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**ST. MARY'S UNIVERSITY COLLEGE**  
**SCHOOL OF GRADUATE STUDIES**

**HUMAN RESOURCE TRAINING PRACTICES AT THE BANK OF ABYSSINIA :  
WITH EMPHASIS TO ADDIS ABABA AREA OFFICES**

**BY**  
**TEWABE BOGALE**

**FEBRUARY, 2013**  
**ADDIS ABABA, ETHIOPIA**

**HUMAN RESOURCE TRAINING PRACTICES AT THE BANK OF ABYSSINIA :  
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**BY**

**TEWABE BOGALE**

**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY COLLEGE,  
SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS  
ADMINISTRATION (HRM CONCENTRATION)**

**FEBRUARY, 2013**

**ADDIS ABABA, ETHIOPIA**

## **ENDORSEMENT**

This thesis has been submitted to St. Mary's University College, School of Graduate studies for examination with my approval as a university advisor.

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Advisor

**St. Mary's University College, Addis Ababa**

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Signature

**February,2013**

## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of **Asst. Professor Goitom Abraham**. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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**Name**

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**Signature**

**February,2013**

**ST. MARY'S UNIVERSITY COLLEGE**  
**SCHOOL OF GRADUATE STUDIES**  
**FACULTY OF BUSINESS**

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**APPROVED BY BOARD OF EXAMINERS**

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# Table of Contents

# Pages

Acknowledgments.....	I
Table of contents.....	II
List of tables.....	V
Acronyms.....	VII
Abstract.....	VIII

## CHAPTER ONE

### INTRODUCTION

1.1 Background of the Study.....	1
1.2 Statement of the Problem .....	5
1.3 Basic Research Question .....	6
1.4 Objectives of the Study.....	7
1.5 Significance of the Study.....	7
1.6 Research Design and Methodology.....	8
1.6.1 Research Design.....	8
1.6.2 Population and Sampling Technique.....	8
1.6.3 Source of Data Collection.....	11
1.6.4 Procedures of Data Collection.....	11
1.6.5 Data Analysis Methods.....	12
1.7 Delimitation/Scope of the Study.....	12
1.8 Limitations of the Study.....	13
1.9 Organization of the Report.....	13



## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

2.1 Definition of training .....	14
2.2 Overview of Training .....	15
2.3 The Training Methods.....	15
2.4 Training and employee Performance.....	27

## **CHAPTER THREE**

### **DATA ANALYSIS AND INTERPRETATION**

3.1 Characteristics of the Respondents.....	29
3.2 Analysis of the Findings of the Study.....	33
3.3 Documentary Review.....	55

## CHAPTER FOUR

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

4.1 Summary of findings.....	57
4.2 Conclusions .....	59
4.3 Recommendations.....	60

### REFERENCES

### APPENDICES

**Appendix I:** Questionnaire prepared for Management staff of BoA.

**Appendix II:** Questionnaire Prepared for Non-management staff of BoA.

**Appendix III:** Interview questions.

**Appendix IV:** Organization structure of Bank of Abyssinia.

**Appendix V:** List of branches.

**Appendix VI:** Vision, Mission and Values of BoA.

**Appendix VII:** List of trainings conducted and number of participants during 2011.

**Appendix VIII:** List of trainings conducted and number of participants during 2012.

## LIST OF TABLES

**Table 1:** Sample size determination model.

**Table 2:** Sample size determination for the study.

**Table 3:** Total number of questionnaires distributed, collected and uncollected to the sample population.

**Table 4:** Respondents by gender, age and educational status.

**Table 5:** Respondents by place of assignment and length of service.

**Table 6:** Management staff opinion on the existence of training policy/procedure.

**Table 7:** Respondents view about the trainers proficiency and skills.

**Table 8:** Arrangement of training program based on training needs assessment.

**Table 9:** Department/Branch office participation in designing and implementation of training program.

**Table 10:** The practice of consistently collecting feedback.

**Table 11:** Response of management staff about the importance of feedback.

**Table 12:** Perception of management staff on the alignment of training and development program with the strategic plan.

**Table 13:** Relevance of training and development program to improve job performance according to management staff.

**Table 14:** The purpose of training and development program as asserted by management staff.

**Table 15:** The purpose of training and development program as revealed by non-management staff.

**Table 16:** Opinions of management staff respondents on training program mostly organized by the bank.

**Table 17:** Opinions of non-management staff respondents on training program mostly organized by the bank.

**Table 18:** On-the-job and Off-the-job training techniques used according to management staff respondents.

**Table 19:** Response regarding trainees' selection process as revealed by non-management staff respondents.

**Table 20:** Response whether there exists equal opportunity to participate in the training program.

**Table 21:** Response about instructional methods and media as asserted by non-management staff respondents.

**Table 22:** Preferences of non-management staff respondents regarding training programs.

**Table 23:** Response about the level of satisfaction by non-management staff respondents on the training program.

**Table 24:** Response of non-management staff respondents about the impact of training on performance of employees.

## **ACRONYMS**

HRM	Human Resource Management
HRD	Human Resource Development.
BoA	Bank of Abyssinia.

## **ABSTRACT**

The central element in an organization and for a country is its human resource (HR) or human capital. Since the human resource is viewed as the driving force for the success of the organization, it has become important to contain and provide them with sufficiently educated and skilled employees. To this effect, training becomes a vital instrument any organization has to put in place.

Taking this into consideration, this study is conducted to assess the training practices of the Bank of Abyssinia. The main objectives of the study is to assess the training practices of the bank and see its impact on organizational performance.

The research is designed as a case study in the form of cross sectional type in which data is collected across populations through simple random sampling. Both primary and secondary data is used in the research and the survey population is selected from 33 branches and 11 departments found in Addis Ababa. The data gathered in this form is analyzed using descriptive statistics.

The findings of the study indicated that the respondents perceived that departments/branches are not given a fair share in the design and implementation of the training program and a pre-determined needs assessment is not conducted.

Thus, the bank has to assess its training practices in light of the opinions obtained from the survey and should keep-up its strength and make adjustments to the weaknesses by applying a proper training mechanisms.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

The world of work and organization has become increasingly demanding and turbulent. The major challenges currently facing organizations include, globalization, responsiveness to customers, building organizational capacity, attracting and developing human capital and ensuring fundamental and long-lasting change. The level of competition among organizations has increased. To be successful in the future, organizations will have to build organizational capacity and build their human resource capital. So in order to win the stiff competition and the ever changing environment, an organization must put in place a proper HRD program. The HRD programs are especially important in industries with rapidly changing technologies such as the banking sector (Ronald J. Burke and Cary H. Cooper, 2006).

Human resource development is an evolving and dynamic field of study that is usually associated with the overall discipline of human resource management. Since the adoption in the early 1980's of the term HRD, it has evolved from being considered as the training function then as the training and development function and finally to the training, development and education function. Even the person who claims to originate the term HRD, Leonard Nadler, regards HRD as an overarching concept that embraces all three activities of training, development and education. However, the more recent attribution has been to consider HRD as being the process of developing the capacities of the workforce to adapt to changes (Ces Pedersen, 2000).

In a general context, it is considered that the wide range of development gap between the developing and developed countries of the world is clearly seen from the irregularities in the range and level of knowledge and skills in use.

Research literatures assert that the central factor in HRD is the human resource or human capital not only in an organization but also for a country. The human resource is viewed as the driving force for the success of the organization because of their skills, competencies, knowledge and experiences. Moreover, it has been suggested that for organizations to compete successfully in a global economy, it is important to contain and provide them with sufficiently educated and skilled employees and provide them with lifelong training. Hence, the need for training and development becomes evident and organizations have to conduct it effectively and efficiently (Haslinda Abdulah, 2009).

Training is a learning process whereby people acquire the necessary skills and knowledge to aid in the achievement of goals. Because learning process is tied to a variety of organizational purposes, training provides employees with specific, identifiable knowledge and skills for use on their present job whereas development can be thought as bringing about capacities that go beyond those required by the current job. It represents efforts to improve managers' ability to handle different assignments. It is no longer a question of whether we want to develop our human resource or whether we should want to develop our human resource, it is a matter of survival. Skills and knowledge can easily become obsolete in a way as machines or technology. So if an organization is to survive these must be constantly kept up to date (George Green, 2002).

Emphasis on human resource development results in several positive individual and organizational outcomes such as, high performance, high quality individual and organizational problem solving, enhancing career plans and employability, sustainable competitive advantage, higher organizational commitment and enhancing organizational retention (Ronald J. Burke and Cary H.Cooper, 2006).

Despite the above facts, the emphasis given to the implementation of HRD process in Ethiopia in general and in the target company in particular, seem to be not that significant.



For instance, a study on human resource development practice of Ethiopian Electric Corporation conducted by Dessalgen (2010), indicate that less concern is given for employee development and this created dissatisfaction among employees.

The findings of the study made by Dessalegn (2010) ,also indicated the following:

- A number of respondents feel that their organization gives less concern for employee development creating dissatisfaction
- Though training center and facilities are available, training provisions are far below the standards
- Fair treatment of all units and employees is not practiced.

Moreover, the study revealed that though a training center with all the required facilities was available, the training programs provided were far below standard. The findings of the study also show that all units and employees were not fairly treated and given equal opportunity to attend training programs organized.

Another research on the impact of training on worker performance conducted by Tazebachew (2011), also confirmed that employee training has positive impact on influencing work effectiveness, efficiency and commitment.

Coming to the case of Bank of Abyssinia, it is observed that different trainings are carried out in-house and outside. The bank has its own training center and facility. But it is not uncommon to hear that the training center is not sufficiently equipped with both materials as well as qualified trainers.

Obviously, the organization needs to provide greater attention to improve the capacity of its employees at all levels in order to achieve better performance and prepare them for higher managerial positions.

This could be achieved through the implementation of well-planned and organized employee training and development programs. Observations indicate that the organization is involved in providing training and development opportunities to its employees and managers. But, these programs need to be carefully planned to fit the organization's mission and corporate strategic plan. Otherwise, they are likely to result in employee dissatisfaction and wastage of resources. To avoid such discrepancies, training and development programs need to be planned based on the result of intensive organizational and individual training needs carried out to determine existing gaps.

This study, therefore, attempts to assess the organization's training practices and tries to identify the factors that affect the training endeavors of same.

### **Historical Background of Bank of Abyssinia.**

The first bank in the Ethiopian history is traced back in the year 1906 when the Bank of Abyssinia was inaugurated by Emperor Menilik II and it was a private bank. In the year 1931, Emperor Haile Selassie introduced a reform into the banking industry and the bank became fully owned by the government and the name was also changed. On February 1996, ninety years after the establishment of the first bank, a newly private owned bank with the historic name "Bank of Abyssinia", but otherwise not connected with the older bank, became operational.

The Bank is organized under the board of Directors who is the supreme power responsible to manage its overall activities. Under the board the president and its three vice presidents run the day to day activities of the bank all responsible for different Departments (**Annex IV**).

Presently the bank has sixty four branches all over the country. It has created an employment opportunity for two thousand one hundred fifty. As there are so many private and few government banks operating in the country the challenges faced to compete is strong. Hence, in order to win the competition the bank has to train and develop its employees. To this effect the bank is doing its best in delivering a training program.

## **1.2 Statement of the problem**

It is important for employers to hire educated, skilled and knowledgeable employees to attain their objectives. Through time, however, a gap may arise between employee knowledge and skill and what the job demands. Hence training and development is one of the major ways that organizations attempt to maintain the competency level of their human resources and increase their adaptability to changing organizational demands. The effectiveness & success of HRD intervention consists of the ability of organizations to formulate plans and policies for HRD and integrate them with plans and policies in HR and also with overall business plan.

Organizations today are facing challenges on several fronts in their efforts to remain competitive. These include the need to increase productivity, the prospect of expanding into global markets, new technological developments, responses to changes in the market place, developing a skilled and flexible work and bringing about significant organizational change.

The challenges may be tackled through investing in developing people and improving the quality of their life through the adoption of human resource development strategies (Ronald J. Burke and Cary H.Cooper, 2006).

However, there are a lot of problems an organization faces in the implementation of effective HRD programs. Absence of well established training and development policy, lack of adequate budget, inadequate needs assessment, lack of close supervision and follow up are some of the major problems that most organizations in Ethiopia are facing.

According to preliminary survey conducted by the researcher, employee's opinion on HRD practices of the Bank of Abyssinia is rated as unsatisfactory. To this effect, dissatisfaction on the job assignments and recurrent turn-over are witnessed.

From observation of the activities of the bank, the researcher feels that there is focus in very limited areas in exercising HRD practices such as, inappropriate allocation of training costs, no sufficient considerations or emphasis on training and development.

Hence, the study intends to deeply investigate the HRD practices of the bank and their ultimate effects on the overall organizational as well as employee performance. Thus, the study tries to seek answers to the basic research questions indicated below.

### **1.3 Basic Research questions**

In the course of the study about the practices of HRD in the Bank of Abyssinia, the following basic research questions are thoroughly raised and answers sought for.

- How are training and development programs initiated, planned, conducted and evaluated in the organization?
- How are potential trainees selected by the organization?
- What training and development mechanisms are mostly used by the bank?
- To what extent are trainees' satisfied with the training and development programs of the organization?

#### **1.4 Objectives of the study**

The general objective of the study is to assess the training and development practices of Bank of Abyssinia and see its impact on the organizations overall performance. Specifically, the objectives are designed to:

- Assess how training and development programs are initiated, planned, conducted and evaluated in the company;
- Enquire whether a training and development policy is in place;
- Investigate whether training and development needs assessment is conducted in the organization;
- Examine the mechanism used to select employees for training and development program;
- Examine whether the training and development program is integrated with the corporate strategic plan of the company;
- Investigate to what extent employees are satisfied with the training programs organized by the bank.

#### **1.5 Significance of the study**

The significance of the study can be summarized as follows:

- i. The results of the study are expected to provide valuable input and direction to the bank in planning and executing training programs following the conventional process.
- ii. The findings of the study would also help the bank to develop a comprehensive and standardized training policy,

- iii. Provide the bank with constructive suggestions on how to overcome the problems encountered in carrying out training programs.
- iv. The study may on the other hand serve as a reference material for those who are interested to undertake further research in the area.

## **1.6 Research design and methodology**

### **1.6.1 Research Design**

The research is a case study in the form of cross sectional design in which data was collected across population through stratified random sampling.

This is because the technique will give equal chance to the employees being selected. Thirty three branches in Addis Ababa and eleven departments found in the Head Office are considered for the study. Participants who are management and non-management staff are randomly selected from each stratum and questionnaires distributed to them. Interview session intended to be administered with the manager of HR Planning and Development department is, however, not conducted as planned due to the unwillingness of the authority.

In this process, documentary review on training and development of the bank is examined to evaluate whether there exists sound training and development policies in the bank.

### **1.6.2 Population and sampling techniques**

The focus group of the study is staff working in Addis Ababa in 33 branches and 11 departments under the Head Office of Bank of Abyssinia. The target population is 814 (**Table:2**). From the source population, appropriate sample for questionnaire administration is determined using stratified random sampling technique.

Once the total sample size to be taken from each category of respondents is determined, appropriate respondents from the management and non-management staff are selected using simple random sampling technique.

As to the sample determination methods, the one which is adopted by Glenn D. Israel (1992) is utilized as presented in the table below. The following formula is used to calculate the sample size in Table 1.

$$\text{EQUATION 1} \quad n = N / (1 + N(e)^2)$$

**Table I: Sample size determination model.**

Sample size for 3%,5%,7% and 10% precision levels where confident level is 95% and p=5				
Size	Sample size (n) for precision (e) of:			
population	3%	5%	7%	10%
500	a	222	145	83
600	a	240	152	86
700	a	255	158	88
800	a	267	163	89
900	a	277	166	90
1000	a	286	169	91
2,000	714	333	185	95
3,000	814	353	191	97
4,000	870	364	194	98
5,000	909	370	196	98
<b>Determining sampling size (Glenn D.Israel,1992)</b>				

As indicated above, the population size of the model is 95. Thus, taking into account a small population size variance and the cost of taking samples and time consuming for large population size, the optimum size (considering available number of staff ) for the study is taken as 81.

The total population size of the target is two thousand one hundred fifty. Accordingly, the researcher selects sample size determination adopted by Gleen D. Israel, 1992 and considers a small population size for its study. This is selected by taking in to account the number of staff in the 33 branches (with total employees of 551) and the 11 departments (consisting 263 employees).

Hence by taking the sample size determination mechanism the sample size became eighty one as shown in the following table. Accordingly, the questionnaires prepared for both groups of respondents foud in the respective organs is distributed in the following manner. (N.B. the above formula is used to determine the sample size)

**Table 2: Sample size determination for the study.**

<b>Item</b>	<b>Number of Staff</b>	<b>Sample Considered</b>
Branches (33 in number)	551	55
Departments (11 in number)	263	26
<b>Total</b>	<b>814</b>	<b>81</b>

From the total number of questionnaires prepared 55(67.9%) are distributed for randomly selected employees working in branches and the rest 26(32.1%) were distributed to staff of different departments. The results after the distribution is shown in the table below.



**Table 3: Total numbers of questionnaires distributed, returned and unreturned to management and non-management staff of Bank of Abyssinia.**

Questionnaire	Management staff		Non-management		Total	
	No.	%	No.	%	No.	%
Total Distributed	26	100	55	100	81	100
Returned	21	81	40	73	61	75
Unreturned	5	19	15	27	20	25

The data shows that from the total questionnaires distributed to the selected employees 21(81%) of the management and 40(73%) of the non-management employees have dully filled and returned. The remaining 5(19%) and 15(27%) of the management and non-management staff respectively did not return the questionnaires. All in all, 61(75%) of the target population have given their responses while the remaining 20(25%) did not.

The overall result implies that most of the respondents willingness to share their opinions regarding the practice of human resource training and development at the bank.

### **1.6.3 Sources of data collection**

The source of data collection is primary as well as secondary. The primary source is based on data collected from the sample population size in the form of questionnaire and structured interview. Secondary source contains the organization’s training manual and policies and other related journals and books.

#### **1.6.4 Procedures of data collection**

In the course of the study, questionnaires and structured interview are used. These are distributed to the target population working under thirty three branches and eleven departments located in Addis Ababa.

The objective of this process is to collect data regarding the feeling of employees towards the practice of human resource training and development program at the bank under study.

Apart from the above procedures, secondary sources of information were collected from the company's training and development policies, magazines, other publications, web site and others like journals and books are also seen to provide supportive theoretical evidences regarding the overall training and development practice in the bank.

#### **1.6.5 Data analysis methods**

Data collected using the procedures outlined above is analyzed based on the objectives of the study. The data gathered in this form are summarized using descriptive statistics such as Tables, frequency distributions and percentages to provide a condensed picture of the survey. Then, the summarized data is analyzed vis-à-vis the theoretical framework of the study to arrive at a meaningful conclusion. Accordingly, demographic characteristics were summarized by way of frequency distribution and percentages for all the variables. Frequencies and percentages were used in analyzing data regarding the opinions of employees on human resource development practice of the organization.

#### **1.7 Delimitations/Scope of the study**

The population size of the organization is a bit large with different geographical locations throughout the country. This requires a lot of time and the bigger the population size the reliability of data is not obtained as required.

Thus, the paper is delimited to see the HRD practices of the Bank of Abyssinia by taking a sample population of employees working in Addis Ababa area branches and departments.

## **1.8 Limitation of the study**

Apart from questionnaire prepared to the sample survey a structured interview question intended to be responded by the HRM manger is not attended by the concerned authority due to a mere reason of unwillingness which has affected the required research result. Accordingly, management development practices of the bank could not be assessed. To this effect, the research paper is limited to focus only on the training practices of the bank. Other limitations of the study include the very nature of the branch areas location in different places scattered in most of the country,hence, the research is limited to concentrate on Addis Ababa area offices only.

## **1.9 Organization of the report**

This study is organized into four chapters.The first chapter deals with the problem and its approaches. The second chapter presents series of related literature. Chapter three discusses the data presentation and analysis of the study. The last chapter, i.e., chapter four treats the summary, conclusions and recommendations of the study.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2.1 Definition of Training**

Different authors have defined the term training using their own words though they have used different wordings. All definitions convey the same meaning. One such definition is illustrated as follows.

Training is a planned process to modify attitude, knowledge or skill behaviours through learning exercise to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future need of the organization (John P. Wilson, 2004). This definition illustrates the application of training to the requirements of the organization and the fact that this training tends to occur in the work place.

As asserted by Michael Armstrong (2006), training is the planned and systematic modification of behaviour through learning events, programs and instructions, which enable individuals to achieve the levels of knowledge, skill and competence to carry out their work effectively.

## **2.2. Overview of training**

The central factor in HRD is the human resources or the human capital in an organization. They are viewed as the driving force for the success of organizations because of their skills, competencies, knowledge and experiences, Moreover, it has been suggested that for organizations to compete successfully in a global and changing economy it is important to contain sufficiently educated and skilled employees (Haslinda Abdullah, 2009).

In this context, most organizations are able to select, recruit and place employees and try to compete in the industry. However, few are winning the competition due to the fact that gaps created between employee's knowledge and skills and what the job demands. Hence, employee training and development is one of the major ways that most organizations attempt to maintain the competency level of their human resource and increase their adaptability to changing circumstances (John P. Wilson, 2004).

Training and development according to Wayne F.Cascio and John Boudrau, (2011) entails the following general properties and characteristics:

1. They are learning experiences
2. They are planned by the organization
3. They occur after the individual has joined the organization

## **2.3. The training methods**

A careful use of training methods can be a very cost-effective investment in the sense of using the appropriate method for the needs of a person or group. However, many commentators have frequently mentioned that organizations often use inappropriate methods which can be costly and time wasting and bring very little improvement in the performance of the employee. (Ian Beardwell and Len Holden, 1994)

According to Gary Dessler (2005), generally training methods can be divided into two, namely, 'on-the-job' and 'off-the-job' training. There is a place for both types of training and each can be effective at meeting certain training requirements. These methods of training are briefly discussed below.

### **On-the-job training**

On-the-job training means having a person learn a job actually doing it. Every employee, from clerk to company president, gets on-the-job training when he/she joins a firm. The most familiar type of on-the-job training is the *coaching/understudy*. Here, an experienced worker or trainee's supervisor trains the employee. At lower levels, trainees may acquire skills by observing the supervisor, but this technique is widely used at top-management levels, too.

Other method in this process include: *job rotation*: moving management trainees from department to department to broaden their understanding of all parts of the business and to test their abilities and *action learning*: the trainee works directly with a senior manager or with the person he/she is to replace; the latter is responsible for the trainee's coaching. (Gary Dessler, 2005)

One advantage of on-the-job training program is that it is simple and relatively less costly. However, if it is not handled properly the costs can be high. The other benefit of the program is that it can improve a firm's customer service (John M. Ivancevich, 2004).

The advantages and disadvantages of conducting a training and development program could be summarized in the following manner:

#### **Advantages:**

- **Low cost:** does not require the development of potentially expensive training or classroom/computer instruction.
- **Task based:** since on-the-job training is performed at the work area, training tends to be focused on performing real job.

- **Well suited for small groups:** on-the-job training is often the most particular training method when you only need to train one or two employees at a time.

**Disadvantages:**

- **Inconsistent:** traditional on-the-job training relies heavily on an experienced employee to provide the instruction based on what they feel is the most important topics. What is important to one employee may not be important to another. The result is what is learned may vary greatly, depending on who is assigned as the trainer.
- **Incomplete:** Without a structured lesson guide, on-the-job trainers often forgot to cover important information. What is learned is likely to be based on what happened that day rather than on what a new employee needs to know to be safe and productive.
- **Lack of founding principles:** while the hand-on aspect of on-the-job training may appeal to the practical learner, often the underlying theories of operation are not covered in sufficient detail or accuracy. Without this foundation of knowledge, trainees often learn what to do, not why they are doing it, resulting in poor decision making when things don't go exactly right.
- **Bad habits:** the trainee observes and may adopt the trainer's habits and attitudes about all aspects of the job including safety, quality, customer service and relationship with management. Poorly selected trainers can have many unintended consequences.

## **Off-the-job training**

Off-the-job training is sometimes necessary to get people away from the work environment to a place where the frustration and bustle of work are eliminated. This enables the trainee to study theoretical information or be exposed to new and innovative ideas. The problem arises when those ideas or learning experiences do not appear to relate to the work situation (Ian Beardwell and Len Holden, 1994).

As further asserted by Gary Dessler (2005), the following are some of the commonly used off-the-job training methods:

**The case study method:** presents a trainee with a written description of an organizational problem. The person then analyzes the case, diagnoses the problem, and presents his/her findings and solutions in a discussion with other trainees.

**Role playing:** is aimed to create a realistic situation and then have the trainees assume the parts or roles of specific persons in that situation.

**Management games:** With computerized management games, trainees are divided into five or six person groups, each of which competes with the others in a simulated marketplace. Each group typically must decide, for example, (1) how much to spend on advertising, (2) how much to produce, (3) how much inventory to maintain, and (4) how many of which product to produce.

**Outside seminars:** Many companies and universities offer Web-based and traditional management development seminars and conferences in areas ranging from accounting and control to basic financial skills, information systems, project management and the like.

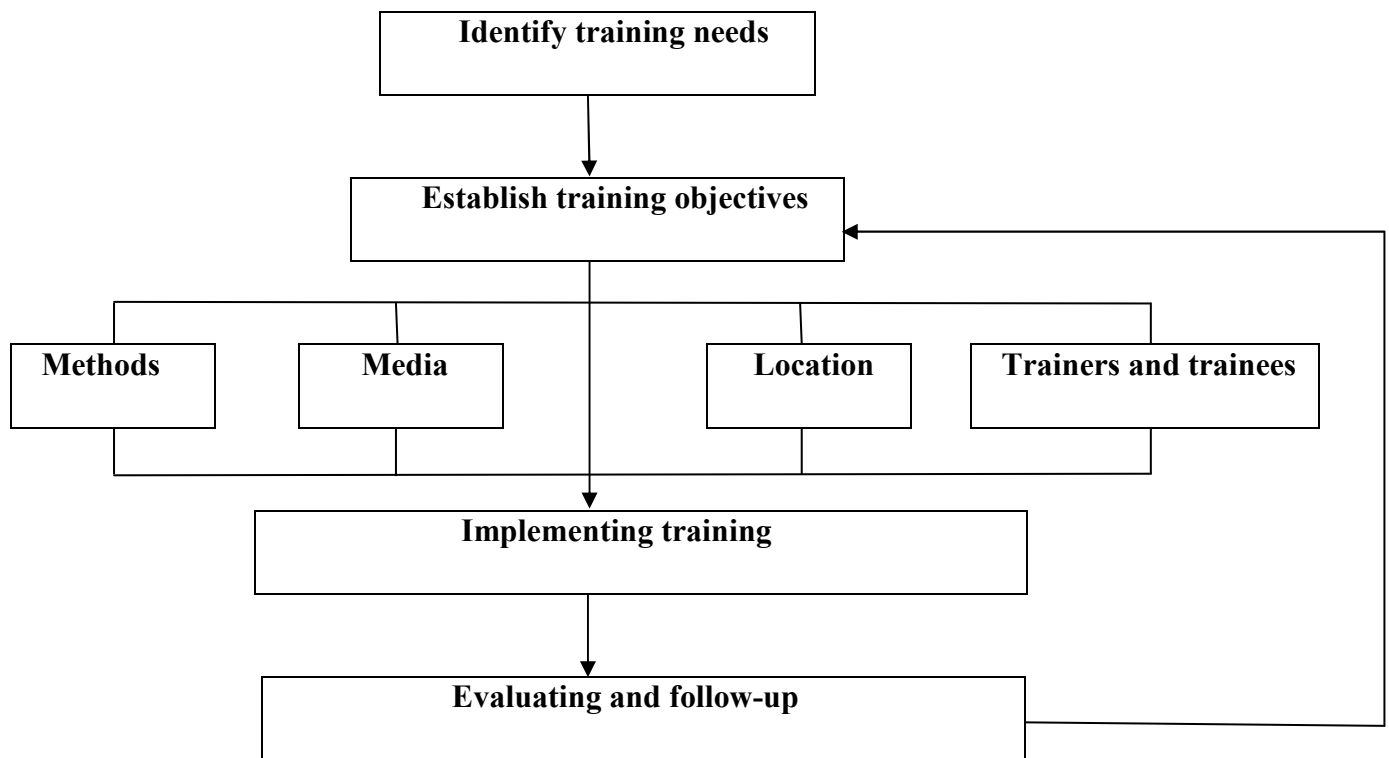


## Steps in the human resource development (HRD) process:

According to Michael Armstrong (2006), the following are the most commonly used steps of the human resource development processes;

- Step 1** Identifying training and development needs.
- Step 2** Establishing training and development objectives.
- Step 3** Selection of training and development methods and media.
- Step 4** Selection of trainers and trainees.
- Step 5** Implementing the actual training and developments program.
- Step 6** Conducting evaluation and follow-up (Michael Armstrong, 2006).

The following figure (figure 1) illustrates the process more clearly.



**Figure 1 Systematic Training Models (Michael Armstrong, 2006)**

These steps of the training process are briefly discussed below.

### **Step 1. Identifying training Needs**

A training need is a gap between actual performance and desired performance or between current activities and job requirements that can be used by training (John H. McConnell, 2003).

Training and development needs can be assessed by three major human resource areas: the organization, the job characteristics and the needs of the individual (John P. Wilson, 2004).

Training needs of the organization:

The training needs of the organization have to do with the requirements to meet the organizations' needs. According to John H. McConnel (2003), this can broadly be classified into two general categories as indicated below:

- (i) Recognized/planned training needs:** needs identified as required by all of the organizations' employees and all employees in specific job and departments. The process furnishes new employees with basic informations including the structure of the organization, its policies and procedures, and conditions of employment like benefits, general rules, etc. This is performed in the form of orientation, especially during the first few days of employment.
  
- (ii) Requested training needs:** these are needs that are not planned. They result from activities such as department performance, operating and job changes and employee and organizational morale. They are brought to the attention of the organization where they occur rather than being early identified. As pointed out by John H. McConnel, 2003), they are brought to trainings attention by such activities as:
  - Changes in jobs and /or systems.
  - Addition of new equipment.
  - Department performance review.
  - New and revised government requirements.

- Employee opinion surveys, organizational studies, department meeting and focus groups.
- Exit interviews conducted with departing employees.

Training need of individual employees:

Individual employee training needs are those not required by typical employees. Individual employee training needs have to do with training required by a specific employee to improve performance, to be eligible for other jobs or to acquire specific skills or abilities that most employees already have, (John H, McConnell, 2003).

These needs cannot be known in advance. They are initiated through activities such as the following as determined by John H. McConnell:

- (i) **Performance reviews:** Based on a comparison of employee's actual Job performance with predetermined standards or objectives, this is the most common source for identifying individual employee training need.
- (ii) **Selection process:** Candidates (both internal and external) have their qualifications compared with job requirements.
- (iii) **Testing and Assessment:** is derived from the selection process and the results can be basis for further source of identifying any training needs for the employee.
- (iv) **Career objectives:** consists of a sense of where one is going on one's work life.
- (v) **Succession plan:** internal labor supply forecast-consisting of setting a planning horizon, identifying replacement candidates for each key positions, assessing current performance and readiness for promotion.

Training needs of Job/task characteristics:

At this level, training needs are expressed as the knowledge, skills and attitudes that are needed to carry out specific duties within a job. They are normally defined through the process of job analysis. Thus, job analysis is a means by which facts relating to the job are obtained. It includes a job description and a job specification.

The analysis involves listing of all the skills and knowledge that are required to perform the whole job. Next, the level of competence for the knowledge and skills need to be defined. From here the necessary training program can be developed to train the job holder against the required standard (John P. Wilson, 2004).

### **Step 2. Training and development objectives**

After clearly defining the training and development needs the next step will be to establish the necessary objective. Objective is a specific outcome that the training & development program is intended to achieve.

Training is now an important element for organizational and individual success, and to succeed it must meet both the needs of the employee being trained and those of the organization.

The benefits to the organization of effective training and development program are higher quality staff, with greater commitment to the organization and improved customer service. The benefits to the individual, on the other hand, are increased motivation, developed abilities, talents and skills (ACCA Study Text, 2006/07).

According to John H. McConnel(2003), the ultimate mission /objective of the training function is to provide employees with the skills and knowledge required to ensure optimum performance results, develop a cache of employees qualified to meet the organizations operational needs and contribute to positive morale , employee satisfaction and development .

### **Step 3 Selection of trainers', trainee's, methods and media.**

Training involves an expert working with learners to transfer to them certain knowledge or skills that will help them improve performance in their current jobs. It involves the formal and systematic modification of behavior through learning which occurs as a result of education, instruction, development and planned experience. The training and development opportunities must meet the dual aim of satisfying and developing the organizations growth and meeting the individual needs.

Hence training programs should be designed to consider the ability of the employee to learn and use it effectively in his duties. It is also important that employees be motivated and improves their performance by the training experience (George Green, 2002).

Training an employee is an expensive task and failure in the program is not only damaging to the employee and the organization but a waste of money and time. Selecting the right trainee and the trainer is an important task any organizations should consider for the success of the program.

Conducting the training and the mode to be used depends on the type of training to be delivered and the participants. In most circumstances on –the- job training which is mostly conducted by supervisors of the organization and off-the –job training by either in-house personnel or outside instructor is used to conduct trainings.

Equally important, before training begins a careful attention is given to factors like location, facilities, accessibility, comfort, equipment, member of participant and timing. These are very important ingredients that will contribute to the success of the training program.

#### **Step 4 Administering the training program.**

Having planned the training program properly, one must now administer the training to the selected employees. In every program, decisions have to be made as to who should be trained, who are the instructors, where and when the program is to be conducted and what are the material requirements.

As understood by John H. McConnell (2003), since human resource development program decisions are based on cost considerations, the management must believe that the program will:

- Increase the skill and knowledge of employees and hence, they will perform better towards organizational success.
- Motivate employees to learn and attain their personal goals, and
- Provide feedback to improve the program.

To assure that the organization keeps its qualified employees who are productive and happy workers who will contribute positively to its success it needs to develop and implement an effective training program. Therefore, Tazebachew Achenef (2011), points out that, to implement an effective training program an organization should consider the following steps.

- **Define the organizational objective:** A clearly defined strategy and set of objectives that direct and drive all the decisions made specifically for training decision.
- **Determine the needs of the training program:** assessing where the training is needed, skills to be taught to employees to make them more productive, identifying the employee who needs training.
- **Define training goals:** putting a clear statement that explains what behavior or skill will be changed as a result of the training and it should relate to the mission and strategic plan of the organization.
- **Develop training methods:** design an appropriate training technique that will help impart new skills and improve existing skills.
- **Decide who to train:** analyze the substantive knowledge and skill possessed by the employee.
- **Decide who should do the training:** searching for potential trainers from within or outside.
- **Administer the training:** conducting the training for the selected employees.
- **Evaluate the training program:** verify the success of the program.

### **Step 5 Evaluation of Training and development program**

Human resource development is an investment in people. The major reason why organizations invest in training and development programs is to help employees perform better towards meeting organizational objectives. Hence, evaluation is a means to assess the cost/benefit of the program.

Employees should be evaluated by comparing their newly acquired skills with the skills defined by the goals of the acquired skills with the skills defined by the goals of the training program.

Any discrepancies should be noted and timely adjustments made to enable it meet specified goals. Eventually, the evaluation should be made by comparing the results (the benefits) with the objectives of the training and development program that were set in the assessment phase.

The criteria used to evaluate training and development depends on the objectives of the program and who sets the criteria: management, the trainers, or the trainees (John M. Ivancevich, 2003).

Accordingly, it put the types of evaluation criteria into three parts: internal, external and participants' reaction. Internal criteria are directly associated with the content of the program-for example, whether the employee learned the facts or guidelines covered in the program. External criteria are related more to the ultimate purpose of the program-for example, improving the effectiveness of the employee. Participants' reaction or how the subjects feel about the benefits of a specific training or development experience.

Most experts argue that it is more effective to use multiple criteria to evaluate training and development. Others contend that a single criterion, such as the extent of transfer of training to on-the-job performance or other aspects of performance, is satisfactory.

In general, one view of a multiple criterion evaluation system developed by Kirk-patrick as cited by John M. Ivancevich, 2004, suggests the following:

- *Participants' reaction*-whether subjects like or dislike the program. The participant indicates his or her satisfaction with the program.
- *Learning*-the extent to which the subjects have assimilated the knowledge offered and skills practiced in the training program.
- *Behavior*-an external measure of changes or lack of change in job behavior; the rating a participant receives in performance appraisal (comparison of "before" and "after" ratings).

- *Results*-the effect of the program on organizational dimensions such as employee turnover, productivity, volume of sales, or error-free letters typed.

According to Gary Dessler, (2005), in evaluating the worth of a training program, organizations set measurement criteria, such as, reaction, learning job behavior, organizational impact and results. These are explained in detail as follows.

**Reaction:** Evaluate trainees' reaction to the program. Did participants like the program? Did they think it worthwhile?

**Learning:** Test the trainees to determine whether they learned the principles, skills, and facts they were supposed to learn

**Job behavior:** This is concerned with measuring the extent to which the participant has applied his/her learning back on the job.

**Organizational impact:** This evaluation attempts to measure whether the training has helped improve organizational performance. This can be checked through improvement in service delivery, productivity or cost reduction.

**Result:** Here the evaluation aims to measure the overall benefits of the organization from the training in the form of achievement, survival or growth.

Effective evaluation of the training program based on the criterion mentioned requires using data gathering methods such as questionnaire, interview and observation using such evaluation mechanism, if the training and development shaped the employees in such a way as to fit the job requirements, then it can be concluded that the organization has achieved its objectives and in turn they have also justified the investment made in the process.



## **2.4. Training and employee performance.**

Most organizations are established/formed with the objective of getting profit or as service giving one. To this effect, they formulate a strategy to attain their objectives. In the process, however, the majority are unable to give due consideration for most important factor i.e. the humane resource.

Human resources are the source of achieving competitive advantage because of their capability to convert the other resources (money, machine, methods and material) into output (product/service).

Organizational activities directed at managing the poor of human resources and ensuring that the resources are employed towards the fulfillment of organizational goals hence, become a challenging task every firm is facing. ParkajTiwari and karuneshsavean (2012).

An organization may be effective in selecting, recruiting and retaining its employees. However its performance relies on the performance of its employees. Employees' performance simply means the capability of the organization to achieve desired results or output efficiently and effectively.

Through time and due to the dynamic changing nature of the environment, employees work performance declines. The factors which could contribute to same could be broadly categorized as external and internal. (PankajTiwari and KaraneshSevean (2012).

- i. External factors are those pressures on organization that cannot be controlled, changed in a favorable way in the short- run. These factors include the following:
  - Economic changes: a shift from traditional practice towards the modern one;
  - Technological changes: adoption of modern technologies;
  - Legislations /Reparations: development of a set of regulations for the management of human resource;
  - Action of competitors: ways in which compares an advantage over their competitors; and

- Globalization.
- ii. Internal factors are those occurred within the organizations and includes the following:
- Organizations size: concerned about the large or small size which may require instituting HR practices
  - Organizational structure.

Hence, training becomes important to maximize employees learning or new skills; knowledge's and attitudes to cope- up with the demands of these dynamic environments and improve their performance.

Human resource development refers to a process that relate to training, education and other professional initiatives in order to increase the levels of knowledge, skills, abilities, values and social assets of an employee which will lead to the employed satisfaction and performance and eventually to a firm performance, greater attention has been paid here to training relating to the individual perspective, the training activity is assumed to improve the quality (productivity) of the worker. In any case, it is fitting to point out that the workforce lack of training is related to low competitiveness.

Likewise, training is linked to the longevity of companies and greater tendency to business and economic growth (MaranMarimuth, Lawrence Arokiasamy and MaimunahIsmael (2009).

Valeda and Caetano (2007), are cited by Tazebachew (2011), postulated that the impact of training on employee performance is not only significant but studies prove that it also increases job satisfaction and commitment towards the organization and training transfer is more likely to increase performance, job involvement and increase motivation to learn and transfer.

Hence, taking this into consideration, the study is conducted to investigate the relationship between training and and employee performance. By the same token, it tries to assess the overall impact of training program on individual as well as organizational performance in the bank of Abyssinia.

## **CHAPTER THREE**

### **DATA ANALYSIS AND INTERPRETATION**

#### **INTRODUCTION**

This chapter is concerned with data presentation, analysis and interpretation. To come up with the required results the researcher has used questionnaires and document analysis as data tools. Accordingly, relevant data are collected from the sample respondents. Majority of the respondents, i.e. 75% have filled out and returned the questionnaires distributed.

In this section of the paper, the data collected using the tools mentioned above are tabulated, analyzed and interpreted using descriptive statistics. The chapter comprises two parts. The first part presents the demographic characteristics of the respondents. The second part presents detailed analysis and discussion of the data collected through the distribution of questionnaires and document analysis. The details of these are presented below.

#### **3.1 Characteristics of the Respondents.**

This section is concerned with the background of the respondents. Thus, the profile of the respondents with regard to gender, age, educational status, place of assignment and length of service years are summarized and presented in the tables below.

**Table 4: Respondents by gender, age and educational status.**

Description of employees	Management staff		Non-management staff		Total	
	No.	%	No.	%	No.	%
<b>A. Gender</b> Male	10	48	23	58	33	54
Female	11	52	17	42	28	46
<b>Total</b>	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>	<b>61</b>	<b>100</b>
<b>A. Age</b>						
Under 25	0	0	4	10	4	7
25 – 34	12	57	28	70	40	65
35 – 44	6	29	6	15	12	20
45 – 54	3	14	1	2	4	7
55 and above	0	0	1	3	1	1
<b>Total</b>	<b>21</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>61</b>	<b>100</b>
<b>B. Educational status</b>						
PhD	0	0	0	0	0	0
Master’s Degree	1	5	2	5	3	4
First Degree	20	95	31	77	51	84
College Diploma	0	0	7	18	7	12
High school complete	0	0	0	0	0	0
<b>Total</b>	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>	<b>61</b>	<b>100</b>

The following facts are derived from the table presented above.

From the total population of 21 employees of the management staff for which questionnaires were collected with full answers, 10 (48%) are male while 11(52%) are female. Age wise 12(57%) fall under the age group of between 25 and 34years, 6(29%) lie in the age group between 35 to 44 years and the rest i.e. 3(14%) belong to the age group between 45 and 54years.

On the other part, from the total number of non-management respondents who have returned the questionnaires duly filled, 23(58%) are male and the remaining 17(42%) are females. The composition of these respondents with regard to age shows that 28(70%) are between the age of 25to 34, while 6(15%) fall under the age group between 35 to 44 and the remaining 4(10%) are under twenty five years age group .

This indicates that the bank has young and potential work force that could be an asset to contribute towards better results. Thus, this may require the bank to formulate and implement a good training and development program.

Educationally, 20(95%) of the management group of respondents are first degree holders, 2(5%) are Master's degree holders. On the other part 31(77%) of the non-management respondents are first degree holders; 2(5%) holds a Master's degree and the rest 7(18%) are college diploma holders. This result indicates that the bank maintains a good composition of educated employees that requires a further formulation of an effective HRD program to achieve the required results by enhancing and designing an effective training and development program.

**Table 5: Respondents place of assignment and length of service years.**

Description of employees	Management staff		Non-management staff		Total	
	No.	%	No.	%	No.	%
<b>C. Place of Assignment</b>						
Department	13	62	12	30	25	41
Branch	8	38	28	70	36	59
<b>Total</b>	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>	<b>61</b>	<b>100</b>
<b>D. Service in the Bank</b>						
1 – 3 years	1	5	7	18	8	13
4 – 6 years	4	19	11	28	15	25
7 – 9 years	8	38	16	40	24	39
10 – 12 years	5	24	3	7	8	13
13 years and above	3	14	3	7	6	10
<b>Total</b>	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>	<b>61</b>	<b>100</b>

**Source: Annex I & II (for question No. 1 -5 regarding Demographic Data)**

As can be seen from Table 5 above, 13(62%) of management employees are serving at department level while 8(38%) are assigned in branches located in Addis Ababa area. On the other hand, most of the non-management respondents 28(70%) are from branches while 12(30%) are serving at the department.

Thus, the majority of the respondents comprise those who serve in branches located in Addis Ababa. Nevertheless, the participation of respondents from the department is also significant.

Composition of the management personnel considered for the study depicts that 8(38%) served for 7 to 9 years; 5(24%) served between 4 to 6 years; 3(14%) have served for more than 13 years; 1(5%) has served between 1 to 3 years.

On the other part, from the non-management group of respondents 7(18%) served for 1 to 3 years; 11(28%) served for 4 to 6 years; 16(40%) served for 7 to 9 years and the remaining 6(14%) served for more than ten years.

The overall results indicate that most of the respondents have served the bank for a long time having a considerable experience which would help the organization win any competition that may be faced by peer groups.

### **3.2 Analysis of the Findings of the study.**

This section is devoted to elaborate and discuss the opinions of the survey group regarding different questions forwarded. Accordingly, the tables that follow deal with the analysis and interpretations of the results obtained.

**Table 6: Management staff opinion on the existence of training policy/procedure .**

<b>Item</b>	<b>Response</b>	<b>Frequency</b>	<b>%</b>
The organization has a written training and development policy and procedure.	Strongly Agree	2	9
	Agree	12	57
	Neutral	5	24
	Disagree	1	5
	Strongly Disagree	1	5
	<b>Total</b>	<b>21</b>	<b>100</b>

**Source: Annex I (for questions No. 1)**

The result of the responses obtained from the above table show that 12(57%) feel that the organization maintains a training and development policy and procedure for which they accord their agreement to the statement. Others, 5(24%) neither agree nor disagree to this effect. This indicates that the organization needs to work further to raise awareness of its staff regarding the availability of a training and development policies and procedures.



**Table 7: Respondents view about the trainers' proficiency and skill.**

Question	Response	Management staff		Non-management staff	
		No.	%	No.	%
The bank has the right trainers with adequate proficiency and skills for the training	Strongly Agree	2	10	3	7
	Agree	7	33	21	53
	Neutral	3	14	6	15
	Disagree	7	33	7	18
	Strongly Disagree	2	10	3	7
	Total	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>

**Source: Annex I (question No. 3)**

As shown in the above table, respondents were asked to comment on the proficiency and skills of the trainers assigned by the bank. According to the response, it seems that the majority of the management group of respondents 9(43%) do not agree that the trainers possess adequate proficiency and skills. On the other hand, the same number of respondents agree on the proficiency of their trainers. On the contrary 24(60%) of the non-management respondents category expressed their opinion that the bank has the right trainers with adequate proficiency and skills.

The data indicate that quite considerable numbers of respondents from the non-management staff are confident on the capability of their trainers while others, i.e. the management staff are not satisfied with the proficiency and skills of the trainers.

Training is an expensive task and if not properly handled it is damaging not only to the individual and organization but also a waste of time.

The survey result implies that the bank is in the right track in the process. However, since this is a crucial issue the should considered it for better success.

**Table 8: Arrangement of training programs based on training needs assessment.**

Item	Response	Management staff		Non-management staff	
		No.	%	N0.	%
Trainees are selected on the results of training needs assessment conducted	Strongly Agree	1	5	1	2
	Agree	5	24	13	32
	Neutral	6	29	7	18
	Disagree	7	33	14	35
	Strongly Disagree	2	9	5	13

**Source: Annex I & II (question No. 4 and 3 respectively)**

A total number of 7(33%) of the management group of respondents feel that selection of trainees is not carried out based on a need assessment conducted. On the other hand, 6(29%) confirmed that they do not know whether or not a needs assessment is made to select employees for training. However, training needs assessment is conducted for selecting trainees in the opinion of 5(24%) of the respondents.

The majority of the non-management respondents 14(35%) on the other hand believe that the bank did not selects its employees for training on the basis of genuine training needs assessment. On the contrary, however, a considerable amount among the survey group 13(32%) feels that genuine training needs assessment is made by the organization.

As can be inferred from the data obtained, it doesn't seem that training needs assessment is consistently carried out to identify who should undergo what type of training.

Evidently, the purpose of conducting a training needs assessment is to identify the knowledge and skills that people must possess in order to perform effectively on the job and to prescribe appropriate interventions that can close these gaps.

The response obtained in this regard implies that training needs assessment is not conducted to the expected standards in the bank.

Training should be designed, offered and conducted for some purpose – to meet some objectives – to fulfill some identified need. The results of the survey in this respect, however, implies that a gap between actual performance and desired performance or between current abilities and job requirements that could be closed by the intended training program would not be met. Hence, implementing a proper needs assessment mechanism to obtain the required results from the process.

**Table 9: Department/ branch offices participation in designing and implementation of training program.**

<b>Item</b>	<b>Response</b>	<b>Frequency</b>	<b>%</b>
My department/ branch participate in the design and implementation of training programs.	Strongly Agree	1	5
	Agree	5	24
	Neutral	2	9
	Disagree	10	48
	Strongly Disagree	3	14
	Total	<b>21</b>	<b>100</b>

**Source: Annex I (question No. 5)**

According to the survey result most of the respondents i.e. 13(62%) are in the opinion that their department/branch is not part of the designing and implementation of the training and development program.

On the other hand, some 6(29%) of the respondents believe that their department/branch participates in the designing and implementing training programs initiated by the bank.

According to the responses indicated above, it doesn't seem that there is active and constant participation of the branch/department organ in the process of designing the training and development program.

As the ultimate beneficiary of the process are the employees found in the units mentioned involving those organs in the design and implementation of the training process would be to the advantage of the company.

**Table 10: The practice of consistently collecting feedback.**

Item	Response	Management staff		Non-management staff	
		No.	%	No.	%
There is a practice of consistently collecting feedback from training participants.	Strongly Agree	4	19	3	8
	Agree	16	76	18	45
	Neutral	1	5	6	15
	Disagree	0	0	12	30
	Strongly Disagree	0	0	1	2
	<b>Total</b>	<b>21</b>	<b>100</b>	<b>40</b>	<b>100</b>

**Source: Annex I & II (question No. 6)**

In the opinion of 20(95%) of the management staff respondents and 21(53%) of the non-management staff respondents, the collection of a consistent feedback from training participants is exercised by the organization.

Obviously, training participants' feedback helps to identify problem areas and provide a timely response.

On the other hand, quite considerable number of the non-management staff, i.e. 19(47%) seem to have reservation or concern on the consistency of collecting feedback on training programs conducted. To this effect the practice at hand as observed by the respondents seems good. This implies that the programs' effectiveness is evaluated and planning for the future is concluded that may lead to the achievements of objectives.

**Table 11: Response of management staff about the importance of feedback.**

Item	Response	Frequency	%
Trainees' feedback is considered as a vital tool to improve the effectiveness of the training.	Strongly Agree	3	14
	Agree	8	38
	Neutral	6	29
	Disagree	4	19
	Strongly Disagree	0	0
	<b>Total</b>	<b>21</b>	<b>100</b>

**Source: Annex I (question No. 7)**

As can be inferred from table 11 above, 11 (52%) of the respondents feel that trainees' feedback contributes to the improvement of effectiveness of the training in the future. On the other hand, 4(19%) feel that the bank has not benefited from the trainees feedback collected.

This implies that most of the respondents believe that the feedback collected from training participants has been utilized for the improvement of the training program.

**Table 12: Perception of management staff on the alignment of training and development program with the strategic plan.**

<b>Item</b>	<b>Response</b>	<b>Frequency</b>	<b>%</b>
All training programs emanate from the overall strategic plan of the organization.	Strongly Agree	0	0
	Agree	5	24
	Neutral	6	28
	Disagree	10	48
	Strongly Disagree	0	0
	<b>Total</b>	<b>21</b>	<b>100</b>

0

**Source: Annex I (question No. 9)**

As can be indicated in table12 above, responses obtained for the statement whether the training and development program emanates from the overall strategic plan of the company, it is presumed by 10 (48%) of the respondents that training programs do not emanated from the strategic plan. Other respondents i.e. 5(24%), however, consider it as a source and 6(28%) are not sure about it.

For an effective result of the training and development program, aligning the requirements from the organizational strategy and business objectives is an important ingredient. The training and development program should demonstrate how it meets the organizations objectives. The result of the opinion indicates that the organizations' training and development program is not linked to the strategic plan.

This implies that the organization’s employees, skills and abilities do not contribute to the achievements of its business goals.

Hence, aligning HR and the strategic plan is an important endeavour for the organization.

**Table 13: Relevance of training and development program to improve job performance according to management staff.**

<b>Item</b>	<b>Response</b>	<b>Frequency</b>	<b>%</b>
Training programs are found very relevant in improving current job performance.	Strongly Agree	5	24
	Agree	12	57
	Neutral	4	19
	Disagree	0	0
	Strongly Disagree	0	0
	<b>Total</b>	<b>21</b>	<b>100</b>

**Source: Annex I (question No. 10)**

The importance of training and development program for the improvement of job performance is considered positively by 17(81%) of the respondents. However, 4(19%) are neutral to the case at hand.

According to the information obtained from majority of respondents, the training and development process attempts to measure the effects of change in the job of the trained employee. This may be ascertained in such terms as improvement in service delivery, productivity or reduction of costs. Hence, in the context of the response the organization has attained the required objectives through its training and development process.

**Table 14: The purpose of training and development program as asserted by the management staff.**

Item	Response	Management staff		Non-management staff	
		No.	%	No.	%
The major purpose of training program conducted by the bank is .....	Motivation	2	10	24	60
	Skill upgrading/Skill gap filling	19	90	33	83
	Salary administration	0	0	33	82
	Promotion	0	0	31	78
	<b>Total</b>	<b>21</b>	<b>100</b>		

**Source: Annex I (question No. 11)**

The major purpose of training and development program undertaken by the bank is meant for skill upgrading/skill gap filling according to 19(90%) of the management staff respondents. The remaining i.e. 2(10%) believe that the purpose of training is for motivation. Though there are also other purposes choosing the right and implementing same would bring the required results. However, as the response of the management staff reveal, training and development programs are less attached to motivation, salary administration and promotion purposes.



The non-management staff response regarding the purpose of training and development program is presented in the table below.

**Table 15: The purpose of training and development program as asserted by the non-management staff.**

Question	Responses									
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
Trainings are arranged for the purpose of...	F	%	F	%	F	%	F	%	F	%
Promotion	1	2	6	15	2	5	18	45	13	33
Motivation	6	15	18	45	4	10	10	25	2	5
Skill upgrading	11	28	22	55	1	2	5	13	1	2
Salary increment	1	2	3	8	3	8	16	40	17	42

**Source: Annex II (Part IV, question No.2)**

As indicated in table 15 above, the responses of the non-management staffs reveal training and development programs are more attached to skill upgrading by 33(83%) of the respondents and motivation purposes for 24(60%).

**Table 16: Opinions of management staff respondents on training programs mostly organized by the bank.**

Item	Response	Management staff	
		No.	%
The training methods/types mostly used by the bank includes .....	On-the-job training	3	14
	Off-the-job training	10	48
	Both equally used	7	33
	Others, Specify, not equally used	1	5

**Source: Annex I (question No. 12)**

According to the management staff respondents, the training method used by the bank is off-the-job for 10(48%). Still others, i.e. 7(33%) believe that both methods are exercised by the bank. Besides, 3(14%) feel that the company uses on-the-job training method. By considering the results, the bank should implement the appropriate method to bring the required improvement in the performance of the employee.

**Table 17: Opinions of non-management staff respondents on training programs mostly organized by the bank.**

	<b>Responses</b>									
	<b>Strongly Agree</b>		<b>Agree</b>		<b>Neutral</b>		<b>Disagree</b>		<b>Strongly Disagree</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Training programs are mostly provided on-the-job	<b>3</b>	<b>7</b>	<b>11</b>	<b>28</b>	<b>13</b>	<b>32</b>	<b>9</b>	<b>23</b>	<b>4</b>	<b>10</b>
Training programs are mostly provide off-the-job	<b>8</b>	<b>20</b>	<b>21</b>	<b>52</b>	<b>4</b>	<b>10</b>	<b>7</b>	<b>18</b>	<b>0</b>	<b>0</b>

**Source: Annex II (Part IV, question No. 8&9)**

According to the results indicated in the above table, the majority i.e. 14(35%) of the non-management staff respondents agree;13(33%) do not agree to the statement that the bank is involved on-the job training method. However, the remaining 13(10%) remain neutral. On the other hand, from the same number of non-management staff stated in the above table, 29(72%) confirm that the bank is involved in off-the job training methods; 7(18%) disagree to it and the remaining 4(10%) are not certain about the training methods adopted by the bank.

Hence, by evaluating the advantages and or the disadvantages of these types of training methods the organization has to use the one that benefits all.

**Table 18: On-the-job and off-the-job training techniques mostly used according to management staff respondents.**

Training Method	To a very great extent		To a great extent		To some extent		To less extent		Not used at all	
	F	%	F	%	F	%	F	%	F	%
Coaching	2	10	2	10	9	42	8	38	0	0
Job rotation	9	42	6	29	4	19	1	5	1	5
Simulation Training	1	5	1	5	1	5	2	10	16	75
Conferences/Seminars	8	38	8	38	2	10	1	4	2	10
Case study	1	5	1	5	1	5	3	14	15	71
Role playing	1	5	0	0	4	19	9	43	33	33

**Source: Annex I (question No. 13)**

The last question forwarded for the management staff member who have participated in the survey asked their opinions to express their feelings about the extent of the use of on-the-job and off-the-job training techniques used. The components and results of the findings are shown in the above table.

The overall result indicates that the bank uses coaching techniques to some extent as asserted by 9(42%), job rotations are implemented to a very great extent according to 9(42%), simulation training method is not used at all as confirmed by 16(75%), the method of conferences/seminars is practiced to a very great extent as revealed by 8(38%) of the respondents. Similar number i.e. 8(38%) also confirm that it is used to a great extent; case study is not used at all according to 15(71%) of the respondents and role playing method is used to a less extent as ascertained by 9(43%) of the respondents. , Case study is not used at all 15(71%) and role playing method is used to a less extent 9(43%) or not used at all 7(33%) .

All methods involve different aspects and their relevance varies according to the training and development program undertaken. By considering the opinions obtained from the respondents, the organization may implement one or many of the methods to get the required results.

**Table 19: Response regarding trainees’ selection process as revealed by non-management staff respondents.**

Item	Responses									
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
Trainees are selected on the basis of....	F	%	F	%	F	%	F	%	F	%
Seniority	4	10	9	22	5	13	10	25	12	30
Performance result	1	2	11	28	12	30	14	35	2	5
Identified skill gap	3	8	8	20	8	20	18	45	3	7

**Source: Annex II (Part IV, question No.1)**

The training process organized by the bank mainly depends on seniority as per the opinions of 13(82%) respondents and identified skills gap comprises 11(28%). On the other hand, 22(55%) believe that seniority is not the bases of trainee selection. Still others i.e., 16(40%) and 21(52%) feel that performance results and identified skill gaps respectively are not used as a basis for selection for a training. Certainly, implementing a proper selection mechanism is a vital tool for conducting the training program effectively thereby resulting in the required success of the program.

**Table 20: Response whether there exists equal opportunity to participate in the training program.**

	<b>Response</b>	<b>Frequency</b>	<b>%</b>
There is an equal opportunity for employees to participate in a training offered.	Strongly Agree	5	12
	Agree	10	25
	Neutral	5	13
	Disagree	14	35
	Strongly Disagree	6	15
	<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Annex II (Part IV, question No.4)**

The bank did not provide adequate opportunity for its training program for some employees 14(35%) while others 10(25%) are in the opinion that the organization is equal opportunity provider for a training program.

Creating a fair opportunity to participate on training for its employees may depend on the organization as well as individual training needs. Most importantly, organizational training and development needs can be broadly classified as recognized and requested trainings. The survey result implies that adequate opportunity to participate in the training program offered by the bank is not exercised. Therefore, the bank has to create an equal opportunity for all eligible staff to take the training programs offered.

**Table 21: Response regarding instructional method and media as asserted by non-management respondents.**

	<b>Response</b>	<b>Frequency</b>	<b>%</b>
The instructional method and media used in the training program are to the expected standard.	Strongly Agree	2	5
	Agree	19	48
	Neutral	10	25
	Disagree	9	22
	Strongly Disagree	0	0
	<b>Total</b>	<b>40</b>	<b>100</b>

**Source: Annex II (Part IV, question 4)**

The instructional method and media used in the training program are assumed to be good in according to the opinions of 29(53%) non-management staff respondents; 9(22%) feel that it is not and the remaining 10(25%) are not sure about it.

The effectiveness of a training and development program would be ascertained if it is delivered in accordance with the intended purpose designed. To this effect, the organization has to assure that a proper instructional method as well as media is put in place so that it will contribute to its success by strengthening the existing good practice.



**Table 22: Preferences of non-management staff regarding training programs.**

	Responses									
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	No.	%	No.	%	No	%	No.	%	No.	%
I prefer on-the-job training program offered by the bank	15	38	19	48	3	7	3	7	0	0
I prefer off-the-job training program offered by the bank.	1	2	14	35	5	13	16	40	4	10

**Source: Annex II (Part IV, question 11&12)**

As can be seen from table 22 above, most of the non-management staff respondents i.e. 34(86%) confirm that they prefer the on-the-job training. On the other part, 15(37%) choose the off-the job training method offered by the bank.

Generally, these training methods can be effective at meeting the objectives if carefully implemented. Therefore, the bank has to use the appropriate training method to avoid unnecessary cost and time and get the required improvement in the performance of the training participants.

**Table 23: Response about the level of satisfaction by non-management staff on the training program planned and implemented by the bank.**

Item	Highly Satisfied		Satisfied		Satisfied to some extent		Neutral		Dissatisfied		Highly Dissatisfied	
	F	%	F	%	F	%	F	%	F	%	F	%
Selection criteria	2	5	10	25	9	22	7	18	8	20	4	10
Training method used	4	10	11	28	17	43	3	7	4	10	1	2
Trainers skills	2	5	20	50	13	33	3	8	1	2	1	2
Relevance of topics	5	13	18	45	14	35	3	7	0	0	0	0
Location of training venue.	2	5	15	38	13	33	6	15	3	7	1	2
Training facilities	2	5	15	38	16	40	0	0	7	17	0	0
Training evaluation methods used	1	2	7	18	10	25	7	18	12	30	3	7

**Source: Annex II (Part IV, question No.16)**

As shown above most trainees i.e. 21(52%) are satisfied with the selection criteria; 32(81%) are satisfied with the training methods used by the organization; trainers skills are found to be satisfactory to 37(88%); 37(93%) are satisfied with the relevance of topics; location of training venue seems convenient to 30(76%); 33(83%) assume the training facilities as satisfactory and the majority i.e. 18(45%) found the training evaluation methods used as good.

The overall result indicates that the company is in good stand with regard to selection criteria; training methods used; trainers' skills; relevance of topics; location of training venue; training facilities and training evaluation methods used. However, a considerable number of the non-management group respondents are also not satisfied with the points mentioned above.

Hence, based on this result, the organization is expected to evaluate the training programs implemented with that of the opinion obtained towards better improvement for the required results.

In the last part of the questionnaire, non-management staff respondents are asked to express opinions on the impact of training on performance. The overall result asserts that training has a positive impact towards the improvement of employee performance. This fact is compiled and presented as follows.

**Table 24: Response of non-management staff about the impact of training on performance of employees.**

Item	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
	No	%	No	%	No	%	No	%	No	%
The training program I attended was/were relevant for current job	10	25	25	62	2	5	1	3	2	5
Recurrent turnover is experienced due to lack of good training and development program	13	33	16	40	9	22	2	5	0	0
Training has helped to perform work more efficiently	6	15	21	53	7	17	5	12	1	3
Employees become committed after training	3	8	11	28	16	40	5	12	5	12
Employees feel competent after training	6	15	18	45	7	18	5	12	4	10
Employees are given an opportunity to exercise what they learned	4	10	12	30	12	30	7	18	5	12
There is constant and consistent follow-up after training	3	8	5	12	6	15	16	40	10	25

**Source: Annex II (Part V, question No.1 -8)**

The result indicate that the majority i.e. 35(87%) considers the training program they attended relevant to their current job.

Regarding recurrent turnover that occurred in the company, 39(73%) assumes that it has occurred due to lack of good development program. Work performance has increased after the training according to 27(68%) of the non-management respondents and 14(36%) believe that the training has enhanced their commitment. Others i.e. 24(60%) feel more competent. The other group 16(40%) are in the opinion that they are given the opportunity to implement what they learned and 26(65%) feel that the bank did not conduct a constant and consistent follow-up after training is concluded.

The impact of the training and development program is expressed by the efficient performance of employees who have participated in the training program. Employees' commitment to assigned duties is however not much by most of the respondents. All in all, the organization has to react on points like creating an opportunity for participants to exercise what they have learned and also on a constant follow-up after the program is concluded.

### **3.3 Documentary Review**

It has been suggested that for organizations to compete successfully in a global and changing economy it is important to contain sufficiently educated and skilled employees.

In this context the bank of Abyssinia is giving priority to provide the necessary training and development program to its staff by formulating a Human resources Management policy.

The policy statement asserts that the Bank shall provide long and short term training to its employees in conformity with business needs and strategic plan of the Bank.

As part of enhancing the career development of its employees, the Bank has given different training programs in the years 2011 and 2012. Besides, the Bank has also extended financial support to three hundred ninety eight (398) of its employees who were attending various institutions of higher learning at different levels, (**Bank of Abyssinia, Annual Report, 2011/12**).

In the same year it has also provided Information Technology training to some five hundred employees. The sample training programs and number of participants has been presented in **Annex VII** and **Annex VIII** attached at the end of the paper.

## **CHAPTER FOUR**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **4.1 SUMMARY OF FINDINGS**

The overall results of the study are summarized as follows.

- The responses from the respondents and the information from the document indicate that the company has a training policy and implementation procedure.
- Proficiency and skills of trainers are assumed to be not satisfactory by majority of the respondents.
- According to majority of the respondents, training needs assessment is not sufficiently conducted by the company.
- As confirmed by majority of the respondents, department/branch involvement in designing and implementation of the training programs is insignificant.
- The practice of collecting feedback from training participants has received a positive response by most of the respondents.
- Trainees' feedback is considered as a vital tool in accordance with the opinions of most respondents.
- Responses obtained from the majority ascertain that the training and development program did not emanate from the strategic plan of the organization.
- Training and development programs are found very relevant in improving job performance as per the response obtained from most of the respondents.
- The major purpose of the training programs organized by the company is assumed by majority of the respondents is for gap filling/skill upgrading.
- Most of the respondents believe that off-the-job training methods are dominantly used by the bank.

- Regarding the on-the-job training technique adopted by the bank, majority of the respondents feel that job rotation is mostly used; conferences and seminars are also the most frequently used off-the-job training programs.
- Majority of the respondents ascertain that the selection of trainees is mostly based on seniority.
- Most of the respondents confirm that the bank did not provide an equal opportunity to all employees to participate in the training program.
- The level of satisfaction of most respondents is satisfactory with regard to selection criteria; training methods; trainers' skills; relevance of topics; location of training venue; facilities and evaluation methods.
- Impact of training and development on performance of employees is the part that many of the respondents considered as good in the process.
- Majority believe that the training program they attended were mostly relevant for current job.
- According to the respondents recurrent turnover is experienced due to lack of proper development program.
- Most of the respondents feel that the training has helped to perform more efficiently.
- Employees' commitment has increased after the training as per the opinions of the respondents.
- Majority of the respondents confirm that employees are given an opportunity to exercise what they have learned in the training.
- Constant and consistent follow-up after training is not conducted according to most of the respondents.



## 4.2 CONCLUSIONS

- ✓ The bank maintains a good number of educated and trained employees with experience:
  - This is a huge asset that would help to boost the activities of the company to better level.
- ✓ The organizations training policy/procedure seems to be a source for every training conducted. The practice of needs assessment, however, is not implemented to the expected standards:
  - Costs incurred for the training are huge and the result obtained from it is less.
- ✓ Quite considerable numbers of respondents from the non-management group are confident on the capability of the trainers while a good number of management staff respondents have doubts.
  - No matter how the training program is designed as required if not delivered appropriately it does not bring the results expected.
- ✓ Department/Branch involvement in the design and implementation of the training program is not adequate:
  - Effectiveness of the process is affected as the ultimate user is given a lesser part in the process.
- ✓ The practice of consistently collecting feedback from training program is satisfactory:
  - Implies that the bank would be able to evaluate the effectiveness of the program and achieve the required results.
- ✓ Training programs mostly offered by the company is off-the-job while the preferences of most respondents is on-the-job type:
  - Both entails its own advantages and disadvantages requiring a proper evaluation and implementation.
- ✓ The major purpose of training program is meant for skill upgrading:
- ✓ Instructional method and media is satisfactory:
  - A careful use of training methods can be a very cost-effective investment bringing improvement in the performance of the employee.

### 4.3 RECOMMENDATIONS

Based on the analysis obtained from the questionnaire and subsequent conclusions arrived the following recommendations are forwarded to the organization so that the entire positive as well as the negative aspects are considered for the better.

- ✓ The organization should use the training policy/procedure to develop its potential work force to improve performance and obtain better results.

To this effect, it has to develop a good needs assessment mechanism and involve the departments/branches in the design and implementation of the training program.

- ✓ Training an employee is an expensive task and failure in the program is not only damaging to the employee and the organization but a waste of money and time. Selecting the right trainee is, therefore, an important task the organization should consider for the success of the program.
- ✓ Providing a fair treatment to employees and units to participate in the training program helps to avoid dissatisfaction thereby increase motivation and performance in the job. Hence, the company should consider the point for the required results.
- ✓ Making a balance between the staff preferences (i.e. on-the-job) and the organization's choices (i.e. off-the-job) is vital to get the required results from the program.
- ✓ Competency of trainers has to be further improved to be effective in the outcome of the program.
- ✓ The bank is also expected to consider the level of satisfaction in the overall activities of its training process and improve the weaknesses and strengthen the good ones for a better results.

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# APPENDICES

St Mary's University College  
School of Graduate Studies

**Masters of Business Administration (MBA-HRM) Program**

**Questionnaire to be filled by Management Staff**

*Researcher: TEWABE BOGALE*

**Research Topic:** *HUMAN RESOURCE TRAINING AND DEVELOPMENT PRACTICE AT BANK OF ABYSSINIA*

**Dear Respondent:**

This questionnaire is designed for academic purpose towards partial fulfillment of Masters of Business Administration Degree specializing in Human Resource Management to collect valuable ideas and comments from you. It is also intended as a high level diagnostic tool to highlight opportunities for possible solution to the problems.

I would, therefore, like to express my sincere appreciation and deepest thanks in advance for your willingness, effort and cooperation in completing this questionnaire.

**General guidelines**

- ✚ Please put a tick “✓” mark for those questions that are followed by choices.
- ✚ You are not required to write your name.
- ✚ I ask you in all due respect, to fill the questionnaire carefully and at your best knowledge.

**Confidentiality**

I want to assure you that this research is only for academic purpose authorized by St. Mary University College school of Graduate studies, and the result will by no means be presented for other purposes. Thus, your ideas and comments are highly honored and kept confidential.

**Contact address:** For any query please do not hesitate to contact me at (Tele. 0911-62-70-11 or e-mail [tewaebogale@yahoo.com](mailto:tewaebogale@yahoo.com))

Thank you



PART I BASIC DEMOGRAPHIC DATA

1. Gender  Male  Female

2. In which age group are you?

Under 25

45 to 54

25 to 34

55 and above

35 to 44

3. What is your highest and recent educational status?

PhD

College Diploma

Master's degree

High school complete

First Degree

Others, Specify \_\_\_\_\_

4. Your current place of assignment in the Bank of Abyssinia.

Department

Branch

5. Length of service in the Bank.

1-3 years

4-6 years

7-9 years

10- 12 years

13 years and above

Please put a “✓” mark for your choice among the available alternatives for the following questions.

**PART II QUESTIONS ON TRAINING PROCESS**

No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The organization has a written training and development policy and procedure.					
2	The bank maintains a separate department for handling training and development program.					
3	The bank has the right trainers with adequate proficiency and skills for the training.					
4	Employees are selected for training and development on the basis of needs assessment.					
5	My department participates in the designing and implementation of the training and development program.					
6	There is a practice of consistently collecting feedback from training participants during the program.					
7	Trainees' feedback is considered as a vital tool to improve effectiveness of the training.					
8	The bank has benefited from the training and development program more than the cost it incurred.					

9	All training and development programs emanate from the overall corporate strategic plan of the company.					
10	Training and development programs are found very relevant in improving current job performance.					

11 The major purpose of training and development program conducted by the bank is for:

- (a) – motivating people.
- (b) – skill upgrading/skill gap filling.
- (c) - salary administration.
- (d) – promotion.
- (e) - Others, specify \_\_\_\_\_

12 The training methods mostly used by the company are:

- (a) – On-the-job training
- (b) – Off-the-job training
- (c) – both methods are equally used.

**St Mary's University College**

**School of Graduate Studies**

**Masters of Business Administration (MBA-HRM) Program**

**Questionnaire to be filled by Non- Management Staff**

*Researcher: TEWABE BOGALE*

*Research Topic: HUMAN RESOURCE TRAINING AND DEVELOPMENT PRACTICE AT BANK OF ABYSSINIA*

**Dear Respondent:**

This questionnaire is designed for academic purpose towards partial fulfillment of Masters of Business Administration Degree specializing in Human Resource Management to collect valuable ideas and comments from you. It is also intended as a high level diagnostic tool to highlight opportunities for possible solution to the problems.

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**General guidelines**

- ✚ Please put a tick “✓” mark for those questions that are followed by choices.
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**Contact address:** For any query please do not hesitate to contact me at (Tele. 0911-62-70-11 or e-mail [tewaebogale@yahoo.com](mailto:tewaebogale@yahoo.com))

Thank you

PART III BASIC DEMOGRAPHIC DATA

6. Gender  Male  Female

7. In which age group are you?

Under 25

45 to 54

25 to 34

55 and above

35 to 44

8. What is your highest and recent educational status?

PhD

College Diploma

Master's degree

High school complete

First Degree

Others, Specify \_\_\_\_\_

9. Your current place of assignment in the Bank of Abyssinia.

Department

Branch

10. Length of service in the Bank.

1-3 years

4-6 years

7-9 years

10- 12 years

13 years and above

Please put a “✓” mark for your choice among the available alternatives for the following questions.

**PART IV QUESTIONS ON TRAINING PROCESS**

No.	Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Most of the time trainees are selected on the basis of: <ul style="list-style-type: none"> <li>- Seniority</li> <li>- Performance results</li> <li>- Identified skill gaps</li> </ul>					
2	Training programs are mostly arranged by the company for the purpose of : <ul style="list-style-type: none"> <li>- Promotion</li> <li>- Motivation</li> <li>- Skill upgrading</li> <li>- Salary increment</li> </ul>					
3	Employees are selected for training on the basis of genuine training needs assessment.					
4	There is an equal opportunity for employees to participate in a training offered.					
5	Trainers are competent and have through knowledge of the subject matter.					
6	There is a planned mechanism to collect feedback from training participants while the training program is taking place.					

**7. How do you rate your trainers with regard to the following factors?**

<b>Items</b>	<b>Excellent</b>	<b>Very Good</b>	<b>Good</b>	<b>Moderate</b>	<b>Poor</b>
Agreement between designed course and objectives					
Planning, organization and use of class period.					
Method and technique used to conduct the training.					
Competency					
Simulation and response to challenges.					
Sufficient materials used for the training.					
Facilitating active participation of trainees.					

**8. Indicate your level of agreement on the following statements.**

<b>No.</b>	<b>Items</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>8.1</b>	Training programs are mostly provided off-the-job.					
<b>8.2</b>	Training programs are mostly provided on-the-job.					
<b>8.3</b>	The instructional method and media used in the training program are to the expected standard.					
<b>8.4</b>	I prefer on-the-job training program offered by the organization.					
<b>8.5</b>	I prefer off-the-job training program offered by the organization.					
<b>8.6</b>	Trainers are competent and have through knowledge of the subject matter					



<b>No.</b>	<b>Items</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>8.7</b>	There is a well-developed practice of collecting feedback from training participants during the program.					
<b>8.8</b>	Trainees' feedback is used as an input to improve the effectiveness of the program.					

**9. To what extent are you satisfied with the following aspects of the training programs planned and implemented by the company?**

<b>Item</b>	<b>Highly satisfied</b>	<b>Satisfied</b>	<b>Satisfied to some extent</b>	<b>Neutral</b>	<b>Dissatisfied</b>	<b>Highly Dissatisfied</b>
<b>9.1</b> Selection criteria						
<b>9.2</b> Training methods used						
<b>9.3</b> Trainers skills						
<b>9.4</b> Relevance of topics						
<b>9.5</b> Location of training venue.						
<b>9.6</b> Training facilities						
<b>9.7</b> Training evaluation methods used.						

**PART V: POINTS REGARDING IMPACT OF TRAINING ON PERFORMANCE OF EMPLOYEES.**

No.	QUESTIONS	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The training I have participated is relevant for my current job.					
2	I believe that the training programs are job related.					
3	The organization is unable to retain (maintain) experienced and educated employees due to lack of good development program.					
4	The training provided by the organization helped me to perform my work more efficiently.					
5	Employees who have taken training become committed for the job and the organization.					
6	I feel that I am competent after taking a training program.					
7	Employees returning from training are given an opportunity to exercise what they have learned.					
8	There is a constant and consistent follow-up after training which helps employees to enhance their performance.					

**PART VI: INTERVIEW QUESTIONS (TO BE ANSWERED BY THE HR MANAGER)**

1. Is there a separate department/unit in the organization that is responsible for employee training and development program?  
  
If yes, how is it equipped in terms of workforce? If no, who is responsible to carry out the training and development activities of the company?
2. How are training and development programs initiated, planned, conducted and evaluated?
3. What steps/procedures do you follow in employee training and development program?
4. Does the bank maintain a management development policy/procedure?
5. What are the types of management development programs used by the organization?
6. Does the bank allocate reasonable budget and provide the required training materials?
7. What are the bases of selecting appropriate trainees for the required training program?
8. How do you evaluate the proficiency and skills of the trainers involved in offering training programs?
9. What are the types of employee training programs mostly used by the organization?
10. Is the training and development program integrated with the corporate strategic plan of the organization? If yes, how?/ If no, why not?
11. Do you think that the bank has benefited from the training program more than the cost it incurred? Give examples.
12. Do you have any suggestions about the training and development program with regard to its strength and weaknesses?

<b>No</b>	<b>Branch Name</b>	<b>Telephone</b>	<b>Fax</b>	<b>P.O.Box</b>
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Addis Ababa				
1	<b>Abba Koran</b>	011-155 92 38	011-155 93 11	12947
2	<b>Abba Mela</b>	011-156 47 77	011-156 03 74	"
3	<b>Abinet</b>	011-278 13 07	011-278 13 05	"
4	<b>Addisu Gebeya</b>	011-127 54 06	011-127 54 03	"
5	<b>Airport</b>	011-618 52 33	011-618 52 55	"
6	<b>Bole</b>	011-551 18 22	011-551 31 17	"
7	<b>Bole Medhanialem</b>	011-661 14 59	011-661 14 72	"
8	<b>Bomb Tera</b>	011-213 00 92	011-213 01 03	"
9	<b>Churchill</b>	011-155 71 18	011-155 72 37	"
10	<b>CMC</b>	011-651 92 58	-	"
11	<b>Debebe H/Yohannes</b>	011-663 89 54	011-663 89 53	"
12	<b>Filwuha</b>	011-551 41 30	011-550 04 82	"
13	<b>Gerji</b>	011-629 89 21	011-629 70 52	12947
14	<b>Gofa</b>	011-416 95 40	011-416 95 49	"
15	<b>Gotera</b>	011-416 08 24	011-416 08 20	"
16	<b>Guenet</b>	011-552 37 81	011-552 37 69	"
17	<b>Gullele</b>	011-270 75 25	011-270 75 21	"
18	<b>Kality</b>	011-439 46 56	011-439 46 93	"
19	<b>Kazanchis</b>	011-655 74 74	-	12947
20	<b>Lafto</b>	011-419 82 80	011-419 82 81	"
21	<b>Lambret</b>	011-647 8190	011-647 81 94	"
22	<b>Legahar</b>	011-550 91 23	011-550 92 50	"
23	<b>Megenagna</b>	011-618 25 14	011-618 25 18	"
24	<b>Merkato</b>	011-869 00 43	-	"
25	<b>Negadras</b>	011-275 24 34	011-276 76 26	"
26	<b>Olympia</b>	011-554 67 26	011-554 67 23	"
27	<b>Piassa (Arada)</b>	011-157 32 26	011-157 97 13	"
28	<b>Ragueal</b>	011-277 92 07	011-277 79 79	"
29	<b>Sarbet</b>	011-320 42 25	011-320 42 21	"
30	<b>Sidist Killo</b>	011-123 64 93	011-122 56 58	"
31	<b>Temenja Yaj</b>	011-466 09 31	011-466 09 67	"
32	<b>Urael</b>	011-662 30 01	011-662 55 64	"
33	<b>U.S. Embassy Branch</b>	011-124 48 24	-	"

<b>No</b>	<b>Branch Name</b>	<b>Telephone</b>	<b>Fax</b>	<b>P.O.Box</b>
<b>Outlying</b>				
34	<b>Adama Menaharia</b>	022-112 73 99	022- 112 74 23	1591
35	<b>Adi-Haki</b>	034-441 87 42	034-441 87 51	1803
36	<b>Alemgena</b>	011-387 02 68	011-387 12 86	460
37	<b>Alula Abba Nega (Mekele)</b>	034-440 73 77	034-440 73 80	1375
38	<b>Arada (Nazareth)</b>	022-112 35 85	022-112 39 90	81
39	<b>Arba Minch</b>	046-881 47 98	046-881 48 00	2002
40	<b>Atse Zera Yakob (Debre Birhan)</b>	011-681 39 58	011-681 39 61	405
41	<b>Awassa</b>	046-220 32 83	046-220 40 57	916
42	<b>Bahir Dar</b>	058-220 33 00	058-226 20 01	156
43	<b>Bishoftu</b>	011-433 31 34	011-433 30 16	1353
44	<b>Bule Hora</b>	046-443 08 99	046-443 08 96	101
45	<b>Chagni</b>	058-225 00 94	058-225 00 76	74
46	<b>chiro</b>	025-551 17 39	025-551 17 65	470
47	<b>Debre Markos</b>	058-771 65 20	058-771 33 87	160
48	<b>Debre Tabor</b>	058- 441 18 04	058-441 10 92	296
49	<b>Dessie</b>	033-112 32 57	033-112 32 56	899
50	<b>Dilla</b>	046- 331 24 69	046-331 39 40	507
51	<b>Dire Dawa</b>	025-111 89 32	025-111 89 34	1472
52	<b>Fenote Selam</b>	058-775 13 13	058-775 14 28	243
53	<b>Harar</b>	025-666 01 46	025-667 09 95	1689
54	<b>Hossaena</b>	046- 555 40 15	046-555 40 16	449
55	<b>Humera</b>	034-448 09 65	034-448 14 61	127
56	<b>Jijiga</b>	025-775 37 77	025-775 37 78	181
57	<b>Jimma</b>	047-111 58 63	047-111 58 64	1365
58	<b>Modjo</b>	022-116 17 31	022-116 17 49	536
59	<b>Mota</b>	058-661 15 64	058-661 04 05	124
60	<b>Shashemene</b>	046-110 15 25	046-110 15 19	1197
61	<b>Tabor</b>	046-221 08 84	046-221-07-75	2068
62	<b>Teppi</b>	047- 556 18 82	047-556 18 78	16
63	<b>Tewodros (Gonder)</b>	058-111 43 82	058-111 46 03	906
64	<b>Welayta</b>	046-551 34 05	046-551-34-05	113

**Vision Statement**

As “Abyssinia” is the ancient name of our great nation and that of the pioneer bank of the land, Bank of Abyssinia’s vision is to live up to this legacy through continuous innovation and provision of world -class banking services.

**MissionStatement**

The mission of Bank of Abyssinia is to provide full fledged domestic and international banking services through qualified and motivated employees, utilization of modern technology, and through socially and ecologically responsible practice, as well as ensuring profitability and growth.

**Values Statement**

We at Bank of Abyssinia are guided by the following values:

**Integrity,HonestyandLoyalty**

**CustomerService**

**Commitment**

**EmployeeSatisfaction**

**GoodCorporateGovernance**

**SocialResponsibility**

**Innovation**

**Fair Return to Shareholders**



## Annex VII

### List of trainings conducted and number of participants during the year 2011.

<b>Training type</b>	<b>Number of sessions</b>	<b>Number of trainees</b>
End user training on T-24 implementation	7	111
End user training on T-24 implementation	11	201
T-24 CBS implementation project	1	10
Customer service	3	70
Supervisory management	2	46
Principles of Leadership	2	34
<b>Total</b>	<b>26</b>	<b>472</b>

**Source: Human Resource Management Department**

**Annex VIII****List of trainings conducted and number of participants during the year 2012.**

<b>Training type</b>	<b>Number of sessions</b>	<b>Number of trainees</b>
End user training on T-24 implementation Implementation, Project credit team	4	95
End user training on T-24 implementation Project retail team	10	231
End user training on T-24 implementation On Domestic remittance	2	60
Bank security training for security officers	1	22
Note counting machine maintenance and preventing techniques	1	27
New application of Western Union Money transfer	1	29
<b>Total</b>	<b>19</b>	<b>464</b>

**Source: Human Resource Management Department**