

# St. MARY'S UNIVERSITY COLLEGE SCHOOL OF GRADUATE STUDIES

# Human Resource Development Climate in Ethiopia: Empirical Analysis on Selected Private and Public Organizations

By

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ID: SGS/ 0108/2003

March 2013, Addis Ababa, Ethiopia

# HUMAN RESOURCE DEVELOPMENT CLIMATE IN ETHIOPIA:

# EMPIRICAL ANALYSIS ON SELECTED PRIVATE AND PUBLIC ORGANIZATIONS

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# A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE DEVELOPMENT IN THE GRADUATE SCHOOL OF ST. MARY'S UNIVERSITY COLLEGE

March 2013, Addis Ababa, Ethiopia

# **APPROVED BY BOARD OF EXAMINERS**

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Signature

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# **Dedication page**

This piece of work is dedicated to my wife W/o Tewabech, and two sons Henos and Yonatan

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Tesfaye Teshome

# List of Abbreviations and Acronyms Used

HRDC	Human Resource Development Climate
GHRDC	General Human Resource Development Climate
OCTAPAC	Openness, Confrontation, Trust, Autonomy, Proaction, Authenticity and
	Collaboration
HRDM	Human Resource Development Mechanism
JS	Job satisfaction
OC	Organizational Commitment
MOE	Ministry of Education
HERQA	Higher Education Relevance and Quality Agency

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#### Abstract

Employees are the priceless assets of any organization. Given the opportunities and by providing the right type of climate in an organization, individuals can be helped to give full contribution to their potentials and achieve the goals of the organization. For this purpose an amiable HRD climate is extremely important. For the purpose of the study, primary data were collected from 331employees working in 12 different organizations through a structured questionnaire. The present study is an attempt to contribute to a better understanding of the HRD climate prevailing in selected public universities, private higher education institutions and MIDROC TG in Ethiopia and to make a comparative analysis to understand whether these organizations have conducive HRD climate or not. Additionally the level job satisfaction and organizational commitment as well as impacts of human resource development climate on the job satisfaction and organizational commitment were assessed; items that need management intervention for improvement. Job satisfaction and organizational commitment predicting equations are also developed as a function of HRDC.

The findings of this study revealed that the overall HRDC prevalence in private HEIs was the highest while the HRDC prevalence in public universities is the lowest. Results showed that there exists a significant variation among the three types of institutions in HRD climate with no statistically significant difference in HRDC between MIDROC TG and Private HEIs. Noticeable difference is renowned, however, between private and public universities.

The overall job satisfaction confirmed that there is better job satisfaction in private HEIs, followed by MIDROC TG and relatively least job satisfaction for public universities and the differences are significant. The findings showed that job satisfaction level of employees in the organizations studied is good. Furthermore Job satisfaction predicting equation is also constructed as a function of HRDC for the three types of organizations and for the overall all data. The equations are found to be significant.

One of the objectives of this study was the assessment of the organizational commitment of employees and the impact of the HRDC on this variable. From the three components of the organizational commitment, affective commitment for private HEIs is highly rated. The difference in affective commitment among the three institution types is statistically significant. The Mann-Whitney test shows the non-existence of significant difference between the private and public universities in affective domain of organizational commitment. Concerning the normative component of OC, the private HEIs are relatively better than the others and the difference is found to be statistically significant. It was also found out that the difference between the private and public universities is statistically significant. Results on the overall organizational commitment showed that private HEIs are better than the other two. The non-parametric independent test between private and public universities showed private HEIs are better than the others. Institution wise, Ethiopian Civil Service University showed relatively better affective, normative and continuance commitment in descending order and stands first in the overall employees' commitment. The overall organizational commitment for the sampled institutions is average. The impact of HRDC on the OC was assessed and a predicting equation as function of HRDC developed for the three types of organizations and for the overall data. The equations are found to be significant. Conclusions and recommendations are also made.

# **CHAPTER ONE:**

# Introduction

### 1.1 Background of the Study

Human resource development (HRD) is concerned with the provision of learning, development and training opportunities in order to improve individual, team and organizational performance. HRD is essentially a business-led approach to developing people within a strategic framework. The capability of adding value through knowledge development, improvement, and innovation are more important in comparison to traditional economic factors such as monetary capital, physical labor and raw materials (Drucker, 1993). Organizations, therefore, need to step up the development of human capabilities through the enhancement of knowledge, skills and abilities of their workforce. As organizations are now competing for advantage in a volatile business environment it becomes more pertinent to deliberately, consistently, strategically and innovatively develop, optimize and utilize their major value adding resource, i.e. human resource. Organizational success depends largely on the quality of their human resource. The effectiveness of any organization in reinventing itself through strategic development of human resources depends on the prevailing organizational developmental climate.

Strategic human resource development involves introducing, eliminating, modifying, directing and guiding processes in such a way that all individuals and teams are equipped with the skills, knowledge and competences they require to undertake current and future tasks required by the organization. Organizations must ensure that an optimal level of Human Resource Development Climate (HRDC) exists to enable their employees to discover hidden potentials, improve on their current skills and acquire new, relevant skills and utilize them in the interest of their organizations. Due to recent reforms, the HRD landscape in several organizations in Ethiopia is changing rapidly. The entrance of new players (private and public) in the agriculture and industry sectors has intensified competition. In order to succeed in the emerging competitive environment it is imperative for all organizations to equip their workforce by providing developmental opportunities as well as a favorable HRDC.

# 1.2. Brief Account on the Selected HEIs and MIDROC Technology Group in Ethiopia

## 1.2.1. Higher Education Institutions in Ethiopia

Higher education is of paramount importance for the economic and social development of Ethiopia. It provides the human resources required for leadership, management, business and professional positions (Teshome, 2003). Ethiopia has therefore determined to expand its higher education sector since 1991. Education Statistics Annual Abstract 2007-2008 prepared by the Ministry of Education (2009) reports that the growth at all levels in higher education is the highest of all educational levels with an annual average increase of over 33% per year. In terms of expansion, Ethiopia has made a considerable progress in the area. There were two universities in 1991 and now there are 31 public and more than 66 private degree-offering higher education institutions operating in the country.

Expansion alone would not lead to quality education provision. As a result the Ethiopian government established Higher Education Relevance and Quality Agency in 2003 through the proclamation number 350 which is later amended through the proclamation number 650/2009. The agency is mandated to assure quality education provision in all higher education institutions functioning in Ethiopia. These HEIs are entrusted with public responsibilities to discharge their duties in effective and efficient way so that the industry is provided with competent work force.

To do this the higher education institutions themselves should have human resource development plan and favorable climate that boast the development of human capital. Therefore, it is evident to study the human resource development climate of the institutions to identify basic elements of the human resource development climate and suggest intervention mechanism for further development. The historical background of the universities and university colleges is briefly described below.

#### 1.2.2. Adama Science and Technology University (ASTU)

ASTU was established with the fund secured from the World Bank as Nazareth technical college in 1993/94. The primary mission of the university was to advance the quality of human life through strategically selected program of instruction research and publication services, especially in technical fields (Automotive, Construction Electrical/Electronics, manufacturing and Surveying Technology. The diploma program was in industrial Education, Automotive, Construction, Drafting, Electrical/Electronics, Manufacturing and Surveying Technology).

As a sole provider of the degree level technical teacher for the TEVT sector in the country, its regular degree program was designed to produce technically competent teachers equipped with the relevant teacher education courses.

Since then a number of changes have occurred in the programs offered and in its name as well. Currently the university is named Adama Science and Technology University and plans to open nine faculties and two schools (Technical teacher Education, Business Teacher Education, Computer and informatics technology, agriculture, medical sciences, language studies and school of graduate studies) .This increased the number of faculties, students and senior academic staff.(http://www.astu.edu.et).

#### 1.2.3. Admas University College

Admas University College is one of the pioneer private higher learning institutions in Ethiopia. The university college was established in1998 and has built a reputation for offering high quality academic courses. The courses (i.e. distance and on campus) are recognized nationwide by employers, regional education bureaus and Federal Ministry of Education. The university college is distinctly regarded for excellence both in distance and on campus teaching, to peruse quality research and consultancy services to meet the needs of the country and the society.

Admas University College provides a number of programs which are offered in number of levels: certificate, diploma and degree both in distance and on campus education and has created

very important relationships with different organizations to help graduating students get relevant and appropriate job after their graduation.

It is working in different parts of the country to add to the national effort for equitable distributions of educational access to all citizens. The college is catering its services to nearly 11,000 students all over the country. Out of the total, 70% are learning at diploma and certificate levels, and the rest 30% are at degree level.(<u>http://www.admashmc.com</u>).

#### 1.2.4. Alkan University College

ALKAN University College is established in 2002 as private training college in health sciences. It was founded as a memorial of Hakim Workneh Eshete, the first and famous former Ethiopian physician. The college is now upgraded its status to University College by including other training programs.(http://www.university-directory.eu).

#### 1.2.5. Ethiopian Civil Service University (ECSU)

The Ethiopian Civil Service University (ECSU) started its operation in 1995. The ECSU was formally established with legal status by the Council of Minister Regulation No. 3/1996 in February, 1996. It was established as an autonomous institution and has contributed enormously in developing the capacity of the Ethiopian Civil Service through education and training.

The new government structure, namely, the Federal Government System introduced in 1991 imitated the establishment of the ECSU. The shift from a highly centralized unitary government system to a decentralized federal system, and given the limited enrollment capacity of the country's existing higher institutions, the shortage of trained manpower in the country was evident. Consequently, to contribute to the production of skilled manpower which enables to discharge the duties and responsibilities of self administration by the regional state government, ESCU began operations with only two fields of studies: Law and Economics.

The University played tremendous contribution in capacity building through the educational programs it offers. It provides short-term courses and specialized undergraduate and postgraduate programs (regular and distance); rendering research and consultancy services;

providing library documentation services and facilitating conferences, seminars and workshops. (<u>http://www.ecsc.edu.et</u>).

#### 1.2.6. Agro Technical and Technology College

The Karheinz Bohm's foundation, Menschen fur Menschen (MfM) began its activities in the Erer-Valley (Eastern Harage zone in 1982. (Wide strategic plan, 2011-2015). It began its activity by resettling displaced people due to war and natural disasters. The foundation later expand its intervention and focused on projects that raise the livelihood of the local community.

In 1992 the foundation conceived the notion of establishing Agro Technical Training Center to contribute and sustain the development initiatives in the country. The college was up-graded to an accredited technical college in 1997 as a result of rigorous improvements and achievements made. Since then the college had been training young Ethiopians drawn from different regions of the country. The college trained substantial trainees and farmers on tailored programs in technological fields: Automotive, Manufacturing and Electrical/Electronics), crop production and animal production at an applied degree level.

In 2009/2010, the college is renamed as Agro Technical and Technology College (ATTC) and developed its five-year strategic plan which is mandatory to embark on a paradigm shift to offer market-drive technology training programs.

#### 1.2.7. University of Gondar

The University of Gondar (UoG) was established in 2004. Previously it was functioning as a Public Health College and Training Centre (PHC & TC). Currently PHC & TC is known as the College of Medicine and Health Sciences (CMHS). CMHS is the oldest medical training institution in the country and was established to address the health problems that existed in the nineteen forties and early nineteen fifties.

The university currently offers different educational programs in its various faculties. Faculty of Management Sciences and Economics, Faculty of Natural and Computational Sciences, Faculty of Social Sciences and the Humanities, Faculty of Veterinary Medicine and, School of

Law, Faculty of Agriculture and School of Technology and School of Education are core faculties offering undergraduate and graduate courses.(<u>http://www.UoG.edu.et</u>).

At present, the UoG owns 56 undergraduate and 64 postgraduate programs in its regular, extension, distance and summer programs (including a Public Health PhD program which is handled in collaboration with Addis Continental Institute of Public Health).

## 1.2.8. St. Mary's University College (SMUC)

St. Mary's University College (SMUC) is an outgrowth of St. Mary's Language School which in 1995 was upgraded to a language center and was solely devoted to the improvement of the English language proficiency of students.

Envisaging the trend of development of the conventional mode of learning, the college moved its head office to Addis Ababa, Lideta Campus in 1999 and opened the Department of Secretarial Science and Office Management (SSOM). With a view to broaden its programs, the Department of Computer Science (initially offering diploma programs) was put in place in September 2000 and the degree program in Law was initiated for the first time in the same year. The year 2000 saw the plan of setting up a dual-mode private higher education institution and launched the Distance Education Division (DED) program focusing on Business and Law fields of study. Since 2001, the Division has been making a speedy growth targeting distance learners in the fields of Teacher Education - Amharic, English, Mathematics, Geography and History.

After a few years of concerted and coordinated effort, the college began to show remarkable success. Consequently, in preparation for the September 2002 registration, the institution made stride by employing new staff members and renting a new building at Maichew Square, beside the Wabe Shebelle Hotel, where its head office is located at present.(<u>http://www.smuc.edu.et</u>).

#### **1.2.9.** Unity University

Unity university was established\_in 1991 as a language school. The language school used to offer English, Arabic, French and Italian language courses for small number of students not more than 50. Over the years until it reaches university status, it has passed through several developmental

stages. Once it was named "Unity Law, Language and Vocational Institute." Later the institute launched diploma programs in accounting, marketing, business, personnel administration, secretarial science and office management from 1997 to 1999.

The institute has launched degree program in various areas of specialization after being upgraded as a college in 1998. Meeting the set criteria for universities, "Unity" has finally been promoted to a University level and named Unity University.

MIDROC Ethiopian Technology Group took over Unity University's ownership in 2008. H. E. Sheik Mohammed Hussein Ali Al-Amoudi developed a special interest in tertiary education and made his vision a reality with the takeover of the Unity University as Unity University PLC. He has now his expanded investment in the education sector in a bid to help produce skilled manpower to the nation. MIDROC Ethiopia Technology Group has absorbed the University as its 16th Company to be run under the leadership of the CEO, Dr. Arega Yirdaw. Currently university is restructured to smoothly and effectively run every activity with the new management and ownership. It strives to provide highly qualified professionals to meet the skilled manpower demand of the nation and the global market.(http://www.midroc-ceo.com).

## 1.2.10. MIDROC Technology Group Ethiopia

H.E. Dr. Sheik Mohammed Hussein Ali AL-Amoudi and his family have immense investment in Ethiopia. He and his family have established the MIDROC Investment Group in Ethiopia, consisting of over 60 companies. MIDROC Ethiopia was established on 26<sup>th</sup> June 2000 to provide standardized, effective, efficient and modern management services for the multi-sectorial companies under the leadership of the CEO.

Starting year 2000, five of the companies were placed under the leadership of the CEO. The number has since increased to twenty. These companies are being identified with the name "The MIDROC Ethiopia Technology Group". Of the twenty companies four are selected randomly for the study. These sample companies are 20% of the total companies in the MIDROC technology group. The companies are: MIDROC – Kombolcha Steel, Modern building PLC, Addis Home Depot P.L.C. (aHD), Wanza Furnishings Industries P.L.C. The

selected companies represent the private companies as they are drawn from different industry sectors.

#### **1.3. Statement of the Problem**

Contemporary organizations are currently going through the turbulent storm of change and uncertainty occasioned by fast paced technology, intense competition, globalization, changing government regulations, changing demographics and customer expectations and demands, etc. In order to keep up with the prevailing state of flux, actions must be proactive, adaptive, creative, innovative and responsive. Organizational capability depends on human resource capability which is a factor of human resource development.

A company's competitive advantage can be achieved by recruiting, and maintaining a welltrained labor force and managers whose knowledge, skills and abilities serve as a source of innovation (Zahra and Nielsen, 2002). It is, therefore, absolutely necessary to ensure that the right environment exists within which employees can develop their full potential. Conducive human resource development climate plays a major role in enhancing the knowledge, skills, abilities and other attributes needed by employees to respond to current job demands and prepare for future challenges.

Technological innovation and new product development require an enabling environment. Contemporary organizations must be innovative in order to gain and maintain the competitive edge. Employee creativity, innovation, high performance, high commitment, extra-role behavior, etc. thrive in favorable work environment. Hence, creating and maintaining a supportive climate where every employee could realize and utilize his/her full potential is indispensable.

A level playing field being provided by the Ethiopian government has attracted more players/providers. Investors also feel the impact of other drivers of change, such as, regional integration, globalization, new technology, etc. Therefore concerted effort is being made to ensure that all organizations stay afloat of the troubled waters of volatile operating environment. This is putting a lot of competitive pressure on existing operators and the challenges call for rapid, proactive responses for continuity and sustainability.

The immense importance of HRDC and its implication on HRDC outcomes and job performance urged several researchers to undertake an in-depth study in organizations. For instance, there are several researchers who focused on Indian human resource development climate assessment in various organizations. Rao and Abraham, 1986; Venkateswaran, 1997; Srimannarayana, 2001; Mishra & Bhardwaj, 2002; Rodrigues, 2004; Pillai, 2008; Saraswathi, 2010); Dubai organization (Srimannarayana, 2007) and Nigerian banks (Akinyemi, 2009), are some of the studies conducted in HRDC among others. However, to the best of the researcher's knowledge, no or very limited study has been carried out assessing HRDC in any of Ethiopian public or private organizations. In view of the huge investment opportunities and changing business landscape in Ethiopia due to liberalization of the economy, it is vital to begin to examine the HRD climate in public and private organizations in Ethiopia.

As stated above the importance of competent human resource is immense and would make organizations price competitive in the world market. Higher education institutions are entrusted with the mandate of producing competent workforce; however they themselves are faced with serious problems of obtaining competent workforce be it in terms of academic and support staff. HERQA has undertaken institutional quality audits and produced reports for more than 29 public and private higher education institutions in Ethiopia. These institutional quality audit reports revealed that the human resource profile and mix in public and private higher education institutions in Ethiopia don't meet standards set by HERQA (2008-2011) though there is variation from institutions to institutions. As a result, although great effort is being put by the government and the HEIs management there is limitation to provide competent workforce with the right skills the labor market is seeking for. Not only that the research undertaking outputs, copying, adoption and generation of appropriate technologies that speed up the growth and transformation plan of the nation are also limited as a result of which professionals are being recruited from abroad in selected fields of specialization. Hence higher education institutions, more than ever, need to give due emphasis to create conducive human resource development climate and engage in strategic intervention to develop their own staff as well as for the industry. Similarly agricultural and industrial products produced by the sectors are expected to be quality and price competitive both locally and globally. Although the quality and price competitiveness

of products and services produced by the industry are dependent on the type of technology, raw material supply and financial resources, the most decisive role is played by the human resource. Ethiopian companies and industries competiveness can be achieved if they use the talents of their employees properly. This demands in turn the existence of favorable human resource climate that is able to surface out the innate characteristics and hidden potential of employees and use of it for the generation of innovative and creative ideas. Ethiopia's economy is highly dependent on agriculture. Through the agricultural led industrialization policy, in the last two decades, an effort is made to change the agrarian economy to a vibrant industrial economy. Quite substantial local and foreign investors are currently investing huge amount of capital, among which MIDROC TG is one.

Although huge investment is prevalent in both the agriculture and the industry sectors, they are facing skilled workforce scarcity where the sectors are forced to import skilled personnel abroad especially in engineering and technology areas of specializations. Even if there are competent workforces they migrate to foreign countries for better pay. Consequently manufacturing and service organizations are finding it an uphill battle to hire experienced graduates. This national problem points to the challenging task for firms to replenish their knowledge base. Such gaps can be filled if firms and institutions identify their current employees' potential and design training schemes that would further boost their effectiveness not only for now but for the time to come too. One thing is clear, in the new economic orders, organizations are competing to dominate international markets with new products creating new markets niches. This entails new mindsets, new competencies and new ways of thinking about business. A major challenge for any organization in Ethiopia and elsewhere in this era of international competition seems to be 'survival and sustainability'. Thus organizations that best able to meet the challenges will be those that can acquire and utilize valuable, scarce and inimitable resources, which is the human resource. In this regard Ethiopian business organizations cannot be different and unique; rather they have to design strategic intervention to fill this gap, if they have to survive and sustain production of quality products and services to local and international markets. This study thus examines the HRDC prevalence in the selected institutions in order to identify issues worth consolidating and issues that need more strategically intervention. An organization that has better

HRD climate and processes is likely to be more effective than an organization that does not have them.

## **1.4. The Research Questions**

This research is intended to address the following HRD climate issues: (1) to see the application of the HRD climate instruments for diagnosing organizational climate, (2) to suggest a systematic strategy for changing organizational climate in the selected public organizations and private companies.

The study aims to test the following hypothesis according to the perceptions of selected respondents of the organizations:

- HO1: There is no equal level of HRDC within and among the three types of institutions under the study
- HO2: There exists no difference in job satisfaction within and among the three types of institutions under the study
- HO3: There exists no difference in organizational commitment within and among the three types of institutions under the study
- HO4: Organizational Commitment is affected by HRDC
- HO5: Job satisfaction is affected by HRDC

#### **1.5.** Objectives of the Study

The review of the HRD climate in the selected organizations has the following specific Objectives:

- 1. To determine the level of HRD climate prevailing in selected organizations in Ethiopia
- 2. To study to what extent the HRD sub-systems are implemented in the three groups of organizations.
- 3. To study and assess how the HRD climate affects the organizational commitment
- 4. To study and assess how the HRD climate affects the job satisfaction of the employees
- 5. To undertake comparative analysis within and among the three groups of organizations

#### **1.6.** Significance of the Study

Any organization working in globalized and competitive world cannot do business as usual nowa-days. They are urged and pressurized by the clients, customers and the stakeholders to be responsive to the needs of the same and in most cases expected to exceed even their expectations. Consequently it became a standard procedure to develop HRD plan as human resource is an essential element in the meeting of strategic goals of the organizations and the climate associated with it. Through the HRD plan organizations identify their stakeholders and their needs and come up with strategic approaches to address prevailing issues in the HRD climate that have an impact on the development of the human resource of the organizations.

Public and private organizations provide services to the public; for that they need to have strategic plan that outlines the needs of its customers and satisfaction of the same. Such strategic plans detail the specific measures organizations take to realign their human resources to meet individual and organizational goals.

Higher education institutions are training centers of high skilled and competent workforce for the world of work. They also used to be the source of knowledge for the last five hundred years. It is a contentious issue, however, now-a-days whether such responsibilities are discharged by the higher education institutions to the level of the expectation of the employers. Employees of organizations in general and higher learning institutions in particular need to develop their skill and talent in order to meet the organizational goal-developing competent workforce and graduates, respectively. The creation of conducive human resource development climate is a vehicle for this to happen. Organizational human resource development climate, job satisfaction, performance management and employees performance have been studied in-depth by several professionals in different parts of the world. However, the importance of the creation of favorable human resource development climate for the realization of organizational goals particularly in the private and public organizations has not obtained due attention in Ethiopia. This study thus focuses on assessing the prevalence of human resource development climate in selected private organizations and higher learning institutions and their impact on the job satisfaction and organizational commitment of the employees.

#### **1.7.** Scope and Limitation of the Thesis

This study on HRDC is undertaken taking four representative companies from MIDROC Technology Group in Ethiopia and eight higher learning institutions. Primary and secondary data are collected from sample companies and higher learning institutions for analysis. The research work is done as part of the MBA program for partial fulfillment of the requirement of the University College. The data collection, analysis and write up of the thesis were done in a limited time. Consequently wider analysis could not be accomplished. The findings of the research would help to identify critical issues worth considering for creating favorable HRDC in the selected organizations. Suitable strategic intervention for the improvement of the HRDC would be drawn from this research; however, the findings need to be consciously used as the private companies and public organizations are very diverse in nature and organizational climate and culture.

# **CHAPTER TWO:**

# **Review of Related Literature**

## 2.1. Organizational Climate

We need to have a clear view of what an effective contribution would look like, if we need to find a way to develop employees in order to become effective contributors to the goals of an organization, The use of personal capacities can be very helpful in describing the way in which an effective employee should operate and behave, but there can be no general prescription of an effective employee. Effectiveness will differ with organizational context, and on whose perspective we are adopting. The matter of what, finally, makes an effective employee is a combination of personality, natural capabilities, developed skills, experience and learning. The process of enhancing an employee's present and future effectiveness is called development (Srimannarayana, M. 2009).

The conceptual meanings of HRD and Climate need to be made clear to come up with intervention mechanisms for the development of the human capital in any organization: HR means employees in organization, who work to increase the profit for organization. Development is acquisition of capabilities that are needed to do the present job, or the future expected job. After analyzing Human Resource and Development we can simply state that, HRD is the process of helping people to acquire competencies. Climate is an overall feeling that is conveyed by the physical layout, the way employees interact and the way members of the organization conduct themselves with outsiders. It is provided by an organization (Solkhe, A. and N. Chaudhary, 2011).

Organizational climate is a set of characteristics of an organization which are referred in the descriptions employees make of the policies, practices and conditions which exist in the working environment (Abraham, E., 1989). An organization became dynamic and growth oriented if their

people are dynamic and pro-active. Through proper selection of people and by nurturing their dynamism and other competencies an organization can make their people dynamic and proactive. To survive it is very essential for an organization to adopt the change in the environment and also continuously prepare their employees to meet the challenges, for which this will have a positive impact on the organization.

Working climate is a set of conditions that exist and have an impact on individual's behavior differentiating it from culture which he views as the deep structure of organizations, which is rooted in the values, beliefs and assumptions held by organizational members.

The working definition of climate would also be taken as climate perceptions are psychologically meaningful molar descriptions that people can agree characterize a system's practices and procedures. By its practices and procedures a system may create many climates. People perceive climates because the molar perceptions function as frames of reference for the attainment of some congruity between behavior and the system's practices and procedures. However, if the climate is one which rewards and supports individual differences, people in the same system will not behave similarly.

There are two ontological interpretations of the organizational climate concept: realistic and objectivistic; and subjectivistic and phenomenological (Ekvall, 1987). The objectivistic view sees climate as an attribute of the organization while, according to the subjectivistic approach organizational climate is the organizational members' common perception of the organizational situation. Climate could also be considered as "a product of personal values and remain a property of individuals irrespective of the empirical level of analysis." Hellriegel and Slocum (1974) have defined organizational climate as a 'set of attributes which can be perceived about a particular organization and/or its sub-systems, and that may be induced in the way that organization and/or its sub-systems deal with their members and environment.

The significance of organizational climate cannot be over-emphasized. It is a major determinant factor of organizational success in view of its impact on its internal environment. According to Forehand and Gilmer (1964), organizational climate is the set of characteristics that describe an organization and that:

- (a) Distinguish the organization from other organizations,
- (b) Are relatively enduring over time, and
- (c) Influence the behavior of the people in the organization.

It has also been defined as "a shared perception of what the organization is like in terms of practices, policies, and procedures what is important and what is rewarded" (Bowen and Ostroff 2004). Making a distinction between organizational climate and culture, Agarwal and Maloy (1999) have noted that "Climate refers to the members' shared perception of how the organization operates whereas culture refers to the administrations and the members' assumption about how the organization does and ought to operate." According to these two authors, climate is "a manifestation of organizational culture, whereas culture subsume climate". Organizational climate is comprised of organizational support, coworker support, participation and involvement, communication, and health and safety climate (Wilson et al., 2004). Components of organizational climate such as compensation, opportunity for advancement, supervisory style, organizational goals, and concern for employees are found to be related to transfer of training (Wexley and Latham, 1991).

## 2.2. Organizational Culture

Organizational culture refers to shared values and beliefs, which guide the behaviors of its members and determine the establishment of work practices and policies. Schein (1985) define culture as "...a pattern of basic assumptions-invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration-that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems." Pareek (1995) sees culture as "...a cumulative preference of some states of life over others (values), the predispositions concerning responses towards several significant issues and phenomena (attitudes), organized ways of filling time in relation to certain affairs (rituals), and ways of promoting desired behaviors and preventing undesirable ones." From the above review one could say that 'a weak organizational culture cannot promote learning and development in organizations'.

#### 2.3. Human Resource Development

The organizational process of developing people involves the integration of learning and development processes, operations and relationships. Its most powerful outcomes for the business are to do with enhanced organizational effectiveness and sustainability. For the individual they are to do with enhanced personal competence, adaptability and employability. The basic elements of HRD process are:

- ✓ Learning: as 'a relatively permanent change in behavior that occurs as a result of practice or experience'.
- ✓ Education: the development of the knowledge, values and understanding required in all aspects of life rather than the knowledge and skills relating to particular areas of activity.
- ✓ Development: the growth or realization of a person's ability and potential through the provision of learning and educational experiences.
- ✓ Training: the planned and systematic modification of behavior through learning events, programs and instruction, which enable individuals to achieve the levels of knowledge, skill and competence needed to carry out their work effectively (M. Srimannarayana, 2009).

Human Resource Development (HRD) has been defined in variety of ways to stress its strategic role in organizational development. It is a process for developing and unleashing human expertise through organization development and personnel training and development for the purpose of improving performance (Swanson and Holton III, 2001). It is any process or activity to develop adults' work-based knowledge, expertise, productivity, and satisfaction, whether for personal or group/team gain, or for the benefit of an organization, community, nation, or ultimately, the whole of humanity (McLean and McLean, 2001). To an expanded definition to underscore its evolutionary nature one can define HRD as a process or activity that, either initially or over the long term, has the potential to develop work-based knowledge, expertise, productivity and satisfaction, whether for personal or group/team gain, or, ultimately, the whole of humanity.

As Rao T. V. (1986) stated, human resource development in the organizational context is the process by which employees of an organization are helped in a continuous planned way to:

- ✓ acquire or sharpen capabilities required to perform various functions associated with their present and future expected roles;
- develop their general capabilities as individuals and discover their own inner potential for own and/or organization development purposes;
- ✓ Develop an organizational culture in which superior-subordinate relationships, teamwork and collaboration among sub-units are strong and contribute to the professional well-being, motivation and pride of employees.

Peter Drucker (1993, p.198) noted that Human Resource Development when it is maintained and understood can be applied in organizations of all kinds of businesses, i.e. government agencies, nonprofits, profit makings must become institutions of learning and teaching as well. It seems reasonable to infer that a knowledge-based organization must also be a learning based organization in which learning is not confined to company classrooms (Eurich, 1990). Human Resource Development provides opportunities to individuals for full expression of their potential and focuses on the creation of values and culture conducive to individual growth in the organizational context. Its success in an organization depends, to a large extent, on the existence of a favorable HRD climate (Venkateswaran1997).

As reported by several authors in the preceding section, organizational development is a process. It comprises learning, development, operation and relationships. Successful business organizations could be easily put in perspective in light of organizational effectiveness and sustainability as well as enhanced personal competence, adaptability and employability. As noted above for the individual they are to do with basic elements of HRDC process: learning, education, development and training,

Human Resource Development can be applied in any organization so long it is understood and maintained constantly. It provides opportunities to individuals for full expression of their potential and wealth and value creation of the organization. Its success, however, depends, to a large extent, on the existence of a favorable HRD climate. This is the reason why business organizations and companies and governmental and nongovernmental organizations in Ethiopia should give high attention to sustain the present economic growth. This study is thus designed to assess the HRDC prevalence in the three selected group of organizations and contribute its share in the development of work-based knowledge, expertise, productivity and satisfaction, whether for personal or group/team gain, or for the benefit of an organization, community or nation.

#### 2.4. Human Resource Development Climate

An organization's success is determined as much by the skill and motivation of its members as by almost any other factor. This can be characterized by the tendencies such as treating employees as the most important resources, perceiving that developing employees is the job of every manager, believing in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices(T.V. Rao and E. Abraham, 1986).

Human Resource Development Climate (HRDC) is a component of the wider organizational climate. It refers to perceptions about the prevailing conditions within the organization that affect the life of employees (work and personal life) and the activities within the organization (Smith, 1988) or their perception about an organization's developmental environment.

The strategic priorities for human resource development as defined by Armstrong (2006) are to:

- $\checkmark$  raise awareness of the need for a learning culture that leads to continuous improvement;
- ✓ develop the competence of managers to become actively involved in learning that leads to knowledge creation;
- $\checkmark$  expand learning capacity throughout the organization;
- ✓ focus on all the organization's knowledge workers, not just the key personnel;
- ✓ Harness e-learning to knowledge sharing and knowledge creation.

A set of characteristics expected of such developmental climate according to Rao and Abraham (1986) among many others are:

✓ A tendency at all levels starting from top management to the lowest level to treat the people as the most important resource;

- ✓ A perception that developing the competencies in the employees is the job of every manager/supervisor;
- ✓ A perception that developing the competencies in the employees is the job of every manager/supervisor;
- ✓ Faith in the capability of employees to change and acquire new competencies at any stage of life;
- ✓ A tendency to be open in communications and discussions rather than being secretive (fairly free expression of feelings);
- ✓ Encouraging risk-taking and experimentation
- ✓ Making efforts to help employees recognize their strengths and weaknesses through feedback;
- $\checkmark$  A general climate of trust ;
- ✓ A tendency on the part of employees to be generally helpful to each other and Collaborate with each other;
- ✓ Team spirit ;
- ✓ Tendency to discourage stereotypes and favoritism;
- ✓ Supportive personnel policies;
- ✓ Supportive HRD practices including performance appraisal, training, reward management, potential development, job-rotation, career planning, etc.

A broader perspective of human resource development is that HRD means building competencies, commitment, and culture. All three are needed to make an organization function well. The culture provides the sustaining force for organizations. The prevalent developmental climate within organizations is off course different, even units within organizations may not have similar working environment. The current volatile nature of business environment and the need for organizations to aid employees in reaching their full potentials enhance their adaptation, pro-action, performance, creativity and innovation compels every organization to improve its developmental climate and make it highly congenial.

It is only through a skilled and motivated human resource that organizations can expect to excel in this age of discontinuity, fierce competition, fast-paced technology, changing demographics and constantly changing customer expectations and demands. Creating and maintaining a supportive climate that inspires employees to unleash their potentials, discover, develop and productively utilize skills, knowledge and abilities are indispensable.

Therefore, HRD climate is also characterized by the tendencies such as treating employees as the most important resources, perceiving that developing employees is the job of every manager, believing in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices.

An optimal level of development climate is essential for facilitating HRD activities. The top management subscribing to these values is a starting point. When a critical mass internalized these values, there emerges a conducive climate for HRD. This positive HRD climate renders the existing systems more effective and makes the organizations more receptive to the introduction of relevant additional system. A healthy HRD climate certainly bolsters the overall internal environment of the organization, fosters employee commitment, involvement and satisfaction with the job.

#### 2.5. HRD Trend

Since the 1980s, there has been a growing interest at national and international levels in the area of Human Resource Development (HRD) and its impact on economic performance (Wilson, 1999). This interest and concern has been predominantly driven by globalization and the increase in international trade; unemployment levels; national budget deficits; international comparisons of levels of education and training; and the development of new technologies.

Whether a country is in the early stages of development, newly industrialized, or fully industrialized, the strategies adopted to bring about further development, in its broadest sense, tend to be of a portfolio nature with a variety of objectives targeted within the political, economic, social and technological areas. These areas are closely interwoven with one another and thus HRD needs to be considered within this broader framework. There has long been

recognition that education of the individual has been a source of personal advancement and growth, and this rationale has been expanded to apply to the intellectual resources of a nation.

In the new economic orders, globalization has dominated the competitive horizon and entails new markets, new products, new mindsets, new competencies and new ways of thinking about business. A major challenge for any organization in this era of international competition seems to be 'survival and sustainability' amidst cut-throat competition. It is increasingly argued that the organizations, best able to meet the challenges will be those that can acquire and utilize valuable, scarce and inimitable resources (Barney, 1991). Human resources can fall into this category, particularly, if they are effectively deployed through appropriate human resource practices and management of organizational culture (Barney and Wright, 1998).Human resources being one of the important factors of production, HRD is needed to develop competencies of individual employees through its various interventions.

Human resource development makes a major contribution to the successful attainment of the organization's objectives and that investment in it benefits all the stakeholders of the organization. Its development plans and programs should be integrated with and support the achievement of business and human resource strategies.

Human resource development should always be performance-related designed to achieve specified improvements in corporate, functional, team and individual performance, and make a major contribution to bottom-line results. Everyone in the organization should be encouraged and given the opportunity to learn to develop their skills and knowledge to the maximum of their capacity. Personal development processes provide the framework for individual learning. While we recognize the need to invest in learning and development and to provide appropriate learning opportunities and facilities, the prime responsibility for development rests with the individual, who will be given the guidance and support of his or her manager and, as necessary, members of the HR department.

Here we can understand that HRD as a concept demands a specific and congenial climate to take root. It enriches the work life in an organization and aims to link productivity with a sense of

personal fulfillment. HRD involves all management decisions and practices that direct, affect or influence the human resource in the organization. In recent years the reason of greater emphasis is the belief that employees enable an organization to achieve its goals and the management and development of these resources is critical to an organization's success. The success of HRD in any organization depends, to a large extent, on the existence of a favorable HRD Climate.

Hence, series of studies have been undertaken to understand the impact and state of organizational human resource development climate. Abraham (1989) has measured various elements of the HRD profile of organizations including performance management practices, training, career planning, promotions, rewards, etc., and the HRD climate, i.e. openness, collaboration, trust, authenticity, pro-action, autonomy & confrontation. He also constructed an index of growth of the company profitability as a measure of organizational performance.

The study indicates that HRDC is a powerful intervening variable in translating HRD practices into profit.

Employees who perceive that the Human Resource department is concerned about them showed increased performance and positive work attitudes (Eisenberger, et al., 1990). Analysis of the major factors that are conducive to the development of HRDC found that the three variables: General Climate, HRD Mechanisms and OCTAPAC culture are better.

## 2.6. HRD Climate and Job Satisfaction

Organizations that are able to tackle challenges and meet objectives will be those that can acquire and utilize valuable, scarce and inimitable resources (Barney, 1991). One of the scarce and valuable resources that can fall into this category is Human resources, particularly, if organizations are effectively deployed through appropriate human resource practices and management of organizational culture (Barney and Wright, 1998). For this HRD is needed to develop competencies of individual employees through its various interventions.

Currently quite substantial numbers of governments are forced to rethink about the revival of or dismissal of units that are not functioning effectively and efficiently. This trend is prevailing not only in India as noted by Ajay Solkhe and Nirmala Chaudhary (2011) but all over the world.

Such prevailing situations require the public enterprises to cope up with the emerging challenging environment. Quite diverse strategy and management are used to face this challenge. For instance, Japan has emerged as the leading nation with the unique style of total quality management and used its human resource to achieve high economic growth.

As noted by Schuler (1992) organizations give greater emphasis to their employees as they enable an organization to achieve its goals and the management and development of these resources is critical to an organization's success. The existence of a favorable HRD Climate determines the success of any organization. HRD is more personnel-oriented than technology-oriented and believes that participation and communication would bring about greater commitment, efficiency, and growth of individuals (Ajay Solkhe and Nirmala Chaudhary, 2011).

Several researchers studied the HRD climates of many organizations in different parts of the world. Currently researchers have made changes to the instrument to fit their study and shifted from analyzing the factors that contributed to the HRD Climate in an organization to assess the effect of climate on the effectiveness of the organization. The impact of HRD practices on organizational level outcomes has gained due attention. Jain, Singhal and Singh (1997) have contributed to this end through the study they conducted.

The influence of the HRD Climate on the individual's attitudes and behaviours was undertaken by many researchers. Eisenberger, Fasolo and Davis-LaMastro (1990) found that employees who perceived that the HR department is concerned about them showed increased performance and positive work attitudes. This suggests that Job Satisfaction can be an important barometer of HRM effectiveness. From this practical example one could argue that there exists a positive relationship between HRD climate and level of satisfaction of employees. In his study, Rohmetra (1998) found that there exists a positive relationship between developmental climate and the level of satisfaction of the employees. Similarly Kumar and Patnaik (2002) reported that HRD Climate had a positive association with job satisfaction. His finding gives a view that the job satisfaction is a resultant of favorable HR practices. Cawsay (1973) has observed that Job Satisfaction increases as the individual perceives the climate as having more 'opportunities for advancement'. Insel and Moss (1974) studied from the person-environment interaction perspective giving specific areas of concern and concluded that more precise predictions could be made. Prediction of variables like satisfaction will improve by looking at the concept of environment in terms of various dimensions. Payne and Pugh (1976) studied and reported that an individual needs, satisfaction and goals influence his perception of climate, while climate in turn effects the same satisfaction, goals and behavior. The study conducted by Frederickson (1966) and Lafollete & Sims (1975) revealed that more consultative, open, employee-oriented employees generally result in more positive job attitudes. The study undertaken by Lyon & Ivancevich (1974) in a hospital indicated that different climate dimensions influence facets of individual JS for nurses and administrators. It can be easily concluded from the literature discussed above that HRD Climate affects Job Satisfaction.

## 2.7. Organizational Commitment

Researchers have not yet reached at consensus over the definition of organizational commitment (Scholl, 1981; Benkhoff, 1997a; Moday, 1998; Suliman and isles, 2000a and 2000b; Zangaro, 2001). Scholl (1981) indicates the way organization commitment is defined depends on the approach to commitment that one is adhering to. Brian McMahon (2007) noted that the strength and nature of the commitment someone experiences in a personal relationship informs the manner in which that same person commits to an organization or work group. It is not thus unreasonable to suppose that if an organization wants employees direct their efforts toward long-term goals, the message may be better understood by workers who have been engaged in strongly committed relationships over a long period of time. Organizational mangers are thus urged to have clear understanding of the essence and elements of organizational commitment to direct employees' effort towards meeting organizational goals.

Organizational commitment is glue that binds employees to organizations. Allen and Meyer (1990) have defined organizational commitment as a psychological state that binds an employee to an organization, thereby reducing the incidence of turnover. It was also defined as a mindset that takes different forms that binds an individual to a course of action that is of relevance to a particular target (Meyer & Herscovitch, 2001). Mowday, Porter & Steers (1982) noted the distinction between attitudinal commitment and behavioral commitment. They defined attitudinal commitment as a mindset in which individuals ponder the compliance of their goals and values

with those of their employing organizations, while behavioral commitment is defined as the process by which individuals' past behavior in an organization which binds them to the organization.

The desire, need and obligation an employee shows reflects his commitment to maintain membership in an organization. Meyer and Allen (1991) observed that commitment manifests itself in three relatively distinct manners: Affective commitment, Continuance commitment and normative commitment. Affective commitment refers to the degree to which a person involves in, enjoys membership in an organization and prefers to remain with an organization. Of the dimensions of the Three-Component Model (TCM) of organizational commitment, it has been most strongly linked to positive work-related behaviors (e.g., attendance, organizational citizenship behavior) (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Consequently much of the TCM research has centered on affective commitment.

When an employee leaves an organization, it undoubtedly costs him a lot. A person's bond to an organization based on what it would cost that person to leave the company is called Continuance commitment (Becker, 1960) while the moral obligation employees feel to work in an organization is normative commitment. It involves a person maintaining membership in an organization out of a sense of obligation. Normative commitment has been taken a good indicator of the degree to which employees align themselves with organizational goals, a measure of how employees pull in the same direction as the company (Jaros, 1997).

Organizational citizenship are believed to be associated with organizational commitment (Moorman, Niehoff, & Organ, 1993), as a result it seems logical to think that an organization with a committed force of workers may be better positioned than its competitors to meet the challenges posed by a dynamic marketplace. Thus, the pursuit of a more global understanding of organizational commitment and how it develops is critical and warrants an investigation into the relationships among locus of control, on attachment style, relationship commitment and organizational commitment. This study attempts to observe employees' commitments and its contribution towards attaining the organizational goals.

#### 2.8. Organizational Commitment as a Precursor of Job Satisfaction

Job satisfaction has been recognized as a component of organizational commitment (Kovach, 1977); and it leads to job satisfaction. LaLopa (1997) stated that Job satisfaction is a significant predictor of organizational commitment. Many studies revealed (Tai et al., 1998) that Job satisfaction and Organizational Commitment are highly correlated; and Markovits et al., (2007) also suggested that affective organizational commitment was found to be most influential with respect to levels of intrinsic and extrinsic job satisfaction. Satisfaction with the job is directly related to organizational commitment as noted by Brown and Peterson (1993) while Netemeyer et al., (1990) observed direct relationship of job satisfaction with turnover intentions. In contrast Brown and Peterson (1994) found job satisfaction indirectly related to turnover intentions.

Boles et al., (2007) indicate that various facets of job satisfaction are more strongly related to organizational commitment. Thus job satisfaction can influence a variety of important attitudes, intentions and behaviors in employee. The issue of organizational commitment takes on increased importance due to its link with propensity to leave and turnover (Brown and Peterson, 1993). While there have been many proposed antecedents to organizational commitment, job satisfaction has, perhaps, received more attention than other precursors of salesperson organizational commitment (Babakus et al., 1999).

It is very important to identify factors on which organizational commitment is dependent. Although a great deal has been written about organizational commitment, the contribution and management of these factors to the development and promotion of organizational commitment needs critical study (Beck and Wilson, 2001). Some of the factors on which organizational commitment of employees is dependent are: Employment status and tenure. Employment status (full time or part time) is a determinant of organizational commitment. Part time employees exhibit less commitment as compared to full time employees. Larkey and Morrill (1995) reported that committed members are viewed as stable, productive, and more likely to accomplish organizational goals than their less committed colleagues.

One of the factors worth considering is tenure of employees which has an effect on job satisfaction. Hale and David (2001) indicated that tenure had a significant effect on several of the component scores for satisfaction. The authors also suggested that management might be able to increase the level of commitment in the organization by increasing satisfaction. Although tenure is one factor on which organizational commitment is dependent importance of some factors like organizational membership and pay grade cannot be ignored. Length of organizational membership, seniority and pay grade Crewson (1997) has been found to have a positive relationship with organizational commitment. In contrast Kim (2002) found positive correlation between length of organizational membership and job satisfaction.

## 2.9. Findings of Previous Works

The states of organizational HRDC were closely assessed through several studies and attempts made to understand the impact and state. For instance, Abraham (1989) surveyed the HRD practices of 68 Indian organizations. Performance management practices, training, career planning, promotions, rewards, etc., and the HRD climate (openness, collaboration, trust, authenticity, proaction, autonomy, confrontation) are elements of the HRD profile of these organizations measured to examine the impact of HRDC on the afore-mentioned factors. He also constructed an index of growth of the company profitability as a measure of organization performance. In his study, he found that the HRDC correlate with the company performance while HRD profile did not. The study indicates that HRDC is a powerful intervening variable in translating HRD practices into profit. Eisenberger, Fasolo and Davis-LaMastro(1990) have also found that employees who perceive that the HR department is concerned about them showed increased performance and positive work attitudes. Similarly, Rao (1986), in a study of 52 organizations found that the average extent of climate was about 54% in these organizations which is rather low. Rao (1989) undertook another study in 41 organizations and found that the general climate in the organizations was average as a result of indifference on the part of employees towards their own development. Srimannarayana (2007) assessed the prevailing HRDC in Dubai organizations based on the responses of executives and concluded that the climate is at an average level. The HRDC in banking business is found higher than the other businesses.

Saxena and Tiwari (2009) did an empirical study of HRDC in selected public sector banks. They confirmed that the HRDC in the public sector bank is average and found no difference in the perception of the employees on the basis of gender, qualification, designation but the perception of the employees differs on the basis of change. A survey of HRDC in Nigerian commercial banks (Akinyemi and Iornem, 2009) revealed an amiable HRDC. In another study of HRDC with a focus on Commercial Banks (Rainayee, 2002) found that the overall level of OCTAPAC values in the banks was perceived to be moderate. Analyzing the major factors that are conducive to the development of HRDC in a large public sector heavy engineering organization Venkateswaran (1997) surveyed 132 executives. The overall score for the organization was 3.70 on a 5-point scale, thereby signaling that the climate was, to a large extent, favorable for HRD. Saraswathi (2010) assessed the extent of Developmental climate

# **CHAPTER THREE:**

## **Research Design and Methodology**

## **3.1. Research Design**

## **3.1.1. Human Resource Development Climate (HRDC)**

The success of any business organization is determined by the skill and motivation of its employees. Treating employees as the most important resources and developing them as essential resource of organizations is crucial job of every manager. As reported by T.V. Rao and E. Abraham (1986) good managers must believe in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices to meet organizational goals.

The wider organizational climate comprises Human Resource Development Climate (HRDC) as one component. It refers to perceptions about the prevailing conditions within the organization that affect the life of employees (work and personal life) and the activities within the organization (Smith, 1988) or their perception about an organization's developmental environment.

Hence, series of studies have been undertaken to understand the impact and state of organizational human resource development climate. Abraham (1989) has measured various elements of the HRD profile of organizations including performance management practices, training, career planning, promotions, rewards, etc., and the HRD climate, i.e. openness, collaboration, trust, authenticity, pro-action, autonomy & confrontation. He also constructed an index of growth of the company profitability as a measure of organizational performance.

The study indicates that HRDC is a powerful intervening variable in translating HRD practices into profit.

The three major factors that are conducive to the development of HRDC are: OCTAPAC culture, HRD Mechanisms and General Climate. The OCTAPAC culture indicates the existence of seven factors, namely, Openness, Confrontation, Trust, Autonomy, Pro-activity, Authenticity, and Collaboration in an organization. HRD mechanism indicates the extent to which the various subsystems of the HRD mechanism are implemented seriously while the general HRD climate consists of 14 items. The literature review made in the preceding chapter showed that HRDC has tremendous role to play to boost job performance and satisfaction that lead eventually to effective organizational goal attainment. An in-depth analysis of the three HRDC factors and their relationship with job satisfaction, organizational commitment and performance will be undertaken to infer lessons, recommendation and conclusions.

### **3.1.2.** Job Satisfaction

The influence of the HRD Climate on the individual's attitudes and behaviors was undertaken by many researchers. Eisenberger, Fasolo and Davis-LaMastro (1990) found that organizations with HR department which is highly concerned about employees showed increased performance and positive work attitudes. From this one would suggest that Job satisfaction can be an important barometer of HRM effectiveness and argue that a positive relationship between HRD climate and level of satisfaction of employees exists. Rohmetra (1998) and Kumar and Patnaik (2002) found a positive relationship between developmental climate and the level of satisfaction of the employees. Similarly the study conducted by Cawsay (1973) showed that if an individual perceives the climate as having more 'opportunities for advancement', job satisfaction of the individual increases.

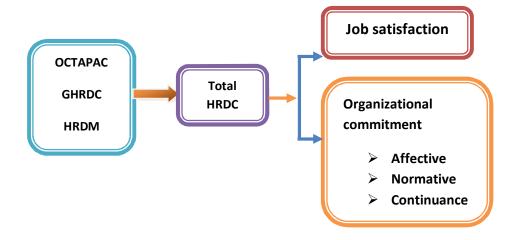
The person-environment interaction is also an important issue to observe in job satisfaction of employees. In this regard Insel and Moss (1974) studied from the person-environment interaction perspective and concluded that more precise predictions could be made. Prediction of variables like satisfaction will be improved by looking at the concept of environment. Individual employee needs, satisfaction and goals influence his perception of climate, while climate in turn effects the same satisfaction, goals and behavior. The study conducted by Payne and Pugh (1976) revealed this.

Frederickson (1966) and Lafollete & Sims (1975) study also revealed that more consultative, open, employee-oriented employees generally result in more positive job attitudes. Thus the different dimensions of climate are worth observing as they influence aspects of individual job satisfaction. The study undertaken by Lyon & Ivancevich (1974) in a hospital indicated that different climate dimensions influence aspects of individual job satisfaction for nurses and administrators. It can be easily concluded from the literature discussed above that HRD Climate affects Job satisfaction. This study thus identified 19 Daftuar's Job Satisfaction Scale to assess the relationship between HRDC and job satisfaction in the selected private and public organizations.

## 3.1.3. Organizational Commitment

Organizational commitment has been defined in various ways. Most definitions understand an individual's identification with the goals and values of an organization. For example, Porter et al. (1974: 604) have defined commitment as, "the relative strength of an individual's identification and involvement in a particular organization." On the other hand, Becker (1960) and others suggest a cost-based commitment, where an individual assesses the perceived 'gains' associated with continued membership of an organization, and the perceived 'costs' associated with leaving and the ultimate decision (leaving or staying) is made based on its comparative advantage. Still others (e.g. Hall & Schneider, 1972) consider both identification and involvement as forming the basis of moral attachment to the organization. The model forwarded by Allen and Meyer (1990) is the most widely recognized conceptualization of organizational commitment which separated commitment into three components called *affective commitment*, *continuance commitment*, and normative commitment. The present study took these sub-complements of organizational commitment as part of the conceptual model to look into the employees' commitment in the selected organizations. The conceptual model that assesses the prevalent HRDC with its three sub-components and their impact on employees' job satisfaction and commitment is presented below (Figure 1).

# Figure 1: Conceptual Model



## **3.2. Research Methodology**

As described earlier the purpose of this study is to study the extent of implementation of the human resource development climate and determine its effect on employees' job satisfaction and organizational commitment in the three types of organization. In answering the above research questions data were collected from respondents. To this effect, the variables considered and their measurements, sample size, and methods of data analysis are briefly described below.

#### **3.2.1 Variables Considered:**

The main objective of this study is to assess and determine the level of HRD climate prevalence in three types of organizations in Ethiopia. It also aims to assess the degree of implementation of HRDC sub-systems as well as the effects of HRDC on employees' job satisfaction and organizational commitment. Demographic variables such as age, sex and work experience were also considered for analysis to know the proportion of respondents on in the above categories.

There are three major groups of variables that have also been subject to investigation. These are general human resource development climate, OCTAPAC and human resource development mechanism as the three sub-systems of HRDC, employees' job satisfaction and organizational commitment. Total organizational commitment and three components-affective, normative and continuance were also investigated as shown above in Figure 1.

#### **3.2.2.** Measurement of variables and tools:

Questionnaires were used as the main instrument of data collection for this study. After having undertaken a thorough literature review, the researcher had used items from earlier works in order to measure various constructs. In the questionnaires, four categories of major variables were measured. These were demographic features, human resource development climate, job satisfaction, and organizational commitment.

With regard to demographics, the respondents provided information about their gender, age, and work experience. Relevant information on the above variables was generated by using a single item, which was measured with either a nominal scale or interval scale.

#### **3.2.3. Human Resource Development Climate:**

The HRDC questionnaire developed by Rao and Abraham (1986) was administered to collect quantitative data from respondents who are fulltime permanent staff of the organizations. Three categories such as general climate, OCTAPAC culture and HRD mechanisms with a total of 38 items are included in the questionnaire. Senior experts and managing directors and department heads and subordinates of the organizations constituted as the respondents of this study.

The general climate items deal with the importance given to human resources development in general by the top management and line managers. The OCTAPAC items deal with the extent to which openness, confrontation, trust, autonomy, pro-activity, authenticity and collaboration are valued and promoted in the organization. The items dealing with HRD mechanisms measure the extent to which HRD mechanisms are implemented.

#### **3.2.4. Job satisfaction:**

Job Satisfaction Scale developed by C.N. Daftuar (1982) consisting of 19 items was used for the purpose. Selected senior experts and managing directors and department heads and subordinates were asked to rate each statement on a five point scale (5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true). The items are presented in Annex 10-12.

#### **3.2.5.** The Organizational Commitment:

The questionnaire developed by Allen and Meyer (1990) was used for this study to measure the level of employees' commitment to their organization. The questionnaire is a self-scoring questionnaire and comprises18 items and measures the three components of organizational commitment (viz., affective, normative & continuance commitment). The primarily analysis showed high levels of inter-correlations (with r > .85) among the three components which led to doubt of a contamination effect (some of the items might have the capacity to measure more than

one component) in measurement of the concepts in Tilay's previous study. In this study the intercorrelations among the three sub-components of OC showed little to no sign of contamination (r ranges between 0.153 to .737). Consequently the three components are separately treated and eventually combined into one scale labeled Organizational Commitment to the level of employees' commitment. The effect of HRDC on the organizational commitment, however, was assessed using regression analysis by means of the total organizational commitment data.

Responses to each of organizational practices and organizational commitment scale items were rated using a 5-point Likert scale (5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true).

#### **3.3.** Population and Sampling Technique

Statistically sound sample size is essential to draw credible recommendations and conclusions in scientific study. To determine the sample size in this study, the sample size and data collected in similar studies by several authors were considered. For instance, K. Prassana Sai Venkateswarana (1997) took 136 samples (20%) of the executives randomly from three manufacturing units from five locations. Similarly in this study 20 % of the MIDROCK TG companies were targeted to collect data. Likewise S. Saraswathi (2010) administered HRDC questionnaires to 100 respondents from various organizations taking into consideration availability of employees and their interest to give responses to the questionnaires. Ajay, S. and Nirmala, C. (2011) conduct their study based on the responses sought from 71 executives from various departments and different hierarchical levels of a public sector undertaking located in North India. Richa. C, Santosh, R. and Mukesh Kumar Barua (2012) have also undertaken HRDC study using data collected from 199 respondents using convenience sampling method from both public and private sector manufacturing and service organizations in India. Thus the number of samples in this study was determined looking into the previous similar studies conducted by several authors in the same area of interest.

For the purpose of the study, thus, the researcher selected four private companies from MIDROC Technology Group, three from public universities and five from private higher education institutions on the basis of systematic and purposive sampling. From these

organizations respondents were selected on the basis of random sampling. A total of 331 academic staff, deans, managers, supervisors and subordinates were chosen randomly from various departments and functional areas of the organizations. A total of 331 questionnaires were distributed to the respondents with detail instructions. In the end, about 310 questionnaires were returned (about 93.6%) and used for the analyses. The summary data for the analysis and variables considered are given in Table 1.

Table 1. Data Description of the Sampled Data

Variables	Ν	Minimum	Mean	Maximum	Std. Dev.
HRDC	118	1.27	3.52	4.88	0.84
JS	118	1.05	3.88	5.00	0.85
OC	118	1.63	3.39	4.71	0.65

# (a) Summary of Data Collected From Private HEIs

## (b) Summary of Data Collected From Public HEIs

Variables	Ν	Minimum	Mean	Maximum	Std. Dev.
HRDC	87	1.32	3.06	5	0.94
JS	87	1.16	3.41	5	0.85
ОС	87	1.73	3.09	4.66	0.63

# (c) Summary of data collected from MIDROC companies

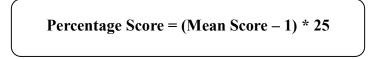
Variable	Ν	Minimum	Mean	Maximum	Stand. Dev.
HRDC	105	1.12	3.29	5	0.82
JS	105	1.42	3.7	5	0.74
OC	105	1.39	3.34	4.71	0.58

#### **3.4. Methods of Data Analysis:**

Different statistical techniques have been used for data analysis. Specifically, basic *descriptive statistics* (viz., frequency, percentages, mean, & standard deviation) were produced for different variables to reflect the various features of the study. Further, The Kruskal Wallis Test is used to assess the existence of statistically significant difference between observed and theoretical values of the levels of HRDC prevalence, JS and OC within and among the three types of institutions under investigation. Additionally, the *Mann-Whitney U* test was carried out to prove whether there exists underlying perception difference in the level of HRDC, JS and employee OC perception. Correlation analysis is conducted among different variables to determine the functional relationship. Linear *regression models* have been developed to predict difficult to measure dependent variables -Job satisfaction and organizational commitment) as a function of easily to measure explanatory variable HRDC.

Statistical Package for Social Science (SPSS version 20.0) was used to clean, sort and analyze the data collected from the survey. F-test and Chi-square test have also been conducted to check the significances.

In order to make interpretations easy the mean scores were converted into percentage score using the formula (S. Saraswathi, 2010)



This assumes that a score of 1 represents 0 percent, of 2 represents 25 percent, of 3 represents 50 percent, of 4 represents 75 percent, and of 5 represents 100 percent. Thus, percentage scores indicate the degree to which the particular dimension exists in the selected organization out of the ideal 100. The percentage value less than 50 is poor, 50-60 is average, 60-80 is good, 80-90 is very good and items with value greater than 90 is excellent.

## 3.4.1 Reliability

There will be an inter-correlation in any test scores observed from sampled data. Hence to make sure that test scores have an internal consistence estimate of reliability of test scores is administered using Cronbach's alpha. Because intercorrelations among test items are maximized when all items measure the same construct, Cronbach's alpha is widely believed to indirectly indicate the degree to which a set of items measures a single unidimensional latent construct. As reported by Kline, P. (1999). George, D., & Mallery, P. (2003) a commonly accepted rule of thumb for describing internal consistency using Cronbach's alpha is given below.

Cronbach's alpha internal consistency

α < 0.5	$0.5 \leq \alpha < 0.6$	$0.6 \leq \alpha < 0.7$	$0.7 \leq \alpha < 0.8$	$0.8 \leq \alpha < 0.9$	$\alpha \ge 0.9$
Unacceptable	Poor	Questionable	Acceptable	Good	Excellent

Prior to the analysis of the data Cronbach's alpha internal consistency test is undertaken to the internal consistency of the collected data. For the sake of curiosity, the researcher had also computed the reliability coefficients (*Cronbach's alpha*) for all organizational variables considered in this study. They range between 0.938-0.961, 0.935-0.969, 0.946 -0.967 and 0.955-0.968 for GHRDC, OCTAPAC, HRDM, JS respectively. They were proved to be highly reliable to justify further use of the instruments. The Cronbach's alpha for the organizational commitment lies in the range of 0.651 - 0.781 and is acceptable. This indicates a very high internal consistency, based on average inter-item correlation. The result confirms that scores have an internal consistence estimate of reliability.

#### 3.4.2. Regression analysis

The impact of HRDC on the organizational commitment and job satisfaction of employees could be assessed using Regression analysis. Regression analysis is a statistical tool that utilizes the relationship between two or more quantitative variables so that one variable can be predicted from the other or others. Simple linear regression is used to relate one dependent variable (Y) to one independent variable (X) in a linear equation. The following equation could be cited as good example of simple linear regression.

$$Yi = \beta 0 + \beta 1X + \epsilon i$$

where  $\beta 0$  is the v intercept;  $\beta 1$  is the slope or change in Y in Xi;  $\epsilon i$  is the difference between the observed Yi value, and the value given by the line.  $\beta 0$  and  $\beta 1$  are called the parameters or coefficients of the regression line.

Using the least square procedure the estimates of the slope and intercept could be determined using simple linear regression analysis from sample data. Once these estimates are obtained, we can: determine how well the regression line fits the sample data (goodness-of-fit) and test whether the regression is significant. In this regard the dependent variables to be predicted are organizational commitment and job satisfaction (Yi) as a function of HRDC (Xi).

# 3.4.2.1 The goodness-of-fit, $R^2$

Once the regression line that best fit the data is obtained, we can find how well the line fit the sample data (goodness-of fit). The coefficient of determination and the standard error of the estimate are the two commonly used measures.

The coefficient of determination  $(R^2)$  represents the proportion of variation of the Y observations accounted for by the regression and is calculated as follows:

١.

$$R^2 = \frac{SSR}{SSY} = 1 - \frac{SSE}{SSY}$$

where SSY is the total sum of squares, or the sum of squares of y, calculated as:

$$SSY = \sum_{i=1}^{n} (\hat{y}_{i} - \overline{y}_{i})^{2} = \sum_{i=1}^{n} y_{i}^{2} - \frac{\left(\sum_{i=1}^{n} y_{i}\right)^{2}}{n}$$

SSE is the sum of squares for the error, which should be minimized and is calculated as:

$$SSE = \sum_{i=1}^{n} (y_i - \hat{y}_i)^2 = SSY - SSR$$

SSR is calculated as:

$$SSR = \sum_{i=1}^{n} (\hat{y}_i - \overline{y}_i)^2 = b_1 x SPXY$$

## 3.4.2.2. The Standard Error of the Estimates

The standard error of the estimates gives us an indication of how far the observations are spread around the regression line and is estimated as follows.

The standard error of the estimate is calculated as:

$$SEE = \sqrt{MSE} = \sqrt{SSE/n - 2}$$

Two degrees of freedom are lost from the n degree of freedom, because the intercept and the slope are fixed values for the fitted regression line.

## 3.4.2.3 Significance of the Regression Line

Under the term significance of the regression line, we assess whether the relationship between X and Y is important or not. Basically, if the true slope coefficient is zero ( $\beta 1 = 0$ ), then the line showing the relationship between X and Y is a horizontal line. This means that Y does not change no matter what the X value is, and so the relationship is not significant.

To test whether or not the regression line is significant, we test whether or not the true slope coefficient is zero:

H0: 
$$\beta 1 = 0$$
  
H1:  $\beta 1 \neq 0$ 

The above hypothesis statement can be tested in several ways. In this study the F-test is used to test whether the impact of HRDC on job satisfaction and organizational commitment is significant or not. It is calculated as follows:

#### 3.4.2.4 F-test

The test statistics can be calculated as:

$$F = \frac{MSR}{MSE} = \frac{SSR/1}{SSE/(n-2)}$$

The calculated F values is compared to the tabular value from an F-distribution table for one degree of freedom for the numerator (across the top of most tables), n-2 degrees of freedom for

the denominator (down the side of most tables), and 1- $\alpha$  probability, where  $\alpha$  is significance level.

If the test statistics (calculated) is larger than the tabular value, reject the null hypothesis (H0) and conclude that the regression is significant (true slope likely not zero).

# **CHAPTER FOUR:**

# **Results & Discussion**

This section presents the main findings and results of the study. Relevant issues and collected data were analyzed qualitatively and quantitatively including relevant tests. In particular, this section examines the human resources development climate of public universities, private higher education institutions, and MIDROC TG. Items of the three elements of Human resources development climate that work good and those that need attentions are identified. The level of job satisfaction the impact of human resource development climate on employees' job satisfaction is critically assessed and an equation predicting job satisfaction as a function of human resource development climate on organizational commitment and its three separate components are examined and an equation predicting organizational commitment developed. Finally recommendations and conclusions are drawn.

## 4.1. Demographics

As far as their backgrounds are concerned, as depicted in **Table2** about 38.4 percent (N=127) of the respondents were drawn from the Private HEIs, 26.3 percent (N=87) were from the public universities and 35.3 percent (N=117) were from the MIDROC TG.

With regard to age, about 13.6 % respondents were 18- 27 years, 46.2 % fall in the category of 28-37, 23.6 % fall in the age range of 38-47, 10.3 % fall in the category of 48-57 and the remaining 3.3 % were above 58. A great majority of them (46.2%) had fallen in the category ranging from 28 to 37 years.

As far as their sex is concerned, a great majority of them were males (78.2%) whereas females were 20.8%. About 0.9 % of respondents did not identify their sex. Regarding the experience of respondents, 32 percent of them had been serving their current organization for less than 5 years, 33.8 percent for 5 to 10 years, and 31.1 percent for more than 10 years.

	Sex, N	N (%) <sup>1</sup>		Age	Category,	N (%)		Expe	Experience, N (%)		
Type of Institution	Male	Female	18-27	28-37	38-47	48-57	>= 58	<5 yrs	5-10 yrs	>10 yrs	
MIDROC Technology Group (Private Company) (N= 117)	59 (50.4)	55 (47.0)	22 (18.8)	38 (32.5)	33 (28.2)	12 (10.3)	2 (1.7)	51 (43.6)	26 (22.2)	32 (27.4)	
Private Higher Education Institutions (N=127)	121 (95.3)	6 (4.7)	7 (5.5)	75 (59.1)	26 (20.5)	11 (8.7)	8 (6.3)	33 (26.0)	52 (40.9)	40 (31.5)	
Public Higher Education Institutions (N= 87)	79 (90.8)	8 (9.2)	16 (18.4)	40 (46.0)	19 (21.8)	11(12. 6)	1 (1.1)	22 (25.3)	34 (39.1)	31 (35.6)	
Total	259 (78.2) <sup>1</sup>	69 (20.8)	45 (13.6)	153 (46.2)	78 (23.6)	34 (10.3)	11 (3.3)	106 (32.0)	112 (33.8)	103 (31.1)	

 Table 2. Demographic Information of Participants

# 4.2. HRD Sub-Systems and Overall HRD Climate in the Selected Organizations

# 4.2.1. General HRD Climate

# A. Private Company (MIDROC TG)

The GHRDC prevailing in the MIDROC TG is assessed using the quantitative data collected from the respondents. It is found from the table that the overall mean score for the 11 items is 3.48 on a 5-point scale which indicates good prevalence (Refer Annex 1 for details). Moreover Kruskal Wallis test was conducted to check the difference among the four companies under the MIDROC TG.

<sup>&</sup>lt;sup>1</sup> The percent may not sum to 100 as there are missing data

Name of Institution	General HRDC Mean	Mean Rank	Chi-square value	df	Р
Addis Home Depot	3.05	42.83			
KOSPI	3.46	57.25			
Modern Building I	3.89	76.98	12.813	3	0.005
Wanza Furnishing I	3.53	60.29			
Average Mean	3.48				

Table 3. General HRD Climate in MIDROC Technology Group

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The Kruskal Wallis test indicates that there exist statistically significant differences in general HRD climate among the MIDROC companies ( $\chi 2= 12.813$ , df= 3, and p=0.005). The General HRDC mean indicates that there exist better HRDC in Modern Building than the other sister companies. As it is revealed from the mean values, each of the companies have an average HRD climate and this holds also true for the MIDROC TG, overall mean of the four companies. Rao (1989) in his study in 41 organizations has also found that the general climate in the organizations was average.

Three items mean score values are rated high with regard to general human resource development in MIDROC TG. It is evident from this study that MIDROC TG management sees the development of the subordinates as an important part of their job; they also believe that human resources are extremely important resources and that they have to be treated more humanly. To that end they go out of their way to make sure that employees enjoy their work

It is worthy, however, to note that the top management is not doing enough in the identification of employees' gaps and potential. This finding is to the contrary to what Benjamin Akinyemi, 2011 found where the telecommunication firm in Rwanda supports and invests in human capital identifying their gaps and make arrangement to use their potential. Another issue worth noting is the issue of helping and preparing of junior for future responsibilities as the company is not doing enough.

The Technology group, however, need to give due attention to all issues as the general climate prevailing in the group is rated good. In order to remain price competitive in the market, the

technology group effort must focus on creating much better favorable human resource development climate.

## **B.** Private Higher Education Institutions

Eleven items were identified from the questionnaire to assess the general HRD climate prevailing in the five private higher education institutions. The scores on responses of the sampled employees in the organizations have been analyzed. Means for each question across the sampled institutions was conducted and annexed (see Annex 2 for details). The following table presents the overall mean on general HRD climate of the five private higher education institutions.

Name of Institution	General HRDC Mean	Maan Rank		df	р
Admass University College	4.18	88.83			
Alkan University C	3.49	64.74			
Harrar Agro T	3.17	51.91	21.01	4	< 0.0005
St. Mary's University C.	3.29	56.58			
Unity University	3.16	50.79			
Average Mean	3.47				

**Table 4.General HRD Climate in Private HEIs** 

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The Kruskal Wallis Test indicates the existence of statistically significant difference in the general HRD climate among the five private HEIs ( $\chi 2= 21.01$ , df= 4, and p<0.005). Among the five Private HEIs, Admass University College has better general HRD climate than the rest. The important factors contributing highly to general human resource development climate in the organizations appears to be the psychological climate in these organizations that created very conducive environment to any employee interested in developing herself/himself by requiring new knowledge and skill (Mean score 4.39). The similar result is also noted by Benjamin kinyemi, 2011 for the employees of for the telecommunication firms in Rwanda. The personnel policies facilitate also employee development (Mean score 4.30); the top management makes efforts to identify and utilize the potential of the employees (Mean score 4.30; Percentage score 74.7) and the top management believes that human resources are an extremely important

resources and that they have to be treated more humanly (Mean score 4.18) are items with high scores. The similar finding was also observed by M. Srimannarayana (2009).

## **C.** Public Higher Education Institutions

Likewise the GHRDC prevailing in the public universities was assessed using data collected from the respondents. Means and percentage scores of each question for the three public universities under study were presented as Annex 3. It is found from the table that the overall mean score for the 11 items is 3.09 on a 5-point scale which indicates average prevalence of GHRDC. Non-parametric test of difference for the three independent groups was conducted and presented as follows:

Name of Institution	General HRDC Mean	Mean Rank	Chi-square value	df	р
Adama STU	2.65	32.33			
Ethiopian Civil Service University (ECSU)	3.66	56.69	13.86	2	0.001
Gondar University	2.96	40.80			
Average Mean	3.09				

**Table 5.General HRD Climate in Public HEIs** 

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The GHRD climate varied significantly across the three sampled public higher education institutions ( $\chi 2$ = 13.86, df= 2, and p=0.001). The Mann-Whitney test between the ECSU and Gondar University indicates that there exists statistical significant difference (U=253, p= 0.006) by which we can say that ECSU has better GHRD climate than Adama STU and Gondar University. The findings of this study also identified items that contributed towards the prevalence of prolific GHRDC. Among these items, for instance, ECSU's top management investment of considerable part of its time and other resources to ensure the development of employees and making the future plan of the ECSU known to the managerial staff to help them develop their juniors and prepare them for future are items rated high. Annex 3 presents the item-wise results of the GHRD in the three groups of organizations.

# D. GHRD Climate across the Three types of Institutions

In the previous three sections the level of practice of GHRD climate for MIDROC TG, Private HEIs and Public HEIs are discussed separately. In this section, a comparison on GHRD climate practice is made across the three institutions.

		Mean of:	
Item	MIDROC TG	Private HEIs	Public HEIs
The top management of this organization goes out of its way to make sure that employees enjoy their work	3.44	3.86	2.80
The top management believes that human resources are an extremely important resources and that they have to be treated more humanly	3.66	3.98	3.20
Development of the subordinate is seen as an important part of their job by the managers/officers here	3.67	3.92	3.16
The personnel policies in this organization facilitate employee development	3.54	4.03	3.17
The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees	3.38	3.99	3.15
Senior officers/executives in this organization take active interest in their juniors and help them learn their job.	3.49	3.97	3.05
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	3.40	3.95	2.96
Managers in this organization believe that employee behavior can be change and people can be developed at any stage of their life	3.55	3.90	3.25
The psychological climate in this organization is very conductive to any employee interested in developing himself by requiring new knowledge and skill	3.37	4.35	3.10
The top management of this organization makes efforts to identify and utilized the potential of the employees	3.34	3.99	3.07
The organization's future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.40	3.98	3.30
Overall Mean 5 = Almost always true; 4 = Mostly true; 3 = Sometimes tr	3.48	3.47	3.09

Table 6. General HRD Climate across the Three Types of Institutions

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The Kruskal Wallis test shows that there exists a statistically significant difference across the three types of institutions ( $\chi 2= 9.3$ , df= 2, and p=0.01). At 95% level of confidence, the Mann-Whitney test indicated a significant difference between the private and public HEIs and confirmed the prevalence of better GHRD climate in the private HEIs (U= 4191, and P= 0.007).

Although the item-wise analysis indicated that the overall general HRDC prevailing in private HEIs is good, there are obstructions the organizations should overcome in order to use their human resources efficiently and effectively. The top management of these organizations doesn't go out of its way to make sure that employees enjoy their work; they also do not see the development of the subordinate as an important part of their job and they do not help employees to acquire competence if they lack necessary competence in doing their jobs (similar result found by M. Srimannarayana, 2009). Rather they leave them with no intervention. These are items that deserve high attention by the top management of the institutions.

## 4.2.2. OCTAPAC Culture

## A. OCTAPAC Culture in Private Company (MIDROC TG)

The OCTAPAC measurement has openness, confrontation, trust, autonomy, proactivity, authenticity, and collaboration as components and they have 4, 4, 3, 5, 3, 4, and 3 items respectively. The details of item analysis for each item and each company are presented in Annex 4. The following table presents the summary of the Annex which is used to conduct Kruskal Wallis test for each component of OCTAPAC across the MIDRC TG member companies.

Variables	Addis Home Depot	me KOSPI MBI		Wanza F	Average Mean	Chi- square	Р	
Openness	2.83	3.28	3.64	3.35	3.27	13.13	0.004	
Confrontation	2.95	3.29	3.49	3.31	3.26	6.41	0.093	
Trust	3.06	3.45	3.46	3.32	3.33	3.86	0.276	
Autonomy	2.92	3.23	3.67	3.05	3.19	12.41	0.006	
Proactivity	2.96	3.39	3.53	3.23	3.28	4.33	0.228	

Table 7. OCTAPAC Culture analysis results of four MIDROC TG

Variables	Addis Home Depot	KOSPI MBI Wanza		Wanza F	Average Mean	Chi- square	Р	
Authenticity	3.29	3.5	3.66	3.58	3.51	4.76	0.190	
Collaboration	3.36	3.52	3.71	3.42	3.49	2.79	0.424	
OCTAPAC	3.05	3.39	3.59	3.32	3.33	9.72	0.021	

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

There exist statistical significant difference across the four companies with respect to openness ( $\chi 2= 13.13$ , df= 3, and p=0.004) and autonomy ( $\chi 2= 12.413$ , df= 3, and p=0.006). There is no variation in confrontation ( $\chi 2= 6.4$ , df= 3, and p=0.093), trust ( $\chi 2= 3.86$ , df= 3, and p=0.276), proactivity ( $\chi 2= 4.33$ , df= 3, and p=0.228), authenticity ( $\chi 2= 4.76$ , df= 3, and p=0.190), and collaboration ( $\chi 2= 2.79$ , df= 3, and p=0.424) across the MIDROC TG companies. The overall OCTAPAC result shows a high mean for MBI (3.59) and low for Addis Home Depot (3.05) in relative terms and the difference is statistically significant across the four companies of MIDROC TG ( $\chi 2= 9.72$ , df= 3, and p=0.021).

On the whole authenticity (Mean score = 3.51) is rated high. It is the tendency on the part of the people to do what they say. Employees take behavior feed backs seriously and use them for development. Trainings offered to the employees are also taken seriously and learn from such programs. They are also given opportunities to try out what they have learnt. Similarly collaboration (Mean score = 3.49) is rated second and is to accept interdependencies where organization's future plan is made known to employees and have team spirit of high order and help each other. Such OCTAPAC culture needs to be taken as an asset of the technology group. Thus, MIDROC TG needs to grasp firmly these opportunity and capitalize more to boost effective and efficient production and service delivery. On the whole measurement items are rated good and an enhancement intervention for better achievement required.

In contrast sub-categories autonomy and confrontation are rated low. With regard to autonomy, for instance, employees encouragement to try out new methods and creative ideas, limited initiative to do things without waiting instruction from supervisors and delegation of authority to

encourage juniors to develop handling higher responsibilities show pitfall. Similarly confrontation issues such as employees' painful effort to find out their strengths and weaknesses from their supervising officer or colleagues, the freedom employee have to express and discuss their feelings with their superiors; the culture employees have to open discussion on problems and come up with solutions are rated low and warrants attention by top management.

## **B. OCTAPAC Culture in Private HEIs**

The item analysis of the OCTAPAC measurement which has seven different components with a total of 26 questions was conducted across the five private higher education institutions and is presented as Annex 5. The following table presents the summary of the Annex which is used to conduct Kruskal Wallis test for each component of OCTAPAC across the private higher education institutions.

	OC	TAPAC C	- C1 ·					
OCTAPAC Component	Admass UC	Alkan UC	Harrar ATC	St. Mary's UC	Unity U	Average Mean	Chi- square	P value
Openness	4.1	3.75	3.28	3.35	3.21	3.56	17.59	0.001
Confrontation	4.00	3.66	3.30	3.27	3.18	3.49	14.86	0.005
Trust	4.11	3.66	3.09	3.23	3.24	3.46	20.25	< 0.0005
Autonomy	4.08	3.43	3.28	3.34	3.00	3.45	20.02	< 0.0005
Proactivity	4.07	3.58	3.42	3.37	3.16	3.55	12.44	0.014
Authenticity	3.92	3.32	3.63	3.68	3.25	3.60	9.95	0.041
Collaboration	4.04	4.03	3.69	3.63	3.47	3.77	4.93	0.294
Overall OCTAPAC Culture	4.05	3.64	3.39	3.41	3.24	<u>3.55</u>	21.29	<0.0005

**Table 8.OCTAPAC Culture analysis results of Five Private HEIs** 

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

There exist statistical significant difference across the five private higher education institutions with respect to openness ( $\chi 2= 17.59$ , df= 4, and p=0.001), confrontation ( $\chi 2= 14.86$ , df= 4, and p=0.005), trust ( $\chi 2= 20.25$ , df= 4, and p<0.0005), autonomy ( $\chi 2= 20.02$ , df= 4, and p<0.0005), proactivity ( $\chi 2= 12.44$ , df= 4, and p=0.014), and authenticity ( $\chi 2= 9.95$ , df= 4, and p=0.041). There is no variation in collaboration ( $\chi 2= 4.93$ , df= 4, and p=0.294) across the private higher

education institutions. The overall OCTAPAC result shows a high mean for Admass University College (4.05) and low for Unity University (3.24) and the difference is statistically significant across the five private higher education institutions ( $\chi 2= 21.29$ , df= 4, and p< 0.0005).

The overall mean for the OCTAPAC culture in the five private higher education institutions is 3.55. This depicts that the OCTAPAC culture in the private higher education institutions is good. A high order of the sub-category collaboration has the mean score of 3.77 followed by authenticity (Mean score of 3.60) and openness and proactivity with mean value of 3.56 and 3.55 follow respectively. As explained above collaboration and authenticity issues deserve to be enhanced for better employees' performance.

#### C. OCTAPAC Culture in Public HEIs

The responses of respondents were analyzed for each item and the results of the sub-category presented in Table 9. The overall results of all items are presented in Annex 6. On the whole OCTAPAC culture in public universities under study seems to be average with mean score of 3.09. Similar result was obtained by Rainayee (2002) in another study of HRDC with a focus on Commercial Banks where the overall level of OCTAPAC values in the banks was perceived to be moderate.

OCTAPAC Culture mean value for Public HEIs					Chi-	
	Adama STU	ECSU	Gondar U	Mean of item	square	P value
Openness	2.71	3.65	2.75	3.04	13.90	0.001
Confrontation	2.57	3.54	2.86	3.00	13.46	0.001
Trust	2.43	3.64	2.65	2.92	18.54	< 0.0005
Autonomy	2.77	3.66	2.83	3.09	12.67	0.002
Proactivity	2.60	3.75	2.80	3.06	15.96	< 0.0005
Authenticity	2.94	3.71	2.91	3.18	24.49	< 0.0005
Collaboration	2.67	4.21	3.00	3.31	32.79	< 0.0005
Overall OCTAPAC Culture	2.69	3.74	2.83	<u>3.09</u>	19.56	<0.0005

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The Kruskal Wallis test shows the existence of statistical significant difference across the three public higher education institutions with respect to all components of the OCTAPAC with degree of freedom=2; openness ( $\chi 2= 13.90, p=0.001$ ), confrontation ( $\chi 2= 13.46, p=0.001$ ), trust ( $\chi 2= 18.54, p<0.0005$ ), autonomy ( $\chi 2= 12.67, p=0.002$ ), proactivity ( $\chi 2= 15.96, p<0.0005$ ), authenticity ( $\chi 2= 24.49, p<0.0005$ ), and collaboration ( $\chi 2= 32.79, p<0.0005$ ). The overall OCTAPAC result shows a high mean for Ethiopian Civil Service University (3.74) and low for Adama Science and Technology University (2.69) and the difference is statistically significant across the three public higher education institutions ( $\chi 2= 19.56, df= 2, and p< 0.0005$ ).

Among the dimensions of OCTAPAC culture in public HEIs, collaboration occupied first place with the highest mean value (3.31). This is followed by authenticity, autonomy, proactivity, openness, confrontation, and trust, respectively as depicted in Table 9. Items under these highly rated sub-components of OCTAPAC that are worth considering for further enhancement are explained above.

In contrast, trust is taking people at their face value and believing what they say while openness is present when employees feel free to discuss their ideas, activities, and feelings with each other. They are found to be poor and ranked least and deserve due attention.

## D. Comparison of OCTAPAC culture across the Three types of Institutions

Table 10 below presents the comparison of the OCTAPAC culture among the three types of institutions namely MIDROC TG, private and public higher education institutions.

ОСТАР					
	Private Company (MIDROC TG)	Private HEIs	Public HEIs	Chi- square	P value
Openness	3.27	3.56	3.04	15.76	P<0.0005

#### Table 10.OCTAPAC culture across the Three Types of Institutions

OCTAPA					
	Private Company (MIDROC TG)	Private HEIs	Public HEIs	Chi- square	P value
Confrontation	3.26	3.49	3.00	15.39	P<0.0005
Trust	3.33	3.46	2.92	17.67	P<0.0005
Autonomy	3.19	3.45	3.09	10.46	0.005
Proactivity	3.28	3.55	3.06	12.36	0.002
Authenticity	3.51	3.60	3.18	18.89	P<0.0005
Collaboration	3.49	3.77	3.31	14.15	0.001
Overall OCTAPAC Culture	3.33	3.55	3.09	18.85	P<0.0005

Table 10 shows mean values on all components of OCTAPAC where highest mean (3.55) for private HEIs and the lowest for the public HEIs (3.09) are recorded. The Kruskal Wallis test indicated the existence of statistical significant differences on all components of OCTAPAC across the three types of institutions under investigation. Accordingly, the highest overall OCTAPAC culture was for Private HEIs and the lowest for the public HEIs and this is a significant difference ( $\chi 2$ = 18.85, df= 2, and p< 0.0005). The non-parametric independent test (Mann-Whitney test) shows private HEIs are better, in overall OCTAPAC culture, than public HEIs (U= 3698.00, p< 0.0005) and MIDROC TG (U=6032.5, p=0.011).

## 4.2.3. HRD Mechanisms

#### A. HRDM in Private Company (MIDROC TG)

Some components of HRDM such as training, performance appraisal and feedback, potential appraisal, career planning, rewards, and employee welfare and their implementations were examined in the units in this study. Fifteen factors were identified in the questionnaire, which deal with the implementation of HRDM. The entire items and results of the analysis for all 15

items are presented as Annex 7 and Table 11 below presents the Kruskal Wallis test among the MIDROC groups.

Name of Company	HRDM Mean	Mean Rank	Chi-square value	df	Р
Addis Home Depot	3.19	46.72			
KOSPI	3.35	55.07			
Modern Building I	3.93	78.21	13.65	2	0.003
Wanza Furnishing I	3.26	51.40			
Average Mean	3.41				

Table 11.HRDM in MIDROC Technology Group

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Analysis of responses to all fifteen factors put together indicates that good implementation of HRDM (mean score = 3.41; 60.83%) has been prevalent in MIDROC TG. There exist a significant difference in HRD mechanisms among the four companies and the highest mean goes to MBI (3.93) and the lowest to Addis Home Depot (3.19) ( $\chi$ 2= 13.65, df= 2, and p=0.003). The Mann-Whitney test shows MBI is better than KOSPI, the next high mean (3.35) in HRDM (U=210.00, p=0.014).

#### **B. HRDM in Private HEIs**

The items relating to HRD mechanisms in the questionnaire that have been administered among the employees aim at measuring the extent HRD mechanisms implementation. Fifteen factors were identified in the questionnaire as stated above, which deals with the different items of HRD mechanisms (Table 12; See Annex 8 for details).

 Table 12. HRDM in Private HEIs

Name of Institution	HRDM Mean	Mean Rank	Chi-square value	df	Р
Admass University College	4.15	86.73			
Alkan University C	3.59	65.47			
Harrar Agro T	3.40	54.74	19.64	4	0.001
St. Mary's University C.	3.31	49.62			
Unity University	3.33	52.26			
Average Mean	3.57				

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Analysis of responses to all fifteen factors put together indicates that a good degree of implementation of HRD mechanisms (Mean=3.57) is prevalent in private HEIs. The result revealed, among the private HEIs, Admass University College has better HRDM than the rest (4.15) and this mean value is statistically greater than that of Alkan UC (3.59) (U=146.50, p=0.032). There exist a variation among the private higher education institutions in overall HRDM ( $\chi$ 2= 19.64, df= 4, and p=0.001).

## **C. HRDM in Public HEIs**

The entire items and results of the analysis for all 15 items is presented in Annex 9 and the summary is presented in Table 13.

#### **Table 13.HRDM in Public HEIs**

Name of Institution	HRDM Mean	Mean Rank	Chi-square value	df	Р
Adama STU	2.64	31.94			
Ethiopian Civil Service University (ECSU)	3.63	56.21	13.73	2	0.001
University of Gondar	2.93	40.62			
Average Mean	3.07				

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Table 13 indicates poor implementation of HRDM at Adama STU (2.64) and Gondar University (2.93) and a relatively better implementation at Ethiopian Civil Service University (3.63) ( $\chi$ 2= 13.73, df= 2, and p=0.001). The Mann-Whitney tests confirms better HRDM implementation at ECSU than Gondar University (U=247.00, P= 0.007) and Adama STU (U=181.00, P=0.001). Analysis of responses to all fifteen factors put together indicates that average implementation of HRDM (mean score = 3.07; 36.2%) has been prevalent in public universities.

## D. HRDM across the three types of Institutions

Table 14 below presents the comparison of the HRDM implementation among the three types of institutions namely MIDROC TG, private and public higher education institutions.

Name of Institution	HRDM Mean	Mean Rank	Chi-square value	df	р
MIDROC TG	3.41	164.27	17.86	2	<0.0005
Private HEIs	3.57	181.69			
Public HEIs	3.07	126.71			
Average Mean	3.38				

Table 14.HRDM across MIDROC TG, Private and Public HEIs

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The Kruskal Wallis test indicated the existence of statistical significant difference on HRDM across the three types of institutions under investigation, the highest being for Private HEIs (3.57) and the lowest for public HEIs (3.07) ( $\chi 2= 17.86$ , df= 2, and p< 0.0005). The non-parametric independent test (Mann-Whitney test) shows private HEIs are better than public HEIs (U= 3465.00, p< 0.0005) and there exist no statistically significant difference between Private HEIs and MIDROC TG (U=6166.00, p=0.135).

The overall mean score 3.38 shows an average HRDM implementation in the three groups of organizations studied. Communication of organizational future plans to the managerial staff to help their juniors get adequate preparation for future work and serious engagement of employees in trainings offered to them and the culture they have to learn from such trainings are issues rated high by private higher education intuitions.

On the contrary the public universities HRDM mean score value showed statistically significant difference from the private HEIs and MIDROC which urges public universities to identify HRDM issues that are not well treated and act for better achievement (See Annex for details).

## 4.2.4 HRD Climate (GHRDC + OCTAPAC + HRDM)

In the previous sections the three elements of overall HRDC namely GHRD climate, OCTAPAC and HRDM are discussed separately for each type of institution. This section deals with the HRD climate which is the composite of the GHRDC, OCTAPAC and HRDM.

# A. HRDC in Private Company (MIDROC TG)

The HRDC of MIDROC TG was assessed in three categories: GHRD climate, OCTAPAC culture and HRDM comprising 38 items. The mean score of the analysis are presented in Table 15.

Name of Institution	HRDC Mean	Mean Rank	Chi-square value	df	р
Addis Home Depot	3.08	43.58			
KOSPI	3.41	58.88			
Modern Building I	3.81	79.29	14.133	3	0.003
Wanza Furnishing I	3.37	56.66			
Average Mean	3.41		]		

#### Table 15. HRDC in MIDROC TG

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The overall human resource development climate in the four MIDROC TG is found to be (Mean score 3.41 and 61.8%) good. The results of the overall HRDC show better climate prevalence at MBI (3.81) and the least is observed at Addis Home depot (3.08). The Non-parametric independent test revealed the existence of statistically significant deference among the four companies in their HRDC practice ( $\chi 2$ = 14.133, df=3, and p=0.003). The Mann-Whiney test conducted to check the difference between the two top mean values shows the existence of statistically significant difference at 95% confidence interval, by which we can conclude MBI is practicing HRDC better than the other companies (U=250.00, P=0.027).

#### **B. HRDC in Private HEIs**

The HRDC overall analysis result for the four private HEIs is shown in Table 16.

Name of Institution	HRDC Mean	Mean Rank	Chi-square value	df	р
Admass University College	4.14	92.12			
Alkan University C	3.57	67.12			
Harrar Agro T	3.31	52.78	25.08	4	< 0.0005
St. Mary's University C.	3.34	53.75			
Unity University	3.25	51.68			
Average Mean	3.54				

## **Table 16. HRD Climate in Private HEIs**

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

In our previous discussion of private higher education institutions, it is clearly indicated that Admass University College is better than the other private HEIs in terms of GHRDC, OCTAPAC (overall and each component), and HRDM. The same holds true here, Admass UC has better HRD climate than the rest and the difference is recorded to be statistically significant among the members in the group ( $\chi 2= 25.08$ , df=4, and p<0.0005). Comparison between Admass and Alkan UC in HRDC favored the Admass UC and it is statistically significant (U=139.00, P=0.010). The overall human resource development climate in the five private HEIs is found to be good (3.54). Venkateswaran (1997) surveyed 132 executives in a large public sector heavy engineering organization and undertook analysis on the major factors that are conducive to the development of HRDC. He found similar result where the overall score for the organization was 3.70 on a 5-point scale, thereby signaling that the climate was, to a large extent, favorable for HRD.

## C. HRDC in Public Universities

The mean score and percentage values of the HRDC analysis for public universities are presented in Table 11.

Name of Institution	HRDC Mean	Mean Rank	Chi-square value	df	р
Adama STU	2.68	33.46			
Ethiopian Civil Service University (ECSU)	3.68	58.28	14.87	2	0.001
University of Gondar	2.91	40.03			
Average Mean	3.09				

Table 17. HRD Climate in Public Universities

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The overall human resource development climate in the three public universities is found to be average with mean score 3.09 and 52.25%. There, however, exists significant difference among the three public universities where the overall human resource development climate of Ethiopian Civil Service University (Mean value 3.68 and 65.5%) is better than the University of Gondar (Mean score 2.91 and 47.75%) and Adama Science and Technology University (Mean score 2.68 and 38.75%)( $\chi$ 2= 14.87, df=2, and p=0.001).

## D. HRDC across the Three Types of Institutions

Table 18 presents the result of the Kruskal Wallis test done to compare the HRDC across the three types of institutions; MIDROC TG, Private and Public HEIs.

Name of Institution	HRDC Mean	Mean Rank	Chi-square value	df	р
MIDROC TG	3.41	168.04			
Private HEIs	3.54	186.04	15.35	2	<0.0005
Public HEIs	3.09	134.00	15.55	Z	< 0.0005
Average Mean	3.37				

Table 18.HRDC across MIDROC TG, Private and Public HEIs

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The overall HRD climate was found to be highest for private HEIs (3.54) and lowest for public Universities (3.09) and there exists a significant variation among the three types of institutions in HRD climate. There is no statistically significant difference in HRDC between MIDROC TG and Private HEIs (U=6536.00, P= 0.105) but there exists a difference between private and public HEIs (U=3872.5, P<0.0005).

Overall, it is calculated that the mean score for HRDC for the organizations was 3.37 (59.25 per cent), thereby indicating that an average HRD climate is prevalent in the 12 organizations under study in Ethiopia. Saxena and Tiwari (2009) did an empirical study of HRDC in selected public sector banks. They confirmed that the HRDC in the public sector bank is average which is similar with the findings of the present study.

The most important factors that contributed towards such a climate were found to include:

- ✓ The top management believes that human resources are an extremely important resources and that they have to be treated more humanly
- ✓ Development of the subordinate is seen as an important part of their job by the managers/officers here
- ✓ The psychological climate in this organization is very conductive to any employee interested in developing himself by requiring new knowledge and skill
- ✓ Employees are not afraid to express and discuss their feelings with their superiors
- ✓ Employees are not afraid to express and discuss their feelings with their subordinates
- $\checkmark$  People in this organization are helpful to each other
- Performance appraisal reports in our organization are based on objective assessment and adequate information and not on favoritism

- ✓ When employees are sponsored for training they take it seriously and try to learn from the programs they attend
- ✓ The organization□ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future

In contrast there are items of concern that attract the attention of the top management of the organizations. Some of the important areas for improvement include:

- The top management of these organization does not go out of its way to make sure that employees enjoy their work and thus the management of these organizations need to put efforts to create environment so that employees enjoy their work;
- People lacking competence in doing their jobs are not helped adequately to acquire competence rather they are left unattended. It is therefore essential for the management to identify specific competence gaps of employees that jeopardize their performance and support them through several training that increase the competence level of employees;
- The top management of these organizations is not making efforts to identify and utilize the potential of the employees which could be used to maximize profit and accumulate wealth;
- 4. People in these organizations do not have any fixed mental impressions about each other;
- Employees in these organizations do not take pains to find out their strengths and weaknesses from their supervising officer or colleagues and thus hard to capitalize on strengths and come up with intervention mechanisms to improve weaknesses;
- 6. When problems arise people do not discuss these problems openly and try to solve them rather than keep accusing each other behind the back
- 7. There are no mechanisms in these organizations to reward any good work done or any contribution made by employees which needs immediate action to keep up the moral and contributions of competent and highly performing employees and
- 8. Job-rotation in this organization facilities employee development

## 4.3. Job Satisfaction

# A. JS in Private Company (MIDROC TG)

Deftuar's job satisfaction scale comprised of 19 items was used to assess job satisfaction of MIDROC TG respondents, the details of each item is presented in Annex 10. Kruskal Wallis test was conducted to check the difference among the four MIDROC companies in job satisfaction.

Name of Institution	JS Mean	Mean Rank	Chi-square value	df	р
Addis Home Depot	3.26	41.90			
KOSPI	3.75	60.78			
Modern Building I	3.98	74.48	11.68	3	0.009
Wanza Furnishing I	3.71	58.24			
Average Mean	3.67				

Table 19. Job Satisfaction in MIDROC TG

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The job satisfaction scale result shows highest for MBI (3.98) and lowest for Addis home depot (3.26). The independent test conducted revealed the existence of significant difference in job satisfaction among the MIDROC companies ( $\chi 2= 11.68$ , df=3, and p=0.009). The non-parametric independent test conducted for two groups shows no statistical significant difference in job satisfaction between KOSPI and MBI (U=282.50, P= 0.144) while there exist a difference between MBI and Wanza (U= 275.00, P= 0.043). The overall job satisfaction level of employees in MIDROC TG is just good.

## **B. JS in Private HEIs**

Annex 11 presents the details of job satisfaction scale for private higher education institutions. Table 20 below presents Kruskal Wallis test for the comparison of job satisfaction across the private higher education institutions.

Name of Institution	JS Mean	Mean Rank	Chi-square value	df	р
Admass UC	4.37	86.43			
Alkan University C	3.91	69.12			
Harrar Agro TTC	3.83	57.94	19 96	4	0.001
St. Mary's University C.	3.37	45.56	19.90	4	0.001
Unity University	3.81	56.93			
Average Mean	3.86				

**Table 20.Job Satisfaction in Private HEIs** 

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

The average mean score on job satisfaction indicates that employees at St. Mary's University College (3.37) were relatively least satisfied and the highest level of satisfaction goes to Admass University College (4.37). There exist a statistically significant difference in job satisfaction across the five private higher education institutions ( $\chi 2$ = 19.96, df=4, and p=0.001). Contrary to this finding, no statistically significant difference in job satisfaction is observed between Admass and Alkan University College (U=185.00, P= 0.120). However, there exist a significant difference in job satisfaction between Admass and Harrar Agro TTC. (U= 237.00, P= 0.001). The overall score was 3.86 which s that job satisfaction level of employees in the Private HEIs is good.

# C. JS in Public HEIs

The item-wise mean scores of the total respondents of the public HEIs in job satisfaction are presented as Annex 11. The overall mean score was 3.41 which indicate that job satisfaction level of employees in the private HEIs is just good.

**Table 21.Job Satisfaction in Public Universites** 

Name of Institution	JS Mean	Mean Rank	Chi-square value	df	р
Adama STU	2.96	28.70			
Ethiopian Civil Service University (ECSU)	4.04	59.46	23.15	2	< 0.0005
University of Gondar	3.24	38.12			
Average Mean	3.41				

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Table 21 presents the test of difference in job satisfaction across the three selected public universities and the result shows the presence of statistically significant difference ( $\chi 2= 23.15$ , df=2, and p<0.0005). On the whole the results showed that people are happy with the work, the policies of the universities and the organization in general. There exist a statistical significant difference between ECSU and University of Gondar in job satisfaction, and we can conclude that job satisfaction of employees is higher at ECSU than the other the Adama STU and University of Gondar (U= 168.5, P<0.0005).

## D. JS across the three types of Institutions

This section compares the job satisfaction among the three types of institutions, MIDROC TG, Private and public HEIs.

Name of Institution	JS Mean	Mean Rank	Chi-square value	df	р
MIDROC TG	3.67	160.43			
Private HEIs	3.86	186.62	17.83	2	< 0.0005
Public HEIs	3.41	130.75	17.05	2	<0.0003
Average Mean	3.68				

Table 22.Job Satisfaction across MIDROC TG, Private and Public HEIs

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Examining the overall job satisfaction mean scores of the three types of institutions, the study revealed that there is better job satisfaction in private HEIs (Mean= 3.86), followed by MIDROC TG (Mean = 3.67) and relatively least job satisfaction for public universitiess (Mean = 3.41). The difference was found to be statistically significant using the Kruskal Wallis test ( $\chi$ 2= 17.83, df=2, and p<0.0005). The Mann-Whitney test conducted for multiple comparisons revealed the existence of statistically significant difference in job satisfaction between MIDROC TG and Private HEIs (U= 6064.00, P=0.022) and Private and Public HEIs (U=3497.5, P<0.0005).

The overall job satisfactions mean score and percentage value for the 12 organizations are estimated to be 3.68 and 67% respectively. This finding shows that the job satisfaction level of employees in the organizations studied is good. Among the 19 job satisfaction measuring items used for analysis the following three items contributed more towards good employees' job satisfaction: jobs employees assume provide them with adequate opportunities and help them to

be 'somebody' in the community and the job these organizations provide also offer them adequate opportunities to do things that makes use of their abilities. And most employees are found to be happy with the kind of work and amount of responsibilities assigned to them.

Conversely among the 19 items analyzed three items are rated poor and contributed to low job satisfaction levels of employees in the organizations considered. Most employees rated the level of pay unfair, expressed their feeling that the working conditions make them unhappy. They are also unhappy with general management of the company. These are items that contributed towards employees' job dissatisfaction among many others (See Annex 10-12 for details) and need to be addressed to raise the level of employees' job satisfaction.

# 4.4. Organizational Commitment

The organizational commitment has three components; affective, normative and continuance each of them have 6 questions prepared in Likert scale, 5 being almost always true and 1 being not at all true.

Means of each item for MIDROC TG, Private and public universities is presented in Annex 12, 13 and 14 respectively. The following four tables below present the summary of organizational commitment and its components for the three types of institutions under investigation.

## a. MIDROC TG

Table 23 (a) presents the results of the three sub-components of organizational commitment for MIDROC TG.

Items	Addis Home Depot	KOSP I	Moder n Buldg.	Wan za	Overal l
Affective	3.07	3.52	3.27	3.33	3.31
Normative	3.15	3.41	3.30	3.50	3.35
Continuance	2.82	2.98	3.16	3.06	3.01
Overall Organizational Commitment	3.01	3.30	3.25	3.29	3.23

## Table 23 (a) OC in Private Company (MIDROC TG)

From the above table, one can easily infer that the affective commitment mean score value 3.52 of KOSPI stands first followed by Wanza, Modern Building and Addis Home Depot respectively. The findings indicate that employees in KOSPI really feel as if KOSPI's problems are their own. They also feel that KOSPI as their organization has a great deal of personal meaning for them. Wanza Furnishing PLC stands first with mean score value of 3.5 with regard to normative commitment followed by KOSPI, Modern Building and Addis Home Depot respectively. Items such as 'This organization deserves my loyalty' and 'I owe a great deal to my organization scored high than the rest of items respondents responded to. Similarly Modern Building mean score 3.16 is the highest while the mean value of Addis Home Depot 2.82 is noted to be the lowest with regard to continuance commitment. Among the six continuance commitment items considered item 'Right now, staying with my department is a matter of necessity as much as desire' is rated (Mean score = 3.62) as good.

From the three components of organizational commitment, Normative (3.35) is better than affective (3.31) and continuance (3.01) in the MIDROC TG. The overall organizational commitment mean was found to be 3.23 and average.

# b. OC in Private HEIs

The organizational commitment of private higher education institutions is presented in Table 23 (b).

Items	Adm as UC	Alka n UC	HAT C	St. Marry' s	Unity U	Overa ll
Affective	3.89	3.65	3.88	3.58	3.68	3.76
Normative	4.14	3.30	3.58	3.50	3.69	3.68
Continuance	3.59	2.55	3.08	2.58	2.86	3.00
Overall Organizational Commitment	3.87	3.17	3.52	3.24	3.41	3.48

#### Table 23 (b) OC in Private HEIs

From the private higher education institutions, Admass University College has better achievement on Affective commitment (Mean score = 3.89) than the rest while Admas university college shows high performance (Mean score = 4.14) with regard to normative commitment, and

continuance commitment (Mean score = 3.59) than the rest of the HEIs studied. The overall organizational commitment (Mean score = 3.48) for this category is found to be good. From the components of organizational commitment, affective domain is better than the other two. The least being continuance commitment. The item-wise mean scores of the total respondents are presented in Annex 10.

## C. OC in Public universities

Institution wise, Ethiopian Civil Service University has relatively better affective (Mean score = 4.07), normative (Mean score = 3.88), continuance commitment (Mean score = 2.98) and stands first in the overall employees' commitment (Mean score = 3.65). Continuance commitment is the least rated (Mean score = 2.85) among the organizational commitment components and affective is highly rated (Mean score = 3.54). Table 23 (c) illustrates the results.

## Table 23 (c) OC in Public universities

Items	Adama STU	ECSU	Gondar U	Overall
Affective	3.03	4.07	3.52	3.54
Normative	3.13	3.88	3.26	3.43
Continuance	2.81	2.98	2.76	2.85
<b>Overall Organizational Commitment</b>	2.99	3.65	3.18	3.27

# d. OC across the three types of Institutions

#### Table 23 (d) OC across the three types of Institutions

	Affective		Normative		Continuance		0	nizational mitment	
Name of Institution	Mean	Mean Rank	Mean	Mean Rank	Mean	Mean Rank	Mean	Mean Rank	
MIDROC TG	3.31	132.47	3.35	145.77	3.01	169.03	3.23	144.89	
Private HEIs	3.76	192.18	3.68	187.17	3.00	169.72	3.48	189.18	
Public HEIs	3.54	164.05	3.43	152.96	2.85	144.68	3.27	151.21	
	Chi-squar	e=24.351	Chi-squar	e =13.126	Chi-squa	Chi-square =4.329		Chi-square =15.28	
	df=2	P<0.0005	df=2	P=0.001	df=2	P=0.115	df=2	P<0.0005	
Average Mean	3	.54	3	.49	2.	.96	3	3.34	

From the three components of the organizational commitment, affective commitment for private HEIs is highly rated with the overall mean of 3.54. The difference in affective commitment among the three institution types is statistically significant ( $\chi 2= 24.35$ , df=2, and p<0.0005). The Mann-Whitney test, at 95% confidence level, shows the non-existence of significant difference between the private and public universities in affective domain of organizational commitment (U=4483.5, p=0.073). Concerning the normative component of OC, the private HEIs are relatively better than the others and the difference, using Kruskal-Wallis test, is found to be statistically significant ( $\chi 2= 13.12$ , df=2, and p=0.001). It was also found out that the difference between the private and public universities is statistically significant (U=4267.00, P=0.022) which implies that private HEIs have better normative commitment than the others. Continuance is least rated than affective and normative in all the three types of institutions. But there is no statistically significant difference in continuance among the three types of institutions ( $\chi^2 = 4.33$ , df=2, and p=0.115). Data on the overall organizational commitment show that private HEIs are better than the other two. The difference was found to be significant using the Kruskal Wallis test ( $\chi 2= 15.28$ , df=2, and p<0.0005). The non-parametric independent test between private and public universities shows private HEIs are better than the others (U=4080.5, P=0.006). The overall organizational commitment for the sampled institutions is average

# 4.5. Impact of HRD Climate on Organizational Commitment

# 4.5.1. Impact of HRDC on Organizational Commitment, MIDROC TG, Private and Public HEIs

The human resource development climate is taken as explanatory variable and regressed against the dependent variable organization commitment to assess the impact HRDC. The data collected for the three components are put together for the development of separate predicting equations for the three types of institutions and later the overall data for the 12 organizations is fitted to establish to predict equation for OC. Linear regression is fitted to the data to assess the prediction ability of organizational commitment as a function of HRDC (Table 24 (a)).

Table 24	(a):	Model	Summary
----------	------	-------	---------

Model Summary									
Type of Institution	Mode 1	R	R Square	Adjusted R Square	Std. Error of the Estimate				
MIDROC TG	1	.590 <sup>a</sup>	.348	.342	.41621				
Private Higher Education Institution	1	.510 <sup>a</sup>	.260	.254	.54327				
Public Higher Education Institution	1	.612 <sup>a</sup>	.375	.367	.52207				
a. Predictors: (Constant), H	a. Predictors: (Constant), HRDC								

The correlation value r indicates a positive relationship between the dependent and independent variables and is modest for the three types of institutions studied. The adjusted R Square value from the above table depicts that only 34.2 % of the variance in organizational commitment is explained by the HRDC variable in MIDROC TG, 25.4% in private HEIs and 36.7% in public HEIs respectively.

The ANOVA Table 24 (b) indicates the significance of the model for all types of institutions; MIDROC TG (F= 61.35, P<0.0005), Private HEIs (F=43.169, P<0.0005), and public universities (F=49.142, P<0.0005). They all are significant at 95% probability level and confirm the prediction of organizational commitment from HRDC.

			<b>ANOVA</b> <sup>b</sup>					
Type of Institution	Model		Sum of Squares	df	Mean Square	F	Sig.	
		Regression	10.628	1	10.628			
MIDROC TG	1	Residual	19.922	115	.173	61.350	.000 <sup>a</sup>	
		Total	30.549	116				
Drivete Llicher		Regression	12.741	1	12.741			
Private Higher Education Institution	1	Residual	36.302	123	.295	43.169	.000 <sup>a</sup>	
Education Institution		Total	49.043	124				
Dublic Higher		Regression	13.394	1	13.394			
Public Higher Education Institution	1	Residual	22.350	82	.273	49.142	.000 <sup>a</sup>	
Education institution		Total	35.744	83				
a. Predictors: (Constant	a. Predictors: (Constant), HRDC							
b. Dependent Variable:	Orgar	nizational comr	nitment					

 Table 24 (b): ANOVA table

As revealed on Table 24 (c), the standardized beta coefficient is larger for public universities which implies that HRDC has a larger impact on organizational commitment (criterion variable) than MIDROC TG and private HEI. Table 24 (d) provides the regression equation between the two variables under discussion.

The fact that there exists multi-collinearity and high inter-item correlation, the individual impact of HRDC dimensions on organizational commitment cannot be interpreted and thus excluded. It can, however, be said that organization commitment is very much influenced by General climate, HRD Mechanisms and OCTAPAC Culture in general as entity of HRDC.

Coefficients <sup>a</sup>									
			Unstan	dardized	Standardized	t	Sig.		
Type of Institution		Model	Coeff	icients	Coefficients				
			В	Std. Error	Beta				
	1	(Constant)	1.926	.171		11.294	.000		
MIDROC TG	1	HRDC	.382	.049	.590	7.833	.000		
Private Higher	1	(Constant)	2.127	.212		10.037	.000		
Education Institution	1	HRDC	.384	.058	.510	6.570	.000		
Public Higher	1	(Constant)	1.966	.195		10.085	.000		
Education Institution	1	HRDC	.421	.060	.612	7.010	.000		
a. Dependent Variable:	Organi	izational commi	tment						

## Table 24 (c): Regression Coefficients

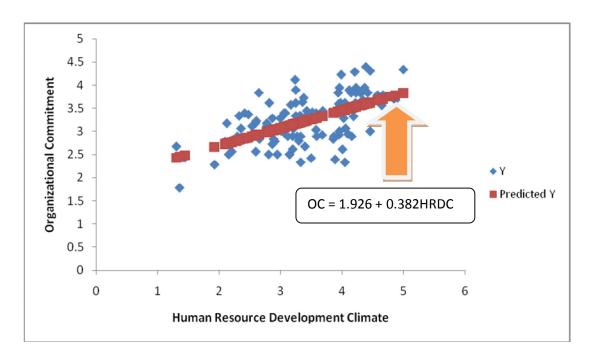
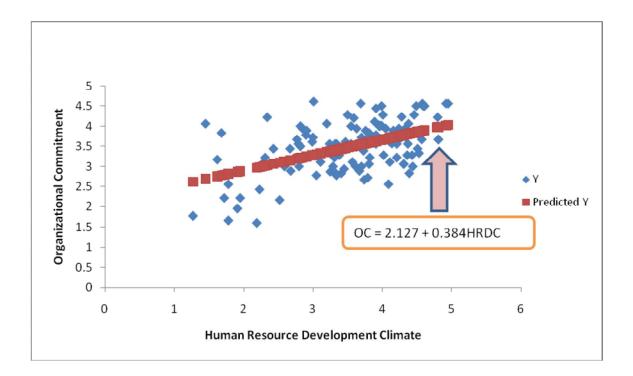


Figure 2. Organizational Commitment predicting equation as function of HRDC (MIDROCTG)

Figure 3: Organizational Commitment predicting equation as a function of HRDC (Private HEIs)



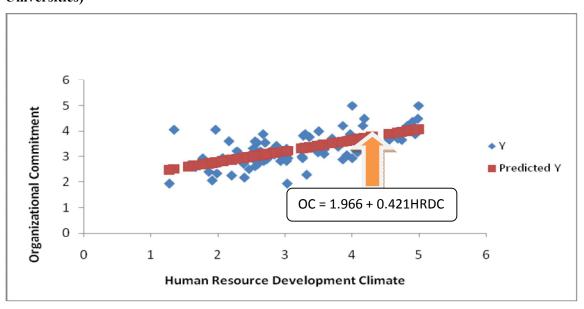


Figure 4: Organizational commitment predicting equation as a function of HRDC (Public Universities)

# 4.5.2. Impact of HRDC on Organizational Commitment, Overall

The correlation r = 0.565 is positive and modest. The model summary for the analysis for the overall data (MDROC TG + Private HEI + Public HEI) with adjusted R Square value of 0.317 exemplifies that the model accounts for 31.7% of variance in organizational commitment.

Table 25	(a):	Model	Summary
----------	------	-------	---------

Model Summary								
Model	R R Square Adjusted R Std. Error of							
	Square the Estimate							
1	.565 <sup>a</sup>	.320	.317	.50149				
a. Predict	tors: (Con	stant), HRD	С					

The ANOVA Table 25 (b) demonstrates that the model is significant at 95% probability level.

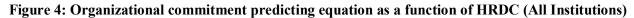
 Table 25 (b): ANOVA Table

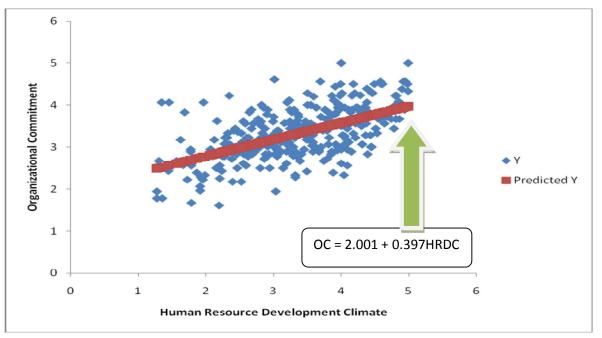
ANOVA <sup>b</sup>									
		Sum of	df	Mean Square	F	Sig.			
	Model	Squares							
	Regression	38.266	1	38.266					
1	Residual	81.484	324	.251	152.156	.000 <sup>a</sup>			
	Total	119.750	325						
a. Predictors: (Constant), HRDC									
b. Dep	endent Variable	e: Organizationa	l Commitm	ent					

Table 25 (c): Coefficients

	Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.			
		B Std. Error		Beta					
1	(Constant)	2.001	.112		17.884	.000			
HRDC .396 .032				.565	12.335	.000			
a. Dep	endent Variable:	Organizational	l commitment						

The linear regression equation becomes: OC= 2.001 + 0.396 HRDC and the regression graph is presented in Figure 5.





# 4.6. Impact of HRD Climate on Job Satisfaction

# 4.6.1. Impact of HRD Climate on Job Satisfaction in MIDROC TG, Private & Public HEIs

The correlation values for the three types of institutions illustrates that there exists positive relationship between job satisfaction and HRDC. Similarly the adjusted R square values of the three models have accounted for 62.8 %, 60.5%, and 72.7 % of the variance in the job satisfaction of MIDROC TG, Private and public HEIs respectively.

#### Table 26 (a): Model Summary

Model Summary								
Type of Institution	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
MIDROC TG	1	.795 <sup>a</sup>	.632	.628	.47835			
Private Higher Education Institution	1	.780 <sup>a</sup>	.608	.605	.52977			
Public Higher Education Institution	1	.855 <sup>a</sup>	.730	.727	.45675			
a. Predictors: (Constant), HRDC								

The ANOVA Table also indicates the models for the three types of institutions are significant, P<0.0005 for MIDROC TG, private and public universities.

	ANOVA <sup>b</sup>								
Type of Institution	Model		Sum of Squares	df	Mean Square	F	Sig.		
		Regression	44.706	1	44.706	195.377	.000 <sup>a</sup>		
MIDROC TG	1	Residual	26.086	114	.229				
		Total	70.792	115					
Drivete Llicher		Regression	54.041	1	54.041	192.552	.000 <sup>a</sup>		
Private Higher Education Institution	1	Residual	34.801	124	.281				
Education Institution		Total	88.843	125					
Dublic Higher Education		Regression	45.748	1	45.748	219.283	.000 <sup>a</sup>		
Public Higher Education	1	Residual	16.898	81	.209				
Institution		Total	62.646	82					
a. Predictors: (Constant), H	a. Predictors: (Constant), HRDC								
b. Dependent Variable: Jol	o Satisfa	action							

## Table 26 (b): ANOVA Table

The values of the intercepts and coefficients of the explanatory variable of the predicting equations, the standardized beta including the level of significance are given in Table 26 (c).

	Coefficients <sup>a</sup>								
Type of Institution	Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.		
J I			В	Std. Error	Beta		U		
MIDROC TG	1	(Constant)	.998	.196		5.081	.000		
MIDROC IG	1	HRDC	.787	.056	.795	13.978	.000		
Private Higher	1	(Constant)	1.089	.206		5.286	.000		
Education Institution	1	HRDC	.787	.057	.780	13.876	.000		
Public Higher	1	(Constant)	.916	.176		5.214	.000		
<b>Education Institution</b>	1	HRDC	.798	.054	.855	14.808	.000		
a. Dependent Variable:	Job Sat	tisfaction		•			•		

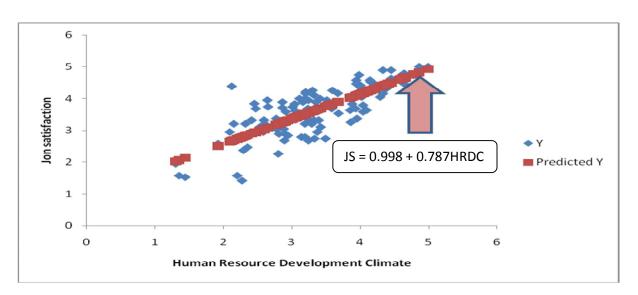
 Table 26 (c): Coefficients

According to beta coefficients, a unit change on HRDC has a larger effect on job satisfaction of public HEI followed by MIDROC TG. The bivariate linear regression equation and graphical presentations for each type of institutions is presented as follows:

# **MIDROC TG**

The job satisfaction predicting equation is JS = 0.998 + 0.787 HRDC

Figure 5: Job Satisfaction predicting equation as a function of HRDC (MIDROC TG)



# **Private Higher Education Institution**

Job satisfaction predicting equation is JS = 1.089 + 0.787 HRDC

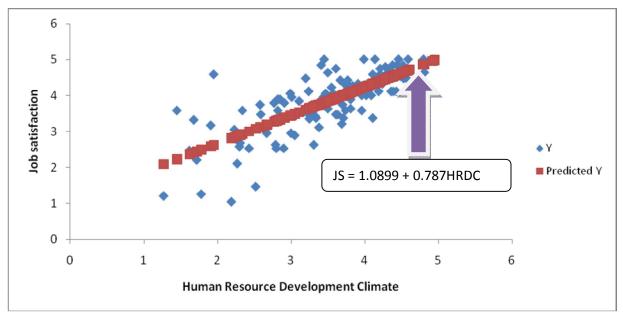
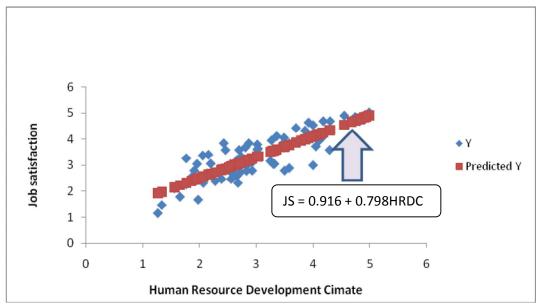


Figure 6: Job Satisfaction predicting equation as a function of HRDC (Private HEI)

# **Public Higher Education Institution**

Job satisfaction equation is JS = 0.916 + 0.798 HRDC

Figure 7: Job Satisfaction predicting equation as a function of HRDC (Public HEI)



# 4.6.2 Impact of HRDC on Job Satisfaction, Overall

As a positive linear model with r value of 0.814, it is easily noticeable that change in the HRDC exerts an equal amount of change on the dependent variable (JS). Rohmetra (1998) and Kumar and Patnaik (2002) found that there exists a positive relationship between developmental climate and the level of satisfaction of the employees which is similar with the findings of this study. Considering all the sampled institutions, the model accounted for 66.1% of variation in the job satisfaction (Table 27 (a)). The ANOVA Table 27 (b) also indicates that the model is significant.

Table 27 (a): Model Summary

	Model Summary								
ModeRR SquareAdjusted RStd. Error of									
1	1 Square the Estimate								
1	1 .814 <sup>a</sup> .662 .661 .49395								
a. Pred	a. Predictors: (Constant), HRDC								

 Table 27 (b): ANOVA Table

ANOVA <sup>b</sup>										
Model		Sum of	df	Mean Square	F	Sig.				
		Squares								
1	Regression	154.205	1	154.205	632.028	.000 <sup>a</sup>				
	Residual	78.807	323	.244						
	Total	233.011	324							
a. Predictors: (Constant), HRDC										
b. Dependent Variable: Job satisfaction										

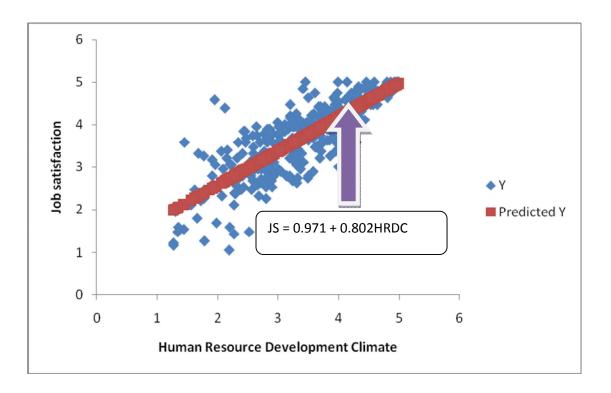
The overall bivariate regression equation for the model becomes: JS= 0.971 + 0.802 HRDC

#### Table 27 (c): Coefficients

Coefficients <sup>a</sup>										
Model		Unstandardized		Standardized	t	Sig.				
		Coefficients		Coefficients						
		В	Std. Error	Beta						
1	(Constant)	.971	.111		8.722	.000				
	HRDC	.802	.032	.814	25.140	.000				
a. Dependent Variable: Job satisfaction										

The graphical presentation becomes:





# **CHAPTER FIVE**

# **Conclusions and Recommendations**

## 5.1. Conclusions

Employees are the priceless assets of any organization. The study is an attempt to contribute to a better understanding of the HRD climate prevailing in selected public universities, private higher education institutions and MIDROC TG in Ethiopia and to make a comparative analysis to understand whether these organizations have conducive HRD climate or not. Additionally the influence of human resource development climate on the job satisfaction and organizational commitment was assessed, items contributing towards better, HRDC and sub-components, job satisfaction and organizational commitment identified including those items that need management intervention for improvement. Job satisfaction and organizational commitment predicting equations were also developed as a function of HRDC. On the basis of the analysis and findings of the study following conclusions are drawn:

#### 1. General human resource development climate

- From the categorical comparison among the three institutions it can be concluded that the GHRDC in the selected MIDROC TG companies' stands first followed by selected private HEIs and public universities respectively.
- The institutional based analysis showed that there is significant difference within the MIDROC TG companies. The general human resource development climate prevailed in Modern Building is the highest of the four sister companies studied.
- Among the five private higher education institutions observed it can be inferred that Admas University College showed better general HRD climate than the rest.
- Similarly the general human resource climate across the three sampled public universities, ECSU has better GHRD climate than Adama STU and Gondar University respectively.

# 2. OCTAPAC

- The OCTAPAC culture prevailing in MBI is the highest among the four MIDROC TG companies and it can be concluded that MBI has better OCTAPAC culture with respect to openness and autonomy than the rest. In contrast the OCTAPAC culture prevalence in Addis Home Depot is low and need management intervention
- Among all considered items of the OCTAPAC culture differences observed with respect to openness, confrontation, trust, autonomy, proactivity and authenticity across the five private higher education institutions.
- It can be inferred from this study that there was no variation in collaboration among private higher education institutions studied.
- It can be also concluded that the overall OCTAPAC culture in the five private higher education institutions is rated good and the OCTAPAC culture in Admass University College is found to be better than the rest. The sub-category collaboration has the highest mean score followed by authenticity and openness and proactivity respectively.
- As per the findings of this study it can be concluded that among the OCTAPAC items considered in private higher education institutions collaboration and authenticity issues have low mean values and are not handled properly
- From the overall OCTAPAC results among the three public universities studied, it can be deduced that Ethiopian Civil Service University has better OCTAPAC culture than the rest.
- Among the dimensions of OCTAPAC culture in private HEIs it can be construed that collaboration is well handled item.
- From the overall comparative analysis on all components of OCTAPAC culture among studied types of institutions, private HEIs found to have better OCTAPAC culture, followed by MIDROC TG and public universities respectively.

# 3. HRDM

- It can be inferred from the findings of this study that the implementation of HRDM is good in MIDROC TG and the private HEIs. Among the four companies and five private HEIs it can be deduced that implementation of HRDM in MBI and Admass University College is better than the rest in their perspective categories while the implementation of HRDM in Ethiopian Civil Service University is found to be better than the two public universities studied.
- The comparative analysis among the three types of institutions on the HRDM pervasiveness and implementation, private HEIs are found to better than the rest.
- It can be concluded from this study that the overall HRDC prevalence in private HEIs was the highest while the HRDC prevalence in public universities is the lowest.

## 4. Job satisfaction

- From the findings of this study, it can be deduced that the level of job satisfaction for the employees in MIDROC TG, private HEIs and public universities is just good and MBI, Admas University College and ECSU employees' level of job satisfaction is found better than the rest of the institutions observed in their own categories.
- The findings of the overall job satisfaction demonstrated that there is better job satisfaction in observed private HEIs, followed by MIDROC TG and relatively least job satisfaction for public universities.
- It can be concluded from the findings of this study that the job satisfaction predicting equations of the three types of institutions are significant and can be used to predict job satisfaction as function of HRDC.

## 5. Organizational Commitment

- It can be easily inferred that among the MIDROC TG the affective commitment of KOSPI stands first while Wanza Furnishing PLC stands first with regard to normative commitment and Modern Building relating to continuance commitment.
- From the results obtained it can be inferred that among the three components of organizational commitment, Normative is better than affective and continuance in the MIDROC TG.
- It can be concluded from the findings that Admass University College has better achievement on all domains of organizational commitment than the rest of the HEIs studied.
- Ethiopian Civil Service University showed relatively better affective, normative and continuance commitment in descending order and stands first in the overall employees' commitment in the category of public universities and one can conclude that ECSU has better employees' organizational commitments.
- From the findings of this study it can be concluded that the overall organizational commitment showed in private HEIs is better than the other the two types of institutions studied.
- It can be concluded from the findings of this study that the organizational commitment predicting equations of the three types of institutions are significant and can be used to predict OC as function of HRDC.

# **5.2. Recommendations**

After an in-depth research, it becomes obvious to make the points of the paucity of the HRDC, JS and OC systems understudy and to point out the issues that work well and issues that do not work well and possible steps as remedies to the flaws of the system. Readers and managers are advised to apply findings of this study cautiously looking into their own environment and purposes. Hence the following recommendations are made for further improvements:

- It is recommended that additional inputs should be included to further investigate the casual connections between the HRDC practices, JS and OC as it was not possible with existing data gathered from the selected public universities, private higher education institutions and MIDROC TG.
- The research was conducted in selected private HEIs, public universities and MIDROC TG and cannot be generalized to other sectors.
- The top management of these organization does not go out of its way to make sure that employees enjoy their work and thus the management of these organizations need to put efforts to create environment so that employees enjoy their work;
- People lacking competence in doing their jobs are not helped adequately to acquire competence rather they are left unattended. It is therefore essential for the management to identify specific competence gaps of employees that jeopardize their performance and support them through several training that increase the competence level of employees;
- The top management of these organizations is not making efforts to identify and utilize the potential of the employees which could be used to maximize profit and accumulate wealth; hence identification of employee potentials and use of the same for the creation of wealth is timely issues for the institutions.
- Top management is recommended to create favorable HRDC that foster the creation of fixed mental impressions among employees as people in these organizations do not have any fixed mental impressions about each other;
- Supervising officers and colleagues are recommended to notify employees with their strengths and weaknesses so that they capitalize on their strengths and come up with intervention mechanisms to overcome weakness.

- The management of the institutions are recommended to create forum for employees to discuss problems openly so that they solve them timely rather than keep accusing eac other behind the back.
- The top management is recommended to devise a rewarding mechanism for any good work done or any contribution made by employees to keep up the moral and contributions of competent and highly performing employees.
- Among the 19 items analyzed three items are rated poor and contributed to low job satisfaction levels of employees in the organizations considered. Most employees rated the level of pay unfair, expressed their feeling that the working conditions make them unhappy. They are also unhappy with general management of the companies. These are items that contributed towards employees' job dissatisfaction among many others and thus it is recommended that these issues get high attention to raise the level of employees' job satisfaction.
- > The impact of HRDC on employees' job satisfaction indicated the presence of positive and significant relationship but moderate ( $R^2 = 66\%$ ). It is recommended that the model can be used to predict employees' job satisfaction as a function of HRDC; but for a strong relationship collecting more data is required to increase the predicting ability of the model.
- The impact of HRDC on organizational commitment indicated the presence of positive and significant relationship but weak. It is recommended that the model can be used to predict organizational commitment as a function of HRDC; but for a strong relationship collecting more data is required to increase the predicting ability of the model. The

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### Annex 1: Detail of GHRDC in MIDROC Companies

Item	Addis Home Depo	Kombolcha Steel	Wanza	Modern Buldg.	Item Mean	%
The top management of this organization goes out of its way to make sure that employees enjoy their work	3.15	3.38	3.40	3.83	3.44	60.97
The top management believes that human resources are an extremely important resources and that they have to be treated more humanly	3.19	3.47	3.86	4.13	3.66	66.52
Development of the subordinate is seen as an important part of their job by the managers/officers here	3.38	3.50	3.79	4.00	3.67	66.74
The personnel policies in this organization facilitate employee development	3.15	3.47	3.57	3.96	3.54	63.45
The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees	2.88	3.41	3.37	3.88	3.38	59.61
Senior officers/executives in this organization take active interest in their juniors and help them learn their job.	3.20	3.50	3.57	3.71	3.49	62.37
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	2.80	3.56	3.43	3.79	3.40	59.89
Managers in this organization believe that employee behavior can be change and people can be developed at any stage of their life	3.00	3.50	3.74	3.96	3.55	63.76
The psychological climate in this organization is very conductive to any employee interested in developing himself by requiring new knowledge and skill	2.88	3.41	3.37	3.83	3.37	59.32
The top management of this organization makes efforts to identify and utilized the potential of the employees	2.85	3.44	3.24	3.83	3.34	58.45
The organization? s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.31	3.58	3.15	3.57	3.40	60.00
	3.05	3.46	3.53	3.89	3.48	61.92

# Cronbach'sAlpha= 0.938

### Annex 2: Item-Wise Analysis Of GHRDC in Five Private Higher Education Institutions

Item	Admas UC	St. Mary's UC	Unity U	Alkan UC	НАТС	Item Mean	%
The top management of this organization goes out of its way to make sure that employees enjoy their work	3.68	3.77	3.80	4.02	4.00	3.86	71.40
The top management believes that human resources are an extremely important resources and that they have to be treated more humanly	4.18	3.89	3.76	4.12	3.96	3.98	74.56
Development of the subordinate is seen as an important part of their job by the managers/officers here	4.04	3.75	3.93	3.78	4.13	3.92	73.11
The personnel policies in this organization facilitate employee development	4.30	3.89	3.79	4.12	4.06	4.03	75.72
The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees	4.11	3.82	4.14	4.08	3.80	3.99	74.76
Senior officers/executives in this organization take active interest in their juniors and help them learn their job.	4.30	4.07	4.01	3.59	3.92	3.97	74.37
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	4.11	3.97	3.73	4.01	3.92	3.95	73.67
Managers in this organization believe that employee behavior can be change and people can be developed at any stage of their life	4.22	3.66	3.86	3.81	3.96	3.90	72.58
The psychological climate in this organization is very conductive to any employee interested in developing himself by requiring new knowledge and skill	4.39	3.88	3.80	4.21	4.09	4.35	83.84
The top management of this organization makes efforts to identify and utilized the potential of the employees	4.30	3.78	3.81	4.12	3.94	3.99	74.71
The organization? s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	4.30	3.78	4.01	3.96	3.84	3.98	74.46
Average	4.18	3.49	3.17	3.29	3.16	3.47	74.83

Cronbach's Alpha= 0.965

### Annex 3: Item-Wise Analysis of GHRDC in Three Public Higher Education Institutions

Item	Gondar University	Civil Service University	Adama STU	Item Mean	%
The top management of this organization goes out of its way to make sure that employees enjoy their work	2.83	3.27	2.30	2.80	44.99
The top management believes that human resources are an extremely important resources and that they have to be treated more humanly	3.17	3.68	2.74	3.20	54.88
Development of the subordinate is seen as an important part of their job by the managers/officers here	2.93	3.72	2.81	3.16	53.94
The personnel policies in this organization facilitate employee development	3.10	3.61	2.81	3.17	54.35
The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees	2.97	3.86	2.63	3.15	53.82
Senior officers/executives in this organization take active interest in their juniors and help them learn their job.	2.93	3.81	2.41	3.05	51.30
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	2.70	3.65	2.52	2.96	48.94
Managers in this organization believe that employee behavior can be change and people can be developed at any stage of their life	3.20	3.69	2.85	3.25	56.20
The psychological climate in this organization is very conductive to any employee interested in developing himself by requiring new knowledge and skill	2.97	3.75	2.59	3.10	52.58
The top management of this organization makes efforts to identify and utilized the potential of the employees	2.80	3.61	2.81	3.07	51.85
The organization? s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.13	3.93	2.85	3.30	57.59
Average	2.96	3.66	2.65	3.09	52.77

# Cronbach's Alpha= 0.961

	OCTAPAC Culture mean value for M	IDROC 1	ſG			
No.	ITEM	Addis Home Depot	KOSPI	MBI	Wanza F	Item Mean
	Employees in this organization are very informed and do not hesitate to discuss their personal problem with their supervisors	2.69	3.16	3.54	3.24	3.16
Openness	People in this organization do not have any fixed mental impressions about each other	2.84	3.06	3.52	3.09	3.12
	Employees are not afraid to express of discuss their feelings with their superiors	2.73	3.38	3.79	3.38	3.32
	Employees are not afraid to express of discuss their feelings with their subordinates	3.04	3.53	3.71	3.65	3.49
	Overall	2.83	3.28	3.64	3.35	3.27
Confrontation	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officer or colleagues	2.92	2.94	3.33	3.09	3.06
	Employees are not afraid to express of discuss their feelings with their superiors	2.77	3.39	3.48	3.61	3.33
	Employees are not afraid to express of discuss their feelings with their subordinates	2.84	3.63	3.54	3.62	3.43
	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back	3.19	3.25	3.58	2.94	3.22
	Overall	2.95	3.29	3.49	3.31	3.26
	People lacking competence in doing their jobs are helped to acquire competency rather than being left unattended	2.84	3.38	3.48	3.30	3.26
Trust	When any employee makes a mistake his supervision treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging	3.08	3.53	3.39	3.41	3.37
	People trust each other in this organization	3.23	3.44	3.36	3.24	3.32
	Overall	3.06	3.45	3.46	3.32	3.33
	Employees are encourage to experiment with new methods and try out creative idea	2.85	3.19	3.71	3.15	3.21
	Employees returning from the training programs are given opportunities to try out what they have learnt	2.69	3.10	3.75	2.76	3.04
Autonomy	Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors	3.04	3.16	3.54	3.09	3.19
	Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in organization	3.04	3.23	3.71	2.88	3.19
	When seniors delegate authority to juniors, the juniors use it as an opportunity for development	3.08	3.47	3.67	3.38	3.40
	Overall	2.92	3.23	3.67	3.05	3.19

# Annex 4. OCTAPAC Culture item analysis and results for MIDROC TG

	OCTAPAC Culture mean value for M	IDROC 7	ſG			
No.	ITEM	Addis Home Depot	KOSPI	MBI	Wanza F	Item Mean
	The top management of this organization makes efforts to identify and utilized the potential of the employees	2.96	3.45	3.50	3.27	3.30
Proactivity	Employees are encouraged to experiment with new methods and try out creative idea	3.00	3.35	3.63	3.18	3.28
Trouctivity	Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors	3.00	3.39	3.46	3.24	3.27
	Overall	2.96	3.39	3.53	3.23	3.28
	When behavior feedback is given to employees they take it seriously and use it for development	2.73	3.16	3.63	3.66	3.30
	When employees are sponsored for training, they take it seriously and try to learn from the programs they attend	3.54	3.59	3.48	3.44	3.51
Authenticity	Employees returning from training programmes are given opportunities to try out what they have learnt	3.23	3.72	4.13	3.47	3.62
	Employees are sponsored for training programmes on the basis of genuine training needs	3.69	3.53	3.46	3.78	3.62
	Overall	3.29	3.5	3.66	3.58	3.51
	People in this organization are helpful to each other	3.64	3.61	3.67	3.65	3.64
Collaboration	Team spirit is of high order in the organization	3.28	3.48	3.79	3.38	3.47
	The organization $\square$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.08	3.45	3.67	3.24	3.35
	Overall	3.36	3.52	3.71	3.42	3.49
	Overall OCTAPAC Culture	3.05	3.39	3.59	3.32	3.33

Cronbach's Alpha= 0.953

	OCTAPAC Culture mean val	lue for Pr	ivate HEIs				
No.	ITEM	AUC	ALUC	НАТС	StMUC	UU	Item Mean
	Employees in this organization are very informed and do not hesitate to discuss their personal problem with their supervisors	4.00	3.75	3.13	3.08	2.90	3.37
Openness	People in this organization do not have any fixed mental impressions about each other	3.97	3.18	3.00	2.95	3.29	3.31
	Employees are not afraid to express of discuss their feelings with their superiors	4.10	4.00	3.22	3.46	3.29	3.60
	Employees are not afraid to express of discuss their feelings with their subordinates	4.33	4.06	3.78	3.81	3.81	3.96
	Overall	4.1	3.75	3.28	3.35	3.21	3.56
Confrontation	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officer or colleagues	3.93	3.24	3.25	2.91	2.95	3.30
	Employees are not afraid to express of discuss their feelings with their superiors	4.07	3.88	3.22	3.33	3.05	3.51
	Employees are not afraid to express of discuss their feelings with their subordinates	3.97	3.88	3.63	3.60	3.71	3.75
	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back	4.07	3.65	3.13	3.27	3.00	3.43
	Overall	4.00	3.66	3.30	3.27	3.18	3.49
	People lacking competence in doing their jobs are helped to acquire competency rather than being left unattended	4.10	3.41	3.16	3.21	3.10	3.41
Trust	When any employee makes a mistake his supervision treat it with understanding and help him to learn from such mistakes rather than punishing him or	4.03	3.76	3.03	3.35	3.43	3.50
	discouraging	1.00					
		4.13	3.88	3.09	3.19	3.19	3.48
	discouraging		3.88 3.66	3.09 <b>3.09</b>	3.19 <b>3.23</b>	3.19 <b>3.24</b>	3.48 <b>3.46</b>
	discouraging People trust each other in this organization	4.13					
	discouraging         People trust each other in this organization <b>Overall</b> Employees are encourage to experiment with new methods and try out creative idea         Employees returning from the training programs are given opportunities to try out what they have learnt	4.13 4.11	3.66	3.09	3.23	3.24	3.46
Autonomy	discouraging         People trust each other in this organization         Overall         Employees are encourage to experiment with new methods and try out creative idea         Employees returning from the training programs are	4.13 4.11 3.90	<b>3.66</b> 3.41	<b>3.09</b> 3.09	<b>3.23</b> 3.50	<b>3.24</b> 2.90	<b>3.46</b> 3.38
Autonomy	discouraging         People trust each other in this organization         Overall         Employees are encourage to experiment with new methods and try out creative idea         Employees returning from the training programs are given opportunities to try out what they have learnt         Employees are encouraged to take initiative and do things on their own without having to wait for	4.13 4.11 3.90 4.11	<b>3.66</b> 3.41 3.06	<b>3.09</b> 3.09 3.45	<b>3.23</b> 3.50 3.36	<b>3.24</b> 2.90 2.71	<b>3.46</b> 3.38 3.40
Autonomy	discouraging         People trust each other in this organization         Overall         Employees are encourage to experiment with new methods and try out creative idea         Employees returning from the training programs are given opportunities to try out what they have learnt         Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors         Delegation of authority to encourage juniors to develop handling higher responsibilities is quite	4.13 4.11 3.90 4.11 4.10	3.66           3.41           3.06           3.41	3.09 3.09 3.45 3.38	3.23 3.50 3.36 3.85	3.24 2.90 2.71 3.19	3.46           3.38           3.40           3.62

## Annex 5. OCTAPAC Culture item analysis and results for Private HEIs

	OCTAPAC Culture mean val	ue for Pr	ivate HEIs				
No.	ITEM	AUC	ALUC	НАТС	StMUC	UU	Item Mean
	The top management of this organization makes efforts to identify and utilized the potential of the employees	3.97	3.53	3.41	3.23	3.29	3.50
Proactivity	Employees are encouraged to experiment with new methods and try out creative idea	4.17	3.53	3.47	3.44	3.00	3.56
	Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors	4.10	3.71	3.41	3.46	3.19	3.59
	Overall	4.07	3.58	3.42	3.37	3.16	3.55
	When behavior feedback is given to employees they take it seriously and use it for development	4.07	3.59	3.47	3.73	3.27	3.64
	When employees are sponsored for training, they take it seriously and try to learn from the programs they attend	3.90	3.29	3.31	3.88	3.05	3.52
Authenticity	Employees returning from training programmes are given opportunities to try out what they have learnt	3.93	3.35	3.63	3.65	3.41	3.63
	Employees are sponsored for training programmes on the basis of genuine training needs	3.79	3.06	4.13	3.46	3.27	3.62
	Overall	3.92	3.32	3.63	3.68	3.25	3.60
	People in this organization are helpful to each other	4.20	4.12	3.88	3.81	3.62	3.93
Collaboration	Team spirit is of high order in the organization	4.07	4.00	3.59	3.62	3.52	3.75
	The organization $\Box$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.87	4.00	3.63	3.50	3.29	3.65
	Overall	4.04	4.03	3.69	3.63	3.47	3.77
	Overall OCTAPAC Culture	4.05	3.64	3.39	3.41	3.24	3.55

Cronbach's Alpha= 0.935

No.	OCTAPAC Culture mean value for Public HE ITEM	Adama STU	ECSU	Gondar U	Item Mean
	Employees in this organization are very informed and do not hesitate to discuss their personal problem with their supervisors	2.56	3.59	2.70	2.95
<b>Openness</b> (Cronbach's Alpha= 0.898)	People in this organization do not have any fixed mental impressions about each other	2.56	3.66	2.63	2.95
L	Employees are not afraid to express of discuss their feelings with their superiors	2.89	3.52	2.73	3.05
	Employees are not afraid to express of discuss their feelings with their subordinates	2.85	3.86	2.93	3.22
	Overall	2.71	3.65	2.75	3.04
Confrontation	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officer or colleagues	2.42	3.38	2.83	2.89
	Employees are not afraid to express of discuss their feelings with their superiors	2.65	3.74	3.07	3.16
	Employees are not afraid to express of discuss their feelings with their subordinates	2.96	3.93	3.00	3.30
	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back	2.33	3.31	2.57	2.74
	Overall	2.57	3.54	2.86	3.00
	People lacking competence in doing their jobs are helped to acquire competency rather than being left unattended	2.37	3.55	2.77	2.91
Trust	When any employee makes a mistake his supervision treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging	2.67	3.59	2.83	3.03
	People trust each other in this organization	2.26	3.79	2.37	2.81
	Overall	2.43	3.64	2.65	2.92
	Employees are encourage to experiment with new methods and try out creative idea	2.67	3.93	2.90	3.15
	Employees returning from the training programs are given opportunities to try out what they have learnt	2.78	3.57	2.87	3.07
Autonomy	Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors	2.81	3.48	2.97	3.09
	Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in organization	2.93	3.62	2.67	3.07
	When seniors delegate authority to juniors, the juniors use it as an opportunity for development	2.67	3.81	2.77	3.07
	Overall	2.77	3.66	2.83	3.09

## Annex 6. OCTAPAC Culture item analysis and results for Public HEIs

		Adama		Condor	Item
No.	ITEM	Adama STU	ECSU	Gondar U	Mean
	The top management of this organization makes efforts to identify and utilized the potential of the employees	2.52	3.66	2.77	2.9
Proactivity	Employees are encouraged to experiment with new methods and try out creative idea	2.81	3.66	2.90	3.1
	Employees are encouraged to take initiative and do things on their own without having to wait for instruction from supervisors	2.48	3.97	2.69	3.06
	Overall	2.60	3.75	2.80	3.06
	When behavior feedback is given to employees they take it seriously and use it for development	3.32	3.72	3.33	3.4
	When employees are sponsored for training, they take it seriously and try to learn from the programs they attend	2.75	3.38	2.90	3.0
Authenticity	Employees returning from training programmes are given opportunities to try out what they have learnt	2.89	4.03	2.57	3.1
	Employees are sponsored for training programmes on the basis of genuine training needs	2.79	3.69	2.83	3.1
	Overall	2.94	3.71	2.91	3.18
	People in this organization are helpful to each other	2.81	4.34	2.90	3.36
	Team spirit is of high order in the organization	2.41	4.21	2.87	3.17
Collaboration	The organization $\Box$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	2.81	4.11	3.23	3.38
	Overall	2.67	4.21	3.00	3.3
	Overall OCTAPAC Culture	2.69	3.74	2.83	3.0

**Cronbach's Alpha= 0.969** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

### Annex 7: HRD Mechanisms, MIDROC TG

Item	Addis Home Depo	KOSPI	Modern Buldg.	Wanza	Item Mean
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	3.21	3.38	3.74	3.17	3.35
Senior guide their juniors and prepare them for future responsibilities/roles they are likely to take up	3.32	3.52	3.92	3.43	3.53
The top management of this organization makes efforts to identify and utilized the potential of the employees	3.16	3.41	4.00	3.29	3.44
Promotion decision are based on the suitability of the promote rather than on favoritism	3.21	3.17	3.96	3.34	3.40
There are mechanisms in this organization to reward any good work done or any contribution made by employees	3.16	3.28	3.87	3.17	3.34
When an employee dose good work his supervising officer take special care to appreciate it	3.16	3.38	4.04	3.34	3.46
Performance appraisal reports in our organization are based on objective assessment and adequate information and not on favoritism	3.52	3.50	3.71	3.80	3.64
Weakness of employees are communicated to them in a non- threatening way	2.92	3.21	4.21	3.46	3.43
When employees are sponsored for training they take it seriously and try to learn from the programs they attend	3.39	3.48	4.08	3.03	3.46
Employees returning from the training programs are given opportunities to try out what they have learnt	3.00	3.14	4.00	2.88	3.20
Employees are sponsored for training programs on the basis of genuine training needs	3.00	3.48	4.00	2.91	3.31
Career opportunities are pointed out to juniors by senior officers in the organization	3.00	3.32	3.83	3.20	3.32
The organization $\Box$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	3.00	3.39	4.08	3.49	3.49
This organization ensures employee welfare to such an extent that the employees can save a lot of their mental energy for work purposes	3.17	3.64	3.83	3.29	3.47
Job-rotation in this organization facilities employee development	3.48	3.04	3.83	3.06	3.31
Overall	3.19	3.35	3.93	3.26	3.41

**Cronbach's Alpha= 0.957** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

### Annex 8: HRD Mechanisms, Private HEIs

Item	Admas UC	Alkan UC	HATC	St. Marry's	Unity U	Item Mean
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	3.81	3.47	3.19	3.50	3.33	3.46
Senior guide their juniors and prepare them for future responsibilities/roles they are likely to take up	4.18	3.47	3.39	3.33	3.67	3.62
The top management of this organization makes efforts to identify and utilized the potential of the employees	3.96	3.24	3.45	3.33	3.38	3.50
Promotion decision are based on the suitability of the promote rather than on favoritism	4.19	3.69	3.55	3.52	3.05	3.62
There are mechanisms in this organization to reward any good work done or any contribution made by employees	4.14	3.76	2.77	3.00	3.05	3.32
When an employee dose good work his supervising officer take special care to appreciate it	4.29	3.82	3.10	3.22	3.10	3.50
Performance appraisal reports in our organization are based on objective assessment and adequate information and not on favoritism	4.29	4.00	3.42	3.31	3.90	3.75
Weakness of employees are communicated to them in a non- threatening way	4.00	3.82	3.16	3.50	3.35	3.55
When employees are sponsored for training they take it seriously and try to learn from the programs they attend	4.07	3.75	4.06	3.52	3.65	3.84
Employees returning from the training programs are given opportunities to try out what they have learnt	4.11	3.60	3.61	3.36	3.00	3.58
Employees are sponsored for training programs on the basis of genuine training needs	4.18	3.31	3.94	3.40	3.11	3.66
Career opportunities are pointed out to juniors by senior officers in the organization	4.14	3.50	3.42	3.33	3.26	3.56
The organization $\Box$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	4.29	3.63	3.71	3.50	3.40	3.74
This organization ensures employee welfare to such an extent that the employees can save a lot of their mental energy for work purposes	4.36	3.56	3.19	3.00	3.50	3.52
Job-rotation in this organization facilities employee development	4.29	3.31	3.10	2.87	2.70	3.30
Average	4.1518	3.5927	3.4043	3.3148	3.3365	3.5700

**Cronbach's Alpha= 0.946** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

### Annex 9: HRD Mechanisms, Public HEIs

Item	Adama STU	E Civil Service University	Gondar U	Item Mean
People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	2.69	3.54	2.73	2.96
Senior guide their juniors and prepare them for future responsibilities/roles they are likely to take up	2.62	3.52	2.73	2.95
The top management of this organization makes efforts to identify and utilized the potential of the employees	2.93	3.62	2.83	3.11
Promotion decision are based on the suitability of the promote rather than on favoritism	2.63	3.56	3.14	3.10
There are mechanisms in this organization to reward any good work done or any contribution made by employees	2.63	3.41	2.87	2.96
When an employee dose good work his supervising officer take special care to appreciate it	2.56	3.46	3.03	3.02
Performance appraisal reports in our organization are based on objective assessment and adequate information and not on favoritism	2.65	3.77	3.00	3.14
Weakness of employees are communicated to them in a non-threatening way	2.37	3.56	2.83	2.92
When employees are sponsored for training they take it seriously and try to learn from the programs they attend	2.77	4.14	3.45	3.47
Employees returning from the training programs are given opportunities to try out what they have learnt	2.69	3.72	2.93	3.10
Employees are sponsored for training programs on the basis of genuine training needs	2.65	3.81	2.97	3.14
Career opportunities are pointed out to juniors by senior officers in the organization	2.50	3.43	2.86	2.94
The organization $\Box$ s future plans are made known to the managerial staff to help them develop their juniors and prepare them for future	2.96	3.96	3.23	3.37
This organization ensures employee welfare to such an extent that the employees can save a lot of their mental energy for work purposes	2.50	3.50	2.67	2.89
Job-rotation in this organization facilities employee development	2.62	3.77	2.79	3.01
Average	2.6436	3.6318	2.9332	3.0713

**Cronbach's Alpha= 0.967** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Annex 10: Ite	em-Wise Job	Satisfaction I	<b>Results</b> for	MIDROC TG
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Item	Addis Home Depo	KOSPI	Modern Buldg.	Wanza	Item Mean
My job provides adequate opportunities to do different things from time to time.	3.15	3.72	4.09	3.89	3.71
My job provides adequate opportunities to be "somebody" in the community.	3.38	3.78	3.82	3.80	3.70
My supervisor is quite competent in making decisions.	3.19	3.91	3.83	3.69	3.65
My Job provides for stable employment in suitable ways.	3.31	3.81	4.00	3.86	3.74
My job provides adequate opportunities to do something that makes use of my abilities.	3.23	3.81	4.22	3.86	3.78
My job provides fair Pay	2.81	3.19	3.57	3.54	3.28
My job provides adequate opportunities for advancement on this job.	2.92	3.65	3.83	3.57	3.49
I'm happy with the working conditions.	3.23	3.84	3.87	3.54	3.62
I'm happy with the way my co-workers get along with each other.	3.50	3.88	4.09	3.54	3.75
My Job provides me a feeling of accomplishment	3.46	3.71	4.09	3.74	3.75
I'm happy with the General management of the company.	3.48	3.72	4.05	3.29	3.63
I'm happy with my past advancements' in this organization.	3.33	3.75	3.96	3.60	3.66
There are adequate opportunities for future growth (in efficiency)	3.08	3.66	4.13	3.60	3.62
Social conditions are appropriate for the job within the organization	3.12	3.84	3.87	3.46	3.57
My work is suitably recognized in the organization.	3.00	3.75	4.04	4.00	3.70
I'm happy with the kind and amount of responsibilities assigned tome.	3.42	3.63	3.91	3.97	3.73
I'm happy with the Company's policies	3.31	3.75	4.27	4.14	3.87
I'm happy with my work as a whole.	3.54	3.91	4.00	3.63	3.77
I'm happy with my company/organization as a whole.	3.38	3.97	4.00	3.71	3.77
Average	3.2604	3.7507	3.9812	3.7089	3.67

**Cronbach's Alpha= 0.955** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Item	Admas UC	Alkan UC	HATC	St. Marry's	Unity U	Item Mean
My job provides adequate opportunities to do different things from time to time.	4.34	3.76	3.94	3.12	3.95	3.82
My job provides adequate opportunities to be "somebody" in the community.	4.34	3.82	4.06	3.40	3.77	3.88
My supervisor is quite competent in making decisions.	4.41	3.94	3.60	3.48	3.73	3.83
My Job provides for stable employment in suitable ways.	4.59	3.94	3.77	3.13	3.86	3.86
My job provides adequate opportunities to do something that makes use of my abilities.	4.45	4.12	4.06	3.28	3.50	3.88
My job provides fair Pay	4.14	3.59	3.71	2.43	3.41	3.46
My job provides adequate opportunities for advancement on this job.	4.28	3.76	3.61	3.00	3.55	3.64
I'm happy with the working conditions.	4.38	3.76	3.68	3.64	3.77	3.85
I'm happy with the way my co-workers get along with each other.	4.21	3.94	3.90	3.96	3.95	3.99
My Job provides me a feeling of accomplishment	4.41	4.06	4.16	3.52	4.00	4.03
I'm happy with the General management of the company.	4.21	3.81	3.48	3.42	3.68	3.72
I'm happy with my past advancements' in this organization.	4.31	3.94	3.81	3.56	3.67	3.86
There are adequate opportunities for future growth (in efficiency)	4.31	3.88	3.58	3.25	3.73	3.75
Social conditions are appropriate for the job within the organization	4.38	3.71	3.71	3.52	3.73	3.81
My work is suitably recognized in the organization.	4.34	3.88	3.77	3.21	3.64	3.77
I'm happy with the kind and amount of responsibilities assigned tome.	4.46	3.88	4.10	3.50	3.86	3.96
I'm happy with the Company's policies	4.48	4.06	3.71	3.70	3.95	3.98
I'm happy with my work as a whole.	4.45	4.29	4.13	3.72	4.23	4.16
I'm happy with my company/organization as a whole.	4.45	4.12	4.00	3.56	4.23	4.07
Average	4.37	3.91	3.83	3.37	3.81	3.86

## Annex 12: Item-Wise Job Satisfaction Results, Private HEIs

# Cronbach's Alpha= 0.964

Item	Adama STU	ECSU	Gondar U	Item Mean
My job provides adequate opportunities to do different things from time to time.	3.19	4.04	3.55	3.59
My job provides adequate opportunities to be "somebody" in the community.	3.30	4.12	3.68	3.69
My supervisor is quite competent in making decisions.	3.48	4.04	3.23	3.58
My Job provides for stable employment in suitable ways.	2.96	3.81	3.23	3.34
My job provides adequate opportunities to do something that makesuse of my abilities.	3.22	4.11	3.57	3.63
My job provides fair Pay	2.26	3.00	2.39	2.55
My job provides adequate opportunities for advancement on this job.	3.00	4.19	3.29	3.49
I'm happy with the working conditions.	2.74	3.81	3.11	3.22
I'm happy with the way my co-workers get along with each other.	2.78	4.44	2.93	3.38
My Job provides me a feeling of accomplishment	3.00	4.26	3.30	3.52
I'm happy with the General management of the company.	2.59	3.85	2.75	3.06
I'm happy with my past advancements' in this organization.	2.85	4.08	3.22	3.38
There are adequate opportunities for future growth (in efficiency)	3.00	4.04	3.44	3.49
Social conditions are appropriate for the job within the organization	3.04	4.33	3.21	3.52
My work is suitably recognized in the organization.	3.11	4.00	3.11	3.40
I'm happy with the kind and amount of responsibilities assigned tome.	3.04	4.41	3.54	3.67
I'm happy with the Company's policies	2.81	4.19	3.54	3.52
I'm happy with my work as a whole.	3.00	4.22	3.46	3.57
I'm happy with my company/organization as a whole.	2.77	3.93	3.22	3.31
Overall Job satisfaction	2.9583	4.0419	3.2434	3.4104

## Annex 13: Item-Wise Job Satisfaction Results, Public HEIs

# Cronbach's Alpha= 0.968

Items	Addis Home Depo	KOSPI	Modern Buldg.	Wanza	Item Mean
26. I would be very happy to spend the rest of my career with this organization.	3.15	3.50	3.29	3.49	3.38
29. I really feel as if this department's problems are my own.	2.84	3.84	3.58	3.97	3.61
31. I do not feel a strong sense of "belonging" to my department (R).	3.38	3.73	2.92	2.97	3.25
34. I would feel guilty if I left my organization now.	2.62	3.06	3.04	3.09	2.97
35. I do not feel like "part of the family" at my department (R).	3.20	3.47	3.13	2.60	3.08
39. This department has a great deal of personal meaning for me.	3.15	3.56	3.67	3.86	3.58
Affective	3.0737	3.5240	3.2736	3.3286	3.3141
25. I do not feel any obligation to remain with my current employer (R).	3.57	2.87	2.87	2.71	2.71
28. Even if it were to my advantage, I do not feel it would be right to leave my organization now.	2.92	3.41	3.29	3.20	3.20
34. I would feel guilty if I left my organization now.	2.62	3.06	3.04	3.09	3.09
36. This organization deserves my loyalty.	3.67	3.75	3.57	4.11	4.11
38. I would not leave my organization right now because I have a sense of obligation to the people in it.	2.85	3.47	3.29	3.80	3.80
41. I owe a great deal to my organization.	3.40	3.81	3.77	4.11	4.11
Normative	3.1513	3.4125	3.3000	3.5048	3.5048
24. It would be very hard for me to leave my organization right now, even if I wanted to.	2.52	3.06	3.04	2.89	2.89
27. One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.	3.28	3.06	3.33	3.00	3.15
30. Right now, staying with my department is a matter of necessity as much as desire.	3.17	3.61	3.63	3.71	3.55
32. I feel that I have too few options to consider leaving this department.	2.61	2.78	3.09	3.57	3.05
37. If I had not already put so much of myself into this department, I might consider working elsewhere (R).	2.96	2.67	2.61	2.29	2.60
40. Too much of my life would be disrupted if I decided I wanted to leave my department.	2.23	2.78	3.35	2.86	2.79
Continuance	2.8167	2.9849	3.1687	3.0619	3.0083
<b>Overall Organizational Commitment</b>	3.0139	3.3071	3.2475	3.2984	3.2271

### Annex 14: Organizational Commitment for MIDROC TG

**Cronbach's Alpha= 0.651** 5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

Items	Adma s UC	Alkan UC	HAT C	St. Marry' s	Unity U	Item Mean
26. I would be very happy to spend the rest of my career with this organization.	3.83	3.59	3.81	2.96	3.67	3.60
29. I really feel as if this department's problems are my own.	4.28	3.47	4.09	3.88	3.86	3.97
31. I do not feel a strong sense of "belonging" to my department (R).	4.10	4.06	4.13	3.71	3.57	3.93
34. I would feel guilty if I left my organization now.	4.07	2.71	2.94	3.04	3.35	3.26
35. I do not feel like "part of the family" at my department (R).	2.80	4.12	4.29	4.00	3.62	3.73
39. This department has a great deal of personal meaning for me.	4.27	3.94	4.06	3.88	4.00	4.05
Affective	3.896 7	3.647 1	3.882 3	3.5800	3.679 4	3.7592
25. I do not feel any obligation to remain with my current employer (R).	4.00	2.76	2.81	3.30	3.19	3.25
28. Even if it were to my advantage, I do not feel it would be right to leave my organization now.	4.07	3.35	3.41	3.21	3.52	3.54
34. I would feel guilty if I left my organization now.	4.07	2.71	2.94	3.04	3.35	3.26
36. This organization deserves my loyalty.	4.17	3.94	4.16	3.68	4.05	4.02
38. I would not leave my organization right now because I have a sense of obligation to the people in it.	4.30	3.29	4.03	3.95	3.95	3.97
41. I owe a great deal to my organization.	4.20	3.76	4.13	3.79	4.20	4.04
Normative	4.138 9	3.303 9	3.578 1	3.5053	3.693 7	3.6803
24. It would be very hard for me to leave my organization right now, even if I wanted to.	4.07	2.41	3.22	2.43	3.05	3.14
27. One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.	3.93	2.47	3.00	2.22	2.86	2.98
30. Right now, staying with my department is a matter of necessity as much as desire.	3.93	3.35	4.03	3.48	4.10	3.82
32. I feel that I have too few options to consider leaving this department.	4.11	2.35	2.91	2.35	2.50	2.93
37. If I had not already put so much of myself into this department, I might consider working elsewhere (R).	1.90	2.31	2.63	2.73	2.25	2.36
40. Too much of my life would be disrupted if I decided I wanted to leave my department.	3.77	2.35	2.75	2.17	2.35	2.77
Continuance	3.596 7	2.551 0	3.088 5	2.5840	2.860 3	3.0015
<b>Overall Organizational Commitment</b>	3.877 4	3.167 3	3.516 3	3.2420	3.411 1	3.4830

### Annex 15: Organizational Commitment for Private HEIs

## Cronbach's Alpha= 0.781

Annex 16: Organizational Commitment for Public HEIs	5
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Items	Adama STU	ECSU	Gondar U	Item Mean
26. I would be very happy to spend the rest of my career with this organization.	2.61	3.46	2.89	2.99
29. I really feel as if this department's problems are my own.	2.93	4.33	3.67	3.63
31. I do not feel a strong sense of "belonging" to my department (R).	3.57	4.37	4.21	4.05
34. I would feel guilty if I left my organization now.	2.50	3.44	2.79	2.90
35. I do not feel like "part of the family" at my department (R).	3.21	4.56	3.85	3.87
39. This department has a great deal of personal meaning for me.	3.37	4.22	3.71	3.77
Affective	3.0286	4.0750	3.5208	3.5415
25. I do not feel any obligation to remain with my current employer (R).	3.04	3.38	3.43	3.28
28. Even if it were to my advantage, I do not feel it would be right to leave my organization now.	3.32	3.93	3.39	3.54
34. I would feel guilty if I left my organization now.	2.50	3.44	2.79	2.90
36. This organization deserves my loyalty.	3.32	4.18	3.36	3.62
38. I would not leave my organization right now because I have a sense of obligation to the people in it.	3.07	4.08	3.07	3.39
41. I owe a great deal to my organization.	3.50	4.19	3.54	3.73
Normative	3.1333	3.8845	3.2619	3.4266
24. It would be very hard for me to leave my organization right now, even if I wanted to.	3.04	3.42	2.71	3.05
27. One of the few negative consequences of leaving this organization would be the scarcity of available alternatives.	3.07	2.24	2.89	2.75
30. Right now, staying with my department is a matter of necessity as much as desire.	3.11	4.19	3.32	3.53
32. I feel that I have too few options to consider leaving this department.	2.46	2.46	2.41	2.44
37. If I had not already put so much of myself into this department, I might consider working elsewhere (R).	2.63	2.58	2.78	2.67
40. Too much of my life would be disrupted if I decided I wanted to leave my department.	2.50	2.52	2.43	2.48
Continuance	2.8155	2.9810	2.7619	2.8528
<b>Overall Organizational Commitment</b>	2.9925	3.6468	3.1815	3.2736

Cronbach's Alpha= 0.761

5 = Almost always true; 4 = Mostly true; 3 = Sometimes true; 2 = Rarely true; 1 = Not at all true

# **CANDIDATE DECLARATION FORM**

I, Tesfaye Teshome Fentabile, Registration No\_\_\_\_\_\_, discipline Human Resource Development and candidate of Master of Business Administration at the St. Mary's University College, do hereby declare that the dissertation *Human Resource Development Climate in Ethiopia: Empirical analysis on selected private and public organizations* submitted by me in partial fulfillment of the requirement for MBA is my original work, and has not been submitted or published earlier.

I also somberly declare that it shall not, in future, be submitted by me for obtaining any other degree from this or any other university or institution.

I also understand that if evidence of plagiarism is found in my dissertation at any stage, even after the award of a degree, the work may be cancelled and the degree revoked.

Date

Signature