. Moreover, task/job analysis is used to determine the skills and knowledge the job demands and in collecting information as input in to HRD decision.

Q5) As to your understanding what is the view of top management towards HRD?

To management has positive implications towards both local and abroad training with special emphasis given to abroad training although the bank does not have a complete control over this. That is, it does not know what type of training, why, where and when the

need comes in relation with abroad to incorporate in to its short term and long term HRD programs.

Q6) Does the bank allot sufficient funds to carry out T and D programs effectively?

NBE has no problems with regards to the funds needed to execute/implement the HRD program. That means, adequate fund is budgets at the beginning of the new fiscal year to carry out effectively T and D programs.

Q7) Does the bank provide the required training materials?

As addressed in question number 6, NBE a lot sufficient funds to fulfill any relevant training facilities that are essential for the success of the program. Thus, no significant problems are observed with respects to the facilities as the interviewee replied. For instance, the video conference room located at NBE venue is one of the basic facilities available to carry out in house (off the job) HRD programs.

Q8) Does the bank have the right trainers who have adequate technical proficiency and skills for the right trainees and who are the trainers?

The bank has appropriate trainers for the right trainees, particularly for local T and D program. There are institutions and other affiliated organizations that provide the bank with both planned and unplanned trainings to its staffs. Ethiopian insurance and banking institutions (EIBI) of which NBE has a line share provide NBE's staff with operational, technical and managerial trainings as need arises. In addition, affiliated organizations such as chamber of commerce and Ethiopian management institutions (EMS) also invite the bank's staff with varieties of T and D programs. Moreover, some senior and skilled internal

staffs are used as relevant trainers; especially for information systems and statistics related trainings. Some times, the bank invite applicants from external consultants who need to provide trainings on fee basis. Accordingly, the bank assess the content of the trainings each applicant is going to provide in line with its need assessment, evaluate them and then select the best applicant. To the end, abroad trainers such as IMF, World Bank and others are potential trainers of the bank although they are not with the control of the bank.

Q9) What is your base for selecting right trainees for the right trainings?

For local (in house and external) T and D programs, the departmental management and an immediate supervisor are responsible to nominate appropriate trainees for appropriate training. That is, right trainees are selected by taking in to consideration of their past and current job performance, (performance evaluation), the number of years of service in the bank and the nature of jobs they are assigned for. For abroad trainings, top management and/or governors of the bank are responsible to nominate appropriate trainees.

Q10) Have you ever established T and D objectives for the trainees?

As the interviewee said, T and D objectives are established for each trainee. That means, the trainees know in advance what is expected from them after taking any from T and D programs given by NBE. However, there is no binding contract between the bank and trainees for not sticking to the training objectives. That means, trainees are not penalized for not applying what they have learned through training on their job as soon as possible.

Q11) What factors do you consider in selecting appropriate instructional methods and media for T and D given in the bank?

In selecting instructional methods and media, trade- off exists. That is, no single method or media is always best, the best method or media depends on several factors. In NBE, appropriateness of the facilities for the objectives it is aimed for is the basic factors considered in selecting instructional methods and media. For instance, medias like over head projector LCD, video, and white boards are used to give lecture for local trainees of NBE. Moreover, desired program content, trainer preference and capabilities are also considered by the bank as basic factors.

Q12) what are the methods employed by the bank for developing management abilities and providing opportunities for non-mangers?

In NBE, lecture and video presentation method, the conference method/ the workshop method, simulation method and programmed instruction method are among the basic methods employed for providing training services to both management and non management employees.

Q13) How do you evaluate T and D programs to verify the Success of the Program?

In NBE, on the spot training evaluation is conducted to increase the effectiveness of the program while it is going on. Reaction is used as a set of measurement criteria to know about what the participant (trainees) think about the program did. Accordingly, participants

react to the learning experience by forming opinion and attitude about the instructor (trainer), the methodology, and participation in the learning session and how well he/she liked the program. Moreover, post training evaluation is also conducted to help trainees to get feed back for their improvement and efficiency, and to find out to what extent the objectives are achieved. However, NBE is not effective in practicing post evaluation of the HRD program.

Q14) What are the types of HRD being used in NBE?

Both on the job and off the job are most commonly used types of providing HRD programs in NBE. On the job training is given particularly for non managerial employees to develop their skills and knowledge. Off the job training is given both for manages and non-managerial employees of the bank with a view to increase their capacity outside their work environment.

Q15) What do you suggest for NBE with respects to HRD programs?

The interviewee for warded the following suggestions regarding the HRD program practices of NBE.

- HRD should be all inclusive. That is, it takes in to consideration of all managerial and non managerial staff, particularly in abroad training.
- Career based training should be practiced to help individuals plan their future careers with in the organization in order to help the bank achieve its objectives and the employees achieve maximum self development.
- Structured succession planning should be exercised in the bank.

CHAPTER FOUR

CONCLUSIONS AND RECOMMENDATIONS

4.1 Conclusions

Based on the data presented and analyzed in chapter three of the study, the following conclusions are drawn by the researcher focusing on the strength and weakness of NBE with respects to the practices employee training and management development programs.

NBE has a structured HRD plan and sufficient budget to execute or under take the plan as it is clearly indicated in the HRD manual of the bank and as the interviewee replied. Moreover, NBE has a written HRD Policy which is exercised by the human resource department of the bank. However, most of the respondents to the questionnaire are not the clear with the HRD plan and policy of NBE

Regarding the HRD need assessment of the bank, trainees are selected based on their academic qualification, length of service, annual performance appraisal, the perception of immediate supervisor and departmental manager and the decision of committee. What ever bases are used, trainees are not clear with as to which bases are used. That is, lack of transparency in this respect is the major problem of the bank that majority of the employees are complaining. Training is conducted simply based on the need senior management staff and to fulfill the formality of human resource department need not based on the willingness and requisite of employees.

With respects to HRD objectives of the bank, no specific, measurable and time targeted objectives are practiced that are set and informed to the trainees before embarking form of HRD programs. This later on inhabits the bank from evaluating the effectiveness of the program, that is, lack of standardized management criteria that assist as a bench mark for evaluating the program.

The instructional method and media used by the bank to execute local training and development program are lecture and video presentation method, conference or work shops, case studies as majority of the respondents replied. The bases as to which these methods and media are selected depends on appropriateness, designed program content and trainer's preferences and capabilities. However other factors like cost - effectiveness and learning principles have no places although they are equally important.

Evaluations, particularly post training, have no given much consideration by NBE although it is a means to assess the cost / benefit of the HRD program to thee bank. Most of the time evaluation through reaction is used while T and D program is going on.

In NBE, we find both on the job and off the job types of HRD program. On the job training is given most of the time for non - management staff and off the job training is given for both management and non management staff using in house training, external training and abroad training. For abroad training priority is given for senior non management staff and all management staff. There are institutions like EIBI and other affiliated organizations such as chamber of commerce, EMI which provide NBE with various types of local training.

4.2 Recommendations

The following recommendations are forwarded to alleviate or at least to minimize the currently encountered problems by the bank in relation with HRD programs.

- First and foremost, the human resources of the bank should get greatest emphasis from the point of view of management since they are engines for other related resources such as physical resources, information resources, and financial resources of the bank. Now days, we are living in a continuously changing and dynamic environment that directly and/or indirectly affects us. Particularly, Banking industries are affected by the rapidly changing information technology. Thus, updating its employee's skills and knowledge to cope with technological advancement and competitive environment is a mandatory work for NBE without which it does not achieve its pre stated short term and strategic goals.
- The HRD plan and policy of the bank should be transparent and implemented in line with the HRD need of the bank.
- SMART HRD objectives should be explicitly stated, set for each trainees communicable to each trainees and at least should answer the following questions
 - What should the trainees be able to do after training?
 - Under what conditions should the trainee be able to perform the trained behavior?
 - How well should the trainee perform the trained behavior?

- The HRD need assessment and selection criteria practice of NBE are among most serious issues that majority of the respondents feel unsatisfied. Since T and D is a need oriented effort, determining the level, type and duration of the T and D is of paramount importance at this stage of the HRD process. As HRD division head and majority of the management staff respondents replied, NBE uses organizational analysis and task analysis as a need analysis approach. However, the bank is not effective in implementing either of the approaches. Thus, an extensive need assessment and an equitable selection criterion should be exercised in the bank unless the bank could end up in wasting time, resource, demotivating staff, and employees will develop negative attitudes towards future programs.

- Post training evaluation should also be exercised in the bank in order to increase the effectiveness of the program to be held in the next session, to help participants to get feedback for their improvement and efficiency, and to find out to what extent the HRD objectives are achieved.

- Most importantly, HRD should be based on career development which helps the bank achieve its objectives and the employees achieve maximum self development.

- To the end, the training period allotted per each training program should be sufficient, the instructional methods and media, selection criteria should be cost effective and depends a learning principle. Opportunity for abroad training should also be given for junior non management staff if possible.

Bibliography

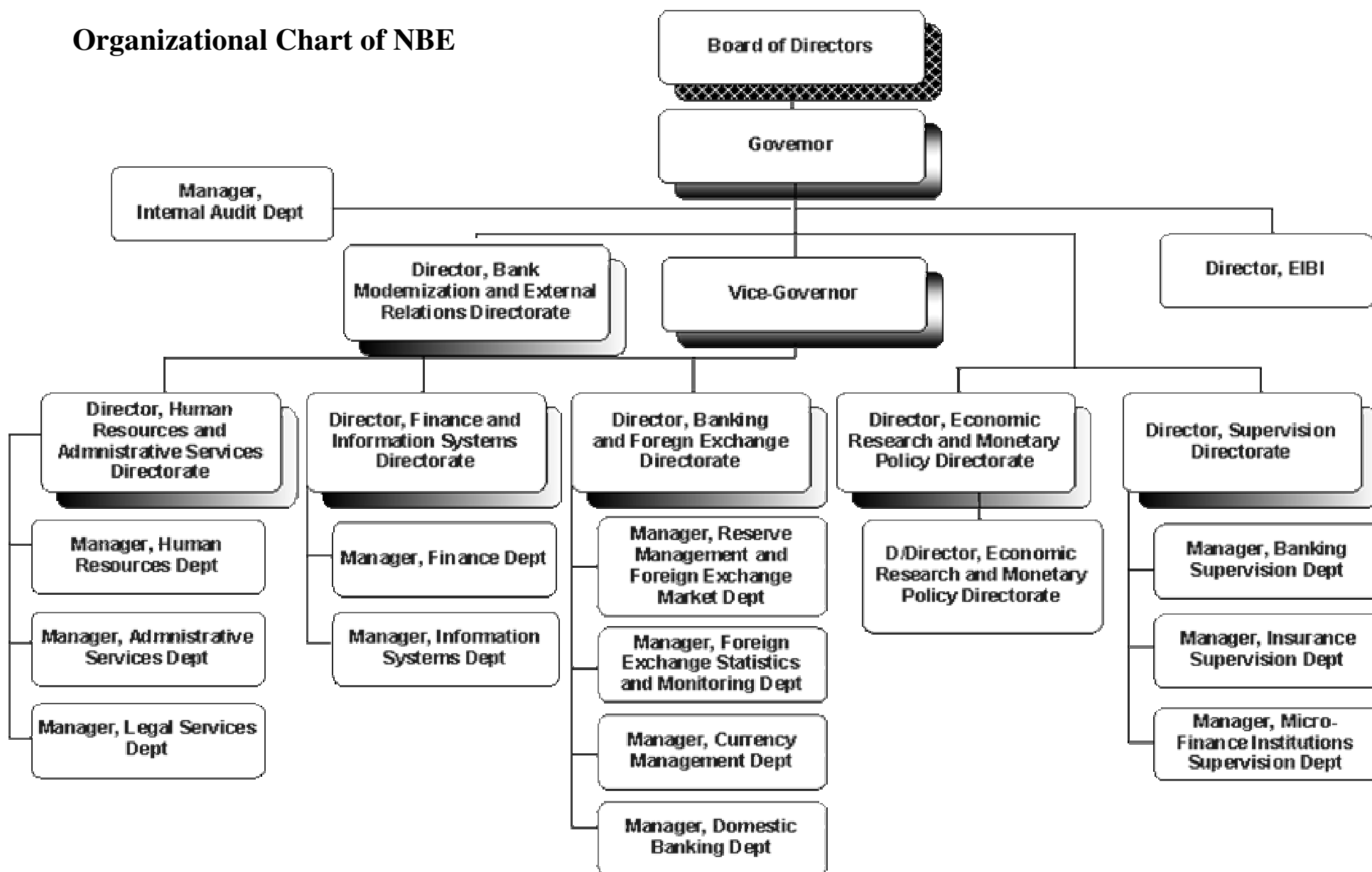
- Ahuja, K. K., **Personnel Management**, (New Delhi: Kalyani Pub., 1998).
- Bass, Bernard M., and Vaughan, James A. **Training in Industry: The Management of Learning**, (Belmont, California: Wadsworth, 1966).
- Campbell, John P., et. al., **Managerial Behavior, Performance, and Effectiveness** (New York: McGraw Hill, 1970).
- Casio, Wayne R., **Applied Psychology in Personnel Management**, (Reston, va.: Reston Publishing, 1978).
- Chatterjee, Bhaskar, **Human Resource Management**, (New Delhi: Sterling Publishers Private Ltd., Inc., 1990).
- EMI (Ethiopian Management Institute), **Training and Development** (unpublished training material), Addis Ababa
- Glueck, William F., **Personnel: A Diagnostic Approach**, (Texas: Business Publications Inc., 1978).
- Holt, Davis H., **Management: Concepts and Practices**, (Eagle Wood Cliffs, New Jersey: Prentice Hall, 1993).
- Laird, Dugnan, **Approaches to Training and Development** (Mass.: Addison - Wesley, 1983).
- Milkovich, George T. & Boudrean, John W., **Human Resource Management**, (USA: Richard D. Irwing, Inc., 1991).
- Mondy, R. Wayne & Noe, Robert M., **Human Resource Management**, (Massachusetts: Simon & Schuster, Inc., 1990).
- Scarpello, Vida G. and Ledvinka, James, **Personnel/Human Resource management**, (Boston: PWS - Kent Publishing company, 1988).
- Stoner, James A. F., et. al., **Management**, (New Delhi: Prentice-Hall of India Private Limited, 1996).
- Werther, William B. and Davis, Keith, **Human Resources and Personnel Management**, (New York: McGraw-Hill Inc., 1996).
- Zelalem, "**Issues and Challenges of Rural Water Scheme**: The Case Study of Burayu", unpublished MA Thesis. 2005

<http://www.nbe.gov.et>

APPENDICES

Appendix I

Organizational Chart of NBE



Appendix II

Sample in house training and development activities of NBE for the first two quarters of the current year (2007)

S/N.	Position of trainees	Training title	Duration	Institution
1.	Manager, internal audit department	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
2.	Director, supervision division	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
3.	Manager, banking supervision	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
4.	Manager, insurance Division	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
5.	Director human resource	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
6.	Manager, human resource department	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
7.	Director. Finance and information systems directorate	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
8.	Manager, information systems department	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
9.	Manager, finance department	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE
10.	Director, economic research and monetary policy	Procurement of financial sector capacity busing project	Feb 6-8,2007	In house-NBE

	directorate			
11.	Deputy director, EAFS	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
12.	Director, bank modernizing and external relations directorate	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
13.	Manager, currency management department	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
14.	Manager, domestic banking department	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
15.	Manager, foreign exchange statistics and monitoring	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
16.	Manager, reserve management	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
17.	Project officer	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
18.	Fiancé officer	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
19.	Procurement officer	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
20.	Head management audit division	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
21.	Panning and supervision	Procurement of financial sector capacity building project	Feb 6-8,2007	In house-NBE
22.	Director, ERMPD	Housing Financial	April 5,2007	In house-NBE

		Development		
23.	Project officer	Housing Financial Development	April 5,2007	In house-NBE
24.	Principal inspector	Housing Financial Development	April 5,2007	In house-NBE
25.	Procurement officer	Housing Financial Development	April 5,2007	In house-NBE
26.	Head, performance improvement division	Housing Financial Development	April 5,2007	In house-NBE
27.	Bank inspector	Housing Financial Development	April 5,2007	In house-NBE
28.	Head, personal records division	Records management	May 7- 18,2007	In house-NBE
29.	Personnel filing clerk	Records management	May 7- 18,2007	In house-NBE
30.	Attendance follow up clerk	Records management	May 7- 18,2007	In house-NBE
31.	Records division secretary	Records management	May 7- 18,2007	In house-NBE
32.	Archive clerk	Records management	May 7- 18,2007	In house-NBE
33.	Filing clerk	Records management	May 7- 18,2007	In house-NBE
34.	Librarian	Records management	May 7- 18,2007	In house-NBE
35.	Senior executive secretary	Advanced office management	May 9- 22,2007	In house-NBE
36.	Executive secretary	Advanced office management	May 9- 22,2007	In house-NBE

37.	Secretary	Advanced office management	May 9-22,2007	In house-NBE
38.	Senior network administrator	SWIFT training	May12-13,2007	In house-NBE
39.	Analyst programmer	SWIFT training	May12-13,2007	In house-NBE
40.	System administrator	SWIFT training	May12-13,2007	In house-NBE
41.	Head, reserve management	New uniform customs and practice of documentary credits(ucp600)	June11-13,2007	In house-NBE
42.	Head, inter bank foreign exchange market division	New uniform customs and practice of documentary credits(ucp 600)	June11-13,2007	In house-NBE
43.	Bank clerk, incoming remittance	New uniform customs and practice of documentary credits(ucp600)	June11-13,2007	In house-NBE
44.	Director, human resource	Leadership development	June11-16,2007	In house-NBE
45.	Director, bank modernization	Leadership development	June11-16,2007	In house-NBE
46.	Director, finance and information system directorate	Leadership development	June11-16,2007	In house-NBE
47.	Head, systems development and program division	Data base management	Starting from June 21,2007 for 21 hours	In house-NBE
48.	Director, finance and information finance directorate	Data base management	Starting from June 21,2007 for 21 hours	In house-NBE

(SOURCE: NBE, HUMAN RESOURCE DEPARTEMENT)

Appendix III

Sample Abroad training and development activities of NBE for the first two quarters of the current year (2007)

S/N.	Position of trainees	Training title	Duration	Institution	Venue
1.	Research officer	Monetary and Foreign exchange operations	March12-29,2007	Gerzensee Switzerland	Abroad
2.	Head, Reserve Management and External Relations	Bank of Tanzania Reserve Management Seminar	Jan.25-26,2007	Tanzania	Abroad
3.	Head, Balance of Payment and International Economics Division	Micro Economic Management and Fiscal Issues	April 10-20,2007	Nairobi, Kenya	Abroad
4.	Manager, Legal Service department	Anti money laundering	May14-18,2007	Tunis, Tunisia	Abroad
5.	Junior Bank, Inspector	Bank supervision using offsite bank examination information	April23-27,2007	Tunis, Tunisia	Abroad
6.	Manager, Internal Audit department	Internal Auditing	June2-6,2007	Landon, England	Abroad
7.	A/manager, HRM department	HRM	June4-6,2007	Frankfort,GR	Abroad
8.	Junior, legal	Exposure visits on	July16-	Nigeria	Abroad

	officer	quasi legislature	22,2007		
9.	HRD officer	Exposure visits on human resource and administrative practices	June20-25,2007	Accra, Ghana	Abroad
10.	Principal Research Officer	Macro-economic Diagnostics	June4-29,2007	Washington DC,USA	Abroad
11.	Principal Insurance Inspector	Supervisory functions of the finance services commissions with emphasis on insurance sector	May28-June6, 2007	Mauritius	Abroad
12.	Junior External debt follow up office	Workshop on compilation of external debt statistics	Feb19-Mar2,2207	Nairobi, Kenya	Abroad
13.	Junior research officer II	International trade in services statistics	April16-22,2007	Tunis, Tunisia	Abroad
14.	Junior Legal officer	Exposure visits on quasi Legislative	July16-22,2007	Nigeria	Abroad

(SOURCE: NBE, HUMAN RESOURCE DEPARTEMENT)

**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
SCHOOL OF GRADUATE STUDIES
MASTERS OF BUSINESS ADMINISTRATION (MBA) PROGRAM**

QUESTIONNAIRE TO BE FILLED BY MANAGEMENT STAFF

Researcher: Tamrat Getahun

Advisor: Dr. G.K. Murthy

Research Topic: - Employees' Opinion about Human Resource Development Practices of National Bank of Ethiopia (NBE): An Evaluation

Dear Respondents:-

I would like to express my sincere appreciation and deepest thanks in advance for your generous time and frank and prompt responses.

Objective;

The purpose of the study in general and this questionnaire in particular is to study on “Employee training and Management Development program in NBE” which will help NBE in alleviating major problem related to the study; the researcher as partial fulfillment of academic requirements of M.A. degree is Business Administration and to gain practical knowledge on the topic under investigation and other prospective researchers as a stepping stone to carry out further investigation.

General Guideline:

Please put a tick “ ✓ ” “mark for those questions that are followed by choices and write your short and precise answers for those followed by blank spaces (i.e. open ended

questions) As an important input this study your frank response is greatly appreciated- Your valuable support in responding to the questions raised is of paramount importance to the success of the study. Hence, I ask you in all regard to fill the questionnaire carefully and at your best knowledge. The quality and quantity of information you provide determines the ultimate reliability of the study. If you have any additional comments or ideas, please feel free to use a blank paper.

Confidentiality

I want to assure you that this research is only for academic purpose authorized by the Addis Ababa University. MBA program Coordination office and the result will not be presented for other purposes. Thus, your ideas and comments are highly honored and kept confidential. To create a conducive environment for your free and genuine responses, you are not required to write your name.

Contact Address

If you have any query, please do not hesitate to contact me and I am available as per your convenience at (tele; 09-12-05-63-99 or e-mail; tamex [41@yahoo.com](mailto:tamex41@yahoo.com).)

Thank you again!!!

Part I – General information

1. Gender

Male

female

2. In which age group are you?

<25

41 to 50

25 to 35

51 to 60

36 to 40

61 and above

3. What is your highest and recent educational status

Third degree (PhD)

certificate

Second degree

12 grade complete

First degree

below grade 12

College diploma

4. Your field of specialization for you highest educational status_____

5. Service years in NBE

Less than 3 years

5 to 7 years

3 to 5 years

more then 7 years

6. Current position in NBE_____

7. In which department are your currently working?_____

8. Your status

Top management

line management

Senior management

Middle management

PART- TWO

9. Does your organization have a written management development policy?

Yes

No

I do not know

10. Does your organization analyze managers development needs periodically?

Yes

No

I do not know

11. Which of the following technique(s) for identifying your organization's management development need analysis is /are being used?

Organizational analysis

task (job) analysis

Person analysis

12. Please indicate on the following instructional method and media used in management training programs you have taken.

- Lecture
- Conference
- Self study and Programmed learning
- Case study method
- Role playing and behavior modeling
- In basket exercise
- Management games all of the above

Mention others (if any) _____

13. Which of the following types of management development programs are exercised in NBE?

- Formal Training (conducted in class room using instructors with in organization or by experts from other institutions)
- Off- the – Job formal training
- Job rotation
- Development position

Others (if any) _____

14. To what extent the contents of the training you have taken are relevant for your current Job.

- Highly relevant Less relevant
- Moderately relevant Not relevant

15. Does your organization evaluate the effectiveness of management development program?

- Yes No I do not know

18. If your answer for question No.15. is yes, what measurement criteria are used in evaluating the worth of a specific program?

- Reaction organizational impact
- Learning Ultimate value
- Job behavior

Others (if any) _____

17. To what extent the following topics have been included in the training programs that you have participated so far?

	Very highly Included	Highly included	Moderately included	Less included	Not included
A. Planning	_____	_____	_____	_____	_____
B. Decision making and Problem solving	_____	_____	_____	_____	_____
C. Communication	_____	_____	_____	_____	_____
D. Motivation	_____	_____	_____	_____	_____
E. Resource Management	_____	_____	_____	_____	_____
F. Leadership	_____	_____	_____	_____	_____
G. Performance appraisal	_____	_____	_____	_____	_____
Mention others (if any)					
F. _____	_____	_____	_____	_____	_____

20. What do you suggest to the organization in relation with management development programs vis-à-vis strength and weakness?

Strengths

Weaknesses

Suggestions

THANK YOU!!!

ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
SCHOOL OF GRADUATE STUDIES
MASTERS OF BUSINESS ADMINISTRATION (MBA) PROGRAM

QUESTIONNAIRE TO BE FILLED BY NON-MANAGEMENT STAFF

Researcher: Tamrat Getahun

Advisor: Dr. G.K. Murthy

Research Topic: - Employees' Opinion about Human Resource Development Practices Of National Bank of Ethiopia (NBE): An Evaluation

Dear Respondents:-

I would like to express my sincere appreciation and deepest thanks in advance for your generous time and frank and prompt responses.

Objective;

The purpose of the study in general and this questionnaire in particular is to study on “Employee training and Management Development program in NBE” which will help NBE in alleviating major problem related to the study; the researcher as partial fulfillment of academic requirements of M.A. degree is Business Administration and to gain practical knowledge on the topic under investigation and other prospective researchers as a stepping stone to carry out further investigation.

General Guideline:

Please put a tick “ ✓ “mark for those questions that are followed by choices and write your short and precise answers for those followed by blank spaces (i.e. open ended questions) As an important input this study your frank response is greatly appreciated- Your valuable support in responding to the questions raised is of paramount importance

to the success of the study. Hence, I ask you in all regard to fill the questionnaire carefully and at your best knowledge. The quality and quantity of information you provide determines the ultimate reliability of the study. If you have any additional comments or ideas, please feel free to use a blank paper.

Confidentiality

I want to assure you that this research is only for academic purpose authorized by the Addis Ababa University. MBA program Coordination office and the result will not be presented for other purposes. Thus, your ideas and comments are highly honored and kept confidential. To create a conducive environment for your free and genuine responses, you are not required to write your name.

Contact Address

If you have any query, please do not hesitate to contact me and I am available as per your convenience at (tele; 09-12-05-63-99 or e-mail; tamex [41@yahoo.com](mailto:tamex41@yahoo.com).)

Thank you again!!!

Part I – General Intimation

6. Gender

Male

female

7. In which age group are you?

<25

41 to 50

25 to 35

51 to 60

36 to 40

61 and above

8. What is your highest and recent educational status

Third degree (PhD)

certificate

Second degree

12 grade complete

First degree

below grade 12

College diploma

9. Your field of specialization for your highest educational status _____

10. Service years in NBE

Less than 3 years

5 to 7 years

3 to 5 years

more then 7 years

6. Current position in NBE _____

7. In which department are you currently working? _____

PART- TWO

8. Have you taken any form of training program prepared by NBE?

Yes No

9. If your answer for Q.1 is yes, for how many total days you participated on the training program during the past 2 years? _____

10. Which of the following types of employee training program have you taken so far?

On the job off- the – Job

Any others _____

11. Which of the following on the job types of employee training program have you taken so far?

- Job instruction training
- Job rotation
- Apprenticeship
- Coaching
- All of the above
- Mention others (if any) _____

12. Which of the following off the job types of employee training program have you taken so far?

- Lecture and video presentation
- Vestibule training
- Case study
- Simulation
- Self study and programmed learning
- Mention others (if any)_____

13. Which of the above method(s) are frequently employed by the bank and why?

14. Have you realized any change on your performance after taking any form of training in NBE?

- Yes No

15. If your answer for question no.14 is yes, please explain.

16. What did your skills; knowledge and performance look like before you have taken training including induction in NBE?

Needs improvement Do not need improvement

17. Do you believe that individual's training is the critical factor in increasing organizational performance?

Yes No

18. Do you know the bases on which you were sponsored to training

Yes No

19. If your answer for no 19 is yes, please explain the basis

20. To what extent are you satisfied with respects to the following factors which are parts of employee training processes?

N.B The factors are not mutually exclusive

	Very much Satisfied	satisfied	Very little satisfied	Not satisfied
A. Selection criteria	_____	_____	_____	_____
B. Training methods	_____	_____	_____	_____
C. Training periods'				
Adequacy	_____	_____	_____	_____
D. Trainer's skills and capabilities	_____	_____	_____	_____
E. Training objective	_____	_____	_____	_____
F. Appropriateness of Training facilities	_____	_____	_____	_____
G. Desired program content	_____	_____	_____	_____
H. Training evaluation	_____	_____	_____	_____
I. Training policy	_____	_____	_____	_____

20. Do you have any **suggestion** that you say about training and development program in NBE vis-à-vis its **strengths and weaknesses**?

Thank you for your cooperation!!!

**INTERVIEW QUESTIONS
WHICH IS GOING TO BE ANSWERED BY
TRAINING AD DEVELOPMENT SECTION HEAD OF NBE**

1. What are ways of improving employee competency level and organization's performance other than training in NBE?
2. What are the purposes of training and development in NBE?
3. What steps/ procedures do you follow in employee training and development program in NBE?
4. Which category of need analysis approach do you use in NBE's training and development need?
5. As to your understanding what is the view of top management towards training and development?
6. Does the bank allot sufficient fronds to carry out training and development program effectively?
7. Does the bank provide the required training materials?
8. Do you think that staffs are acquainted with the importance of training and development?
9. Does the bank have the right trainers who have adequate technical proficiency and skills for the right trainees? And Who are the potential trainers of the bank?
10. What is your base for selecting appropriate trainees for appropriate training?
11. Have you established training and development objectives for the trainees?
12. What factors do you consider in selecting instructional methods and media for training and development program?
13. What are the methods employed for developing management abilities and providing opportunities for non managers?
14. How do you evaluate training and development program to verify the success of the program?
15. What are the types of management development programs being used in NBE?
16. What are the types of employee training programs being used in NBE?
17. What do suggest for NBE with respects to training and development program?