ASSESSMENT OF HUMAN CAPITAL DEVELOPMENT PRATICE: THE CASE OF DASHEN BANK S.C

A Thesis Submitted to the school of Graduate Studies of Jimma University in partial Fulfillment of the Requirements for the Award of the Degree of Master of business Administration (MBA)

By

DEREJE ABEBE

JIMMA UNIVERSITY

COLLEGE OF BUSINESS & ECONOMICS

MBA PROGRAM

MAY 29, 2015

JIMMA, ETHIOPIA

ASSESSMENT OF HUMAN CAPITAL DEVELOPMENT PRATICE, THE CASE OF DASHEN BANK S.C

BY

DEREJE ABEBE

Under the Guidance of

Wondesen Siyoum(Ass. Professor)

And

Ato Taye Amogne

A Thesis Submitted to the school of Graduate Studies of Jimma University in partial Fulfillment of the Requirements for the Award of the Degree of Master of business Administration (MBA)

JIMMA UNIVERSITY

MBA PROGRAM

MAY 29, 2015

JIMMA, ETHIOPIA

JIMMA UNIVERSITY

COLLEGE OF BUSINESS & ECONOMICS

MBA PROGRAM

Board of Examination Thesis

Approved Sheet

Members of the Board Examiners

External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date
_____	_____	_____
Advisor	Signature	Date
_____	_____	_____
Co-advisor Advisor	Signature	Date
_____	_____	_____
Chairperson	Signature	Date
_____	_____	_____

MAY 29, 2015

JIMMA

CERTIFICATE

This is to certify that the thesis entitles "***ASSESSMENT OF HUMAN CAPITAL DEVELOPMENT PRATICE, THE CASE OF DASHEN BANK S.C "***, submitted to Jimma University for the award of the degree of Master of Business Administration (MBA) and is a record of bona fide research work carried out by Mr. **Dereje Abebe Hunde**, under our guidance and supervision.

Therefore, we hereby declare that no part of this thesis has been submitted to any other university or institute for the award or any degree or diploma

Main Adviser's Name	*Date*	*Signature*
_____	_____	_____

Co-Advisor's Name	*Date*	*Signature*
_____	_____	_____

DECLARATION

I hereby declare that this thesis entitled "*ASSESSMENT* OF HUMAN CAPITAL DEVELOPMENT PRATICE, THE CASE OF DASHEN BANK S.C" has been carried out by me under the guidance and supervision of **Wondesen Siyoum (Ass.Professor)** and **Ato Taye Amogne**.

The thesis is original and has not been submitted for the award of any degree or diploma to any university or institution.

Researcher's Name	Date	Signature
_____	_____	_____

Acknowledgements

First and for most I would like to thank the Almighty God for giving me the courage, inspiration, diligence and wisdom required for the development the proposal.

I also express my deepest gratitude to my advisor **Wondesen Siyoum**(**Ass.proffeser**) for his constructive comment, continuous support ,unreserved guidance, patience, motivation, enthusiasm ,and immense knowledge. Their guidance helped me a lot in writing of this proposal.

Next my warm and special thanks are extended to employees of Dashen bank who filled the questionnaires and Head of training development division of Dashen Bank **W/ro Hiwot** who have facilitated things during data collection and my friend **Ato Shiferaw** and who helped me during data coding and guide me on how to use SPSS.

Finally I convey special acknowledgment to my Father **Ato Abebe Hunde** and my beloved wife **Ayehu Worke** for their indispensable support and motivation during writing of the project.

Abstract

This research paper has designed to assess human capital development practice of Dashen Bank s.c. The objective study was to assess the opinions of employees towards human capital development program in increasing employee's knowledge and performance. As to the method of the study, descriptive survey method was employed. Regarding population of the study, employees of Dashen bank which are working at south west, west and central region braches of the country nearly 850 employees were the target population of the study. In order to make the study more manageable from a total of population mention above 86 employees were selected using simple random sampling technique. As to the data collection instruments questionnaire and semi-structured interview were employed. The collected data were analyzed by using the empirical data processing statistical package for social sciences (SPSS 16.0). The result of the study revealed that the perception of employees of Dashen bank toward training and development is positive. Most of the employees realized that there is change on their performance, knowledge and motivation after involvement in the training program prepared by the organization. However the bank is not effective in assessing individual training need to give adequate and timely training on topics which has long lasting effect. Moreover, the evaluation of the training result also a big challenge for the organization. Therefore, based on the findings the following recommendations have been forwarded. It is advisable if the bank timely identifies the knowledge gaps and individual training needs and continuously evaluate the result of the training and development programs, and design steps on how to identify individual training needs and evaluation mechanisms on the result of the training. On top of this it is advisable if the bank gives attention to an insight as to how far the practice of training associates with the need and problems to be tackled for further employee training and development program of the organization.

Key words: Employee training, human resource development, Management development

Table of Contents

Acknowledgments.....I

Abstract.....II

Contents…….....III

List of tables…….IV

List of Acronyms.....V

Chapter one.....1

1. Introduction.....1

1.1 Background of the study.....1

1.2 Statement of the problems 7

- Research questions.....7

1.3 Objectives of the study……..……..8

1.3.1 General objective.....8

1.3.2 Specific objectives.....8

1.4 Significance of the study 8

1.5 Scope delimitation of the study 9

1.6 Limitation of the study …….…….....9

1.7 Organization of the paper.....9

Chapter two.....10

2. Literature review.....10

2.1 The concept and definition of human resources development.....10

2.2 The concept and Definition of Human Resources Development (HRD).....10

2.3 Importance of HRD in Banks……...11

2.4 Objectives of HRD.....11

2.5 Why need of training and development.....12

2.5.1 Employee training.....12

2.5.2 Management development.....13

2.6 Differences between training and development- 14

2.7 Training and HRD process.....15

2.8 Review of empirical studies.....28

Chapter three.....30
3. Material and methodology.....30
3.1 Research design.....30
3.2 Study population.....30
3.3 Sample size.....30
3.4 Sampling technique.....31
3.5 Material [data].....32
3.6 Method of data collection.....32
3.7 Method of data analysis and interpretation.....32
3.8 Ethical Considerations.....33
Chapter four.....34
4.1 Demographic profile ----------35
4.2 Training Need Assessment.....36
4.3TrainingDesign…….....40
4.4Training Implementation……....44
4.5Training Evaluation…….....46
4.6 Interview Analysis.....51
Chapter five.....54
5.1 Conclusions.....54
5.2 Recommendations.....55
Reference.....58
Appendices 60
Appendix I……61
Appendix II……68

List of Tables page

Table 1: Differences between Training and Development----------13

Table 2: Demographic Profile of Respondents----------34

Table 3: Training Need assessment----------37

Table 4: Degree of training Need assessment----------39

Table 5: Training design----------40

Table 6: Degree of Training Design----------43

Table 7: Degree of Training Implementation----------45

Table 8: Depicts Training Evaluation----------47

Table 9: Degree of Benefits of Training----------48

Table 10: Degree of Satisfaction with Training Process----------49

Table 11: Percentage Distribution of Respondents Rating of Human Capital Development of Dashen Bank s.c ----------51

List of Acronyms

HRD	Human Resource Development
S.C	Share Company
HRM	Human Resource Management
CPDD	Corporate Planning and Development
TNA	Training Need analysis
TD	Training Design
TIM	Training Implementation
TEV	Training Evaluation

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the study

In current global market, companies are composed by competitors, regardless of industry. To develop a competitive advantage, it is important that firms truly leverage on the workforce as a competitive weapon. A strategy for improving workforce productivity to drive higher value for the firms has become an important focus. Firms seek to optimize their workforce through comprehensive human capital development programmes not only to achieve business goals but most important is for a long term survival and sustainability (Mumford, 1995).

Nowadays many firms undertaking, the need to invest resources on human capital to ensure that employees have the knowledge, skills, and competencies they need to work effectively in a rapidly changing and complex environment.

Modern business requires more and more knowledge and skills that are still inadequately present in the formal school education, i.e. the gap between business requirements and the knowledge acquired at school is growing (Mumford, 1995). Due to increasing competition, the organization is required to constantly revise its product and service mix, managerial methods, and to increase productivity. Modern conditions of dynamic competition, sophisticated information technology, knowledge economy, market globalization, have changed the relation to importance of human resources in organization.(P.B. Beaumont,1993).These conditions actualize the human capital as the strategic resource of every organization. Differences between the organizations exist exactly due to the differences between human capital, i.e. the organizations human resources, ways of their management and development. In a more and more global, complex and turbulent environment, knowledge is the only reliable source of competitive advantage. Traditional factors of manufacturing as the soil, labor and capital did not disappear, but their significance is not primary anymore. Knowledge is viewed as the key of realization of a competitive advantage.

Therefore the question of where the corporative knowledge is located, how to release it and develop to achieve organizational goals has become very important. Since the organizational knowledge is largely located inside the human mind, i.e. the head of employees, as carriers of

knowledge and activities, human resources are becoming the key factor of business success. Organizational development is always conditioned by human knowledge and skills. That is why; contemporary organizations pay more and more attention to the development of their employees. Thus, employee education and training are becoming an optimal answer to complex business challenges, and the management of human resource is taking central role in modern management. Through the process of employee training and development, the management of human resources provides constant knowledge innovation, creates conditions for mutual knowledge and experience exchange and proactive behavior, in this way contributing to competitive advantage and satisfaction of all participants in business procedures.

Training and development formulates a significant role in organization. Training and development can advance the level of self awareness of a person, enhance talent of an individual and enhance the motivation of an employee (wexley &Lathem, 2002). Because the activity of an organization turns in to more knowledge-driven, training and development perform an internally supplementary significant function to meet the educational desire of person as well as tactical essentials of the organization (Harrison & Kesels 2004). Training and development smooth the progress of superior attitudes of inspiration and inventiveness in support of workforce (Marchington and Wilkinson 2002). From the viewpoint of an organization, training and development is the key relationship involving the human resource policy of an organization and in general company policy (Mabey, salaman & Store, 1998).

Dashen bank consider himself as a learning institute and believe that careful designed and executed training is not an expense but an investment with encouraging return and an instrument for preparing the staff for further and sustainable development. The training and development activity of the bank is managed under human resource training and development division of HR department.

Currently Dashen bank s.c human resource development program is based on clearly defined needs both local and overseas. The bank also supports formal domestic education and correspondent education as a means to developing its human capital.

To resist the challenges posed by the government in banking sector in recent years and the increased competition from other banks necessitates the need for efficient human capital

development practice in the bank. Therefore, the main aim of the research is to assess human capital development practice of Dashen Bank s.c.

Historical Background of Banking Industry in Ethiopia

The history of banking in Ethiopia dates back to the turn of 20th century when the Bank of Abyssinia was established in 1905 in Addis Ababa marking the introduction of banking in the country. This bank was established with the request of the Ethiopian government for British Government support in setting up the bank. The bank was then established with the support of the British envoy through the National Bank of Egypt and was given a 50-year concession with exclusive privileges in respect of banking, coinage and issue of notes, bonded warehouses, custody of all moneys belonging to the state and a preferential right to all state loans. Ethiopian subscribers held only 6.2 percent of the bank's share while the rest belonged to an Anglo-Egypt group, a French group, an Italian group, German, Austrian and American subscribers. However, the bank later was found to be a purely profit-making institution rather than promoting the banking habit as it was expected to. It was then needed to establish a government bank when opposition to its monopolistic position was first manifested in1928. With the willingness of the National Bank of Egypt to abandon its concessionary rights in return for a sum of pound sterling, the transfer of ownership took place smoothly in 1931.).(National bank of Ethiopia bulleting, 2000)

The new bank, the Bank of Ethiopia, retained the offices and personnel of the old bank. The new bank differed from its predecessor in ownership and functional responsibility. The Ethiopian Government owned 60% of the shares, and all transactions were subject to scrutiny by its Minister of Finance. The bank had branches in Dire Dawa, Gore, Dessie, Harar and Gambella and was later liquidated in1936 due to the Italian invasion.

A recent and important phase in the history of Ethiopian banking was started with the introduction of monetary and banking proclamation of 1963. With the coming into effect of this proclamation, the State Bank of Ethiopia was split into two separate bodies: The National Bank of Ethiopia and the Commercial Bank of Ethiopia. The former assumed central banking functions while the latter took up commercial banking business of the old bank.

Following the declaration of socialism in 1974 the government extended its control over the whole economy and nationalized all large corporations. Organizational

setups were taken in order to create stronger institutions by merging those that perform similar functions. Accordingly, the three private owned banks Addis Ababa Banks, Banco di Roma and Banco di Napoli merged in 1976 to form the second largest bank in Ethiopia called Addis Bank. Before the merger, the foreign participation of these banks was first nationalized in early 1975. Then Addis Bank and Commercial Bank of Ethiopia S.C. Were merged by proclamation No.184 of August 2, 1980 to form the sole commercial bank in the country till the establishment of private banks in 1994

As part of the recently launched economic reform, different financial liberalization measures and restructuring of financial institutions have been undertaken. All the measures have the aim of promoting a competitive environment and efficient banking services to the public. The Commercial Bank of Ethiopia was re-established in 1994by proclamation No. 202 taking over the rights and obligations of the Commercial Bank of Ethiopia which was established under proclamation No. 184/1980. The bank's capital has been raised and is entrusted with engaging in all banking activities as customarily carried out by commercial banks.

According to the web-site of National Bank of Ethiopia, Following the economic reform in 1992, the number of banks in Ethiopia increased from three government owned to 16private owned Banks (i.e. three government owned namely: Commercial Bank of Ethiopia (CBE), Construction and Business Bank (CBB) S.c. and Development Bank of Ethiopia (DBE) and sixteen privately owned Banks namely: Awash International Bank S.c., Dashen Bank S.c., Bank of Abyssinia (BOA) S.c., Wegagen Bank S.c., United Bank S.c, NIB International Bank S.c, Cooperatives Bank of Oromia S.c, Anbessa international bank s.co, Debub Global Bank S.c, Buna international bank s.co, Birhan international bank s.co, Oromia international bank s.co, Zemen Bank s.co, Abay Bank s.co, Adiss International Bank s.co and Enat Bank s.co are banks that are currently operating banks which brought radical change in Ethiopian banking businesses. Although this leads the industry to more competitive situation, the expansion of private companies in the country is encouraging which creates opportunities for banking business.

Historical Background of Dashen Bank S.C

Since its establishment in 1995, Dashen Bank has become one of the strongest banks in the banking industry of Ethiopia. It has experienced tremendous growth since the bank start its operation 1996.

Dashen Bank coined its name from the highest peak in the Country, mount Dashen. The Dashen bank vision was as mount Dashen excels all other mountains in Ethiopia Dashen bank aspires to be unparalleled in banking service. The mission of the Dashen bank was to provide efficient and customer focused domestic and international banking service, overcoming the continuous challenges for excellence through the appropriate technology. To satisfy its customer need It operates through a network of 146 Area Banks, five dedicated Forex Bureaus, 105 ATMs and 782 plus Point-of-Sale (POS) terminals spread across the length and breadth of the nation. It has established correspondent banking relationship with 454 banks covering 70 countries and 166 cities across the world. Wherever business takes customers around the world, Dashen Bank is already there. Dashen is the most reputable brand in the domestic banking market; a reputation earned through consistent delivery of values and preeminence unmatched by its competitors. The Bank also works in partnership with leading brands in the electronic payments industry (VISA, MasterCard & Union Pay) and prominent money transfer operators (Western Union, Money Gram, Express Money, Dahabshiil & Trans Fast).(www.dashenbank s.c profile)

Vision, Mission and Values statement of Dashen Bank

Vision

‘‘In as much as Mount Dashen excels all other mountains in Ethiopia, Dashen Bank continuous to prove unparalleled in banking services.’’

Mission

‘‘Provide efficient and customer focused domestic and international banking services, overcoming the continuous challenges for excellence through the application of appropriate technology.’’

Value

Values are the guiding principles for institutional and direction. Each and every staff in Dashen bank is expected to exhibit the essence of core values in delivering service to stakeholders. The core values are as follows:

1. **D**evelop banking habit in the community
2. **A**ssist continuous growth of customers
3. **S**ustainable growth and stability
4. **H**igh integrity and accountability
5. **E**steemed customers satisfaction
6. **N**on-stop openness for community access
7. **B**rightened and trained employees
8. **A**ttend customers' constructive outlook
9. **N**ormative confidentiality
10. **K**een to consciously build professionalism and service quality

1.2 Statement of the problems

The survival of any organization depends on the quality of human resources of the company. An organization can also use training to try to overcome deficiencies in employees. Often effective training can produce productivity gains that offset the cost of training. Training is especially important in industries with rapidly changing technologies. In response to changing environment and technology advancement organization need to develop and train their employee.

There is a strong consensus that no individual can be performed fit at the time of employment no matter his profession skill and qualification particularly where organization methods and system differ in an every changing environment. To fill this gap employee training and development can be used as a perfect glue to fix the competency level of their human resource and adaptability to change organizational demand. Employee development and training activity are very important for the employee, as the activities are performed; it indicates that organization care about their employee and wants them to develop. However the problem in training and development of

human capital development will have its own impact on the attitudes and performance of employees. (scarpello and Ledvika,1998).

Moreover absence of well established training and development policy, inadequate need assessment, lack of commitment of the organization to invest on training and development program, inappropriate training and development objective, outdated training and development method, lack of close administration of the training and development program and evaluating the result of training and development program are the major problem that most organizations facing in the country. These problems later lead the organization to lack of optimum job involvement, resistance of employee in taking future assignment, decrease in performance, increase operational discrepancy, employee turnover and absenteeism. By considering of all these problems the research is aimed to assess human capital development practice of Dashen Bank s.c

Motive of the study

The major motive to do the research is to fulfill the requirement for MBA degree in business administration ant to point out the main problem in Employee training and Development practices held in Dashen bank which will help the bank in indicating problems related to employee training and development practices of the bank.

- ## Research Question

The research has the following research question.

- What are the methods used by the bank to conduct the training and development activity?
- What are the techniques used by the bank towards selection of trainers?
- What are the techniques of training need assessment used by the bank?
- How development programme implemented and assisted in increasing performance of the employees?
- What are the methods evaluation techniques used for training and development program practiced in the bank?
- What are the level of satisfaction on the training and development practice of the bank?
- What are the main problems and possible solutions in human capital development program of Dashen bank s.c?

1.3 Objectives of the study

Since the study is conducted to assess human capital development practice of Dashen Bank s.c it has the following objectives.

1.3.1 General Objective

- To assess the human capital development practice of Dashen Bank s.c

1.3.2 Specific Objectives

- To describe training method used for conducting the training and development activity.
- To assess the criteria the employees are selected for training and development.
- To assess the techniques of training need assessment used by the bank
- To assess effect of human capital development program in increasing employee knowledge and performance.
- To assess techniques used to evaluation the training and development practice of the bank
- To assess the level of satisfaction of employee on the adequacy of training period, trainers skills and capacity
- To identify the main weakness and strength in the training and development program of Dashen bank.
- To suggest the possible solutions to the major problems in training and development program of the bank.

1.4 Significance of the study

The result of the study has significant importance various respects. Firstly, on the basis of the findings of the study, the research will draw some conclusions and identify the problems found in employee training and development practice and give signal to the Human Resource Management of the bank to take remedial action to correct and improve the training and development practice which are undertaken in the bank. Second, it will provide a piece of contribution to the current knowledge in the employee training and development practice undertaken in Dashen banks S.C. Thirdly, it will gives the researcher the opportunity to gain deep knowledge in human capital development practice and means of how to increase performance of employees through training and development.

1.5 Scope of the study

The project paper has delimited to the specific company which is found in southwest, west and central region of the bank found in the country. It covers opinions of employees of Dashen bank on training need assessment technique and method used to design and problems associated with the evaluation of training and development program of the bank.

1.6 Limitations of the study

The limitation of this project is that the findings are based on sample and thus the sample may not be representative of the total population

1.7 Organization of the Study

The study organized in to five chapters. The first chapter is an introductory part which contains back ground of the study, statement of the problem, objectives of the study, significance of the study, research questions scope of the study, limitation of the study and organization of the study. The second chapter provide and over view of the related literature. The third chapter contains research design, sample size and techniques, data collections and analysis, data source, data collection tools and methods of data analysis. The fourth chapter presents analysis and presentations of data and finally the fifth chapter includes conclusions and recommendations of the research.

CHAPTER TWO

2. Literature review

2.1. The Concept and Definition of Human Resources Development

Of all the resources, the ‘human resources’ is the most significant and the only active factor of production. All other factors like capital, materials, buildings, plant and machinery, etc. remain

inactive unless there are competent people to utilize them for producing goods and services desired by the society. The goal of achieving the greater quality and higher productivity depends on the skills of people. Developing the human resources, upgrading their skills and extending their knowledge and the competencies would lead to organizational development. Therefore, human resources development is the key to enhancing and effective utilization of intellectual, technological and entrepreneurial skills of human resources. Increasingly more importance is given to "people" in the organization (Scarpello and Ledvika, 1998)

This is because that human asset is the most important of all assets. People cannot be taken for granted any more. The concept of HRD is comparatively recent development and is now used at both macro and micro levels. At the macro level, HRD is described as the core of all developmental efforts in the sense of improvement of the quality of life of the people of a nation. At the micro or the organizational level, HRD connotes the improvement in the quality of managers and workers so as to achieve greater quality and higher levels of productivity. The concept of human resources system says that human beings are a great asset to an organization. They are not merely evils to be reckoned with in fact they can contribute a great deal to the achievements of organizational goals. This positive view of the people working in the organizations as an asset with unlimited potential is the core of the concept of the human resources system (harris, 1994)

2.2 The concept and Definition of Human Resources Development (HRD)

Human resources development may be defined as a continuous process to ensure the development of employee competencies, dynamism, motivation and effectiveness in a systematic and planned way. HRD is a process concerned with an organized series of learning activities designed to produce behavioural changes in the human resources in such a way that they acquire desired level of competence for present and future roles.

HRD provided purpose and direction for the continued growth of the field: organized learning to provide the possibility of performance change (BB.Mahapatro 2010).

2.3 Importance of HRD in Banks

Banks utilizes the skills and efforts of a number of widely divergent groups of professionals, semi-professionals and non-professionals. It also differs from other large scale organizations, in that, here in this organization, there is

I) Extensive division of labour

ii) High interdependence of services

iii) Efficiency demanded by the public

IV) Complementary expectations among people at work

V) Little control over workload and over its key members

VI) Nature of work involves certain amount of risk.

vii) Reliance on information technology to reduce errors in work

2.4 .Objectives of HRD

Human Resources Development is a multipurpose. It has the following objectives:

- Provide the opportunity and comprehensive framework for the development of human resources in the organization full expression of their talents and manifest potentials.
- Develop the constructive mind and over all personality of each employee.
- Develop each individual's capabilities to perform the present job and to handle future roles.
- Develop and maintain high motivation level of employees.
- Strengthen superior-subordinate relationships.
- Develop the sense of team spirit, team work and inter team collaboration.
- Develop the organizational health, culture and climate.
- General systematic information about the human resources.

The relationships of the above goals will ultimately contribute to organizational effectiveness reflected through better quality, higher productivity, cost reduction, higher profits, and better public image. This explains the increased relevance of HRD for modern organizations operating in the uncertain social, political, economic, technological and international environment. (BB mahapatro)

2.5. Why Need of Training and Development?

2.5.1. Employee Training

Every organization needs well-adjusted, trained and experienced people to perform its activity. As the job in today's dynamic organizations have become more complex, the importance of employee education has increased.

Employee training is a learning experience; it seeks relatively permanent change in employees that their job performance improved. Thus training involves changing skills, knowledge, attitude or behaviour. This may mean changing what employees know, how they work or their attitudes towards their job, coworkers, managers and the organization.

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

- It establishes a sound relationship between the worker and his/her job (Optimum man-task relationship.)
- It upgrades skills and prevents obsolescence.To keep pace with changing technology training becomes mandatory for employees in order to update them, teach them newer skills and increase their efficiency.
- It develops healthy, constructive attitudes. Training programs are aimed at mounding employee attitudes to achieve support for organizational activities and to obtain better cooperation and greater loyalty.
- It prepares employees for future assignments.

  One of the objectives of training is to provide an employee an opportunity to climb up the promotional ladder or to move on to assignments which will help upward mobility.
- It increases productivity. The most efficient and cost-effective ways of performing jobs are taught to the employees which naturally leads to enhanced productivity.
- It minimizes operational errors. Unnecessary repetition, wastage and spoilage of materials are brought down; deficiencies in methods of doing work are ironed out in training thereby also reducing the hazard of accidents. Consequently, a safer and better work environment is created.
- It enhances employee confidence and morale. With better knowledge and skills, the employee approaches his/her job with greater confidence and sureness. It also improves the morale of the employees.

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

2.5.2. Management Development

Management development is usually defined as “the attempt to improve managerial effectiveness through a planned and deliberate learning process” (Mumford, 1995). Management development is separated from employee training for a number of reasons:-

1. management work is less predictable and less(directly) measurable than many other jobs
2. the techniques tend to be different (e.g. coaching ,mentoring)
3. training expenditure tend to be higher for managers than for other employee, and
4. Incompetent managers can have a catastrophic effect on an entire organization's ability to survive.(Belcourt, Wright, and Saks 2000)

Management development in transforming economies may be viewed as an open-ended process, which not only involves managers themselves, but also prospective managers (that is, newcomers to the market of managerial positions) and the enterprises over which they exercise control.

Management development includes “all activities and programs which have substantial influence on changing the capacity of the individual to perform his present assignment better and in so doing are likely to increase his potential for future management assignments”. Management development is planned, systematic and continuous process of learning and growth designed to include behavioural changes in individuals by cultivating their mental abilities and inherent qualities through the acquisitions, understanding and use of new knowledge, insights and skills as they are needed for effective managing. This learning process involves the implication of that there will be changed behaviour on the part of the individuals given the adequate training and education.

The main objectives of having a management development programs are given below:

- To impart the basic knowledge to the new entrants so that their overall knowledge is increased and their conceptual and decision-making skills are improved.

- To improve the performance of the mangers at all levels in their present jobs by exposing them to the new concepts, techniques.
- To build up a second line competent managers.
- To develop and implement the latest management techniques in place of traditional systems in order to increase the productivity.
- To introduce the change in the organization by developing management into change agents.
- To influence the behaviour of workers through the executives.
- To provide the opportunities to the mangers for their career advancement

2.6. Differences between Training and Development

Employee training is different from management development or executive development. While the former refers to training given to employees in the operational, technical and allied areas, the latter refers to developing an employee in the areas of principles, and techniques of management, administration, organization and allied ones.

Table 1: Differences between Training and Development

Area	Training	Development
Content	Technical skill and knowledge	Management behavioral skill and knowledge
Purpose	Specific and job related	Conceptual and general knowledge
Duration	Short term	Long term
For whom	Technical and non managerial personnel	Managerial personnel

2.7 Training and HRD Process

Organization and individual should develop and progress simultaneously for their survival and attainment of mutual goals. Modern business environment makes training more important today than ever has been. The quality of employees and their development through training and education are major factors in determining long-term profitability of a small business. If you hire and keep good employees, it is good policy to invest in the development of their skills, so they can

increase their productivity. Training often is considered for new employees only. This is a mistake because ongoing training for current employees helps them adjust to rapidly changing job requirements.

Purpose of Employee Training and Development Process

Reasons for emphasizing the growth and development of personnel include:

- Creating a pool of readily available and adequate replacements for personnel who may leave or move up in the organization.
- Enhancing the company's ability to adopt and use advances in technology because of a sufficiently knowledgeable staff.
- Building a more efficient, effective and highly motivated team, which enhances the company's competitive position and improves employee morale.
- Ensuring adequate human resources for expansion into new programs.

Research has shown specific benefits that a business firm receives from training and developing its workers, including:

- Increased productivity.
- Reduced employee turnover.
- Increased efficiency resulting in financial gains.
- Decreased need for supervision.

Employees frequently develop a greater sense of self-worth, dignity and well-being as they become more valuable to the firm and to society. Generally they will receive a greater share of the material gains that result from their increased productivity. These factors give them a sense of satisfaction through the achievement of personal and company goals.

A well-conceived training program can help a firm succeed. A program structured with the company's strategy and objectives in mind has a high probability of improving productivity and other goals that are set in the training mission.

For any business, formulating a training strategy requires addressing a series of questions.

- Who are your customers? Why do they buy from you?
- Who are your competitors? How do they serve the market? What competitive advantages do they enjoy? What parts of the market have they ignored?
- What strengths does the company have? What weaknesses?
- What social trends are emerging that will affect the firm?

The purpose of formulating a training strategy is to answer two relatively simple but vitally important questions: (1) what is our business? And (2) what should our business be? Armed with the answers to these questions and a clear vision of its mission, strategy and objectives, a company can identify its training needs.

Identifying Training Needs

Training needs can be assessed by analyzing three major human resource areas: the organization as a whole, the job characteristics and the needs of the individuals. This analysis will provide answers to the following questions:

- Where is training needed?
- What specifically must an employee learn in order to be more productive?
- Who needs to be trained?

Organizational Analysis

Organizational analysis used to understand the characteristics of the organization to determine where training and development efforts are needed and the condition within which they will be conducted. Assessing the current status of the company how it does what it does best and the abilities of your employees to do these tasks. This analysis will provide some benchmarks against which the effectiveness of a training program can be evaluated. Your firm should know where it wants to be in five years from its long-range strategic plan. What you need is a training program to take your firm from here to there.

Second, consider whether the organization is financially committed to supporting the training efforts. If not, any attempt to develop a solid training program will fail.

Next, determine exactly where training is needed. It is foolish to implement a company-wide training effort without concentrating resources where they are needed most. An internal audit will help point out areas that may benefit from training. Also, a skills inventory can help determine the skills possessed by the employees in general. This inventory will help the organization determine what skills are available now and what skills are needed for future development. (harris, 1994)

Also, in today's market-driven economy, you would be remiss not to ask your customers what they like about your business and what areas they think should be improved. In summary, the analysis should focus on the total organization and should tell you (1) where training is needed and (2) where it will work within the organization.

Task Analysis

Once you have determined where training is needed, concentrate on the content of the program. Analyze the characteristics of the job based on its description, the written narrative of what the employee actually does. Training based on job descriptions should go into detail about how the job is performed on a task-by-task basis. The result of task analysis typically include standards of performance, how tasks should be performed to meet these standards of performance, how tasks should be performed to meet these standards, and the knowledge, skill and abilities and other characteristics employees need to meet the standard. Actually doing the job will enable you to get a better feel for what is done. This allows the HRD professionals to identify discrepancies that should be remedied and what the trainee's should be able to do at the conclusion of training. Both of these are important in developing training objective.

Person Analysis

The focus of personal analysis is typically on how Individual employees can be evaluated by comparing their current skill levels or performance to the organization's performance standards or anticipated needs. Any discrepancies between actual and anticipated skill levels identifies as a training need.

Selection of Trainees

Once you have decided what training is necessary and where it is needed, the next decision is who should be trained? This question is crucial. Training an employee is expensive, especially when he or she leaves your firm for a better job. Therefore, it is important to carefully select who will be trained.

Training programs should be designed to consider the ability of the employee to learn the material and to use it effectively, and to make the most efficient use of resources possible. It is also important that employees be motivated by the training experience. Employee failurein the program is not only damaging to the employee but a waste of money as well. Selecting the right trainees is important to the success of the program.

Training Design

Training Goals

The goals of the training program should relate directly to the needs determined by the assessment process outlined above. Course objectives should clearly state what behavior or skill will be changed as a result of the training and should relate to the mission and strategic plan of the company. Goals should include milestones to help take the employee from where he or she is today to where the firm wants him or her in the future. Setting goals helps to evaluate the training program and also to motivate employees allowing employees to participate in setting goals increases the probability of success. (BB Mahapatro2010)

Training Methods

There are two broad types of training method available to employees and management of a business firms thus are: on-the-job and off-the-job techniques.

On-the-job training method

This type of training also known as job instruction training is the most commonly used method. Under this method, individuals is placed on a regular job and taught the skill necessary to perform that job. In this way, they do not lose time while they are learning. After a plan is

developed for what should be taught, employees should be informed of the details. A timetable should be established with periodic evaluations to inform employees about their progress. On-the-job techniques include job orientation, job rotation, coaching, job instruction or training through step by step and committee assignments.

A) *Job Orientations* are for new employees. The first several days on the job are crucial in the success of new employees. Orientation training should emphasize the following topics:

- The company's history and mission.
- The key members in the organization.
- The key members in the department, and how the department helps fulfill the mission of the company.
- Personnel rules and regulations.

Some companies use verbal presentations while others have written presentations. Many small businesses convey these topics in one-on-one orientations. No matter what method is used, it is important that the newcomer understand his or her new place of employment

B) *Job rotation* this type of training involves the movement of the trainee from one job to another. The trainee receives job knowledge and gains experience from his supervisor or trainer in each of the different jobs assignment. This method gives an opportunity to the trainee to understand the problems of employee on other jobs and respect them.

C) *Coaching* .the trainee is placed under a particular supervisor who functions as a coach in training the individual. The supervisor provides feedback to the training on his performance and offers him some suggestions for improvement. Often the trainee shares some of the duties and responsibility of the coach and relieves him of his burden.

D) *Job instruction*. Under this method trainer explain the trainee the way of doing the job, job knowledge and skills and allows him to do the job. The trainer appraises the performance of the trainee, provides feedback information and corrects the trainee.

E) *Committee assignment*. Under this method group of trainees are given and asked to solve an actual organizational problem.

The trainees study the problem and solve the problem jointly and or either makes recommendation to higher management.

Off-the-job-training method

This method of training, trainee is separated from the job situation and the intention is focused upon learning the material related to his future job performance. In this method of training there is an opportunity for freedom of expression for the trainees. The type of off- the-job training techniques given to the employees of an organization and to its management development is different in its content i.e. for managers there is a more detail and more techniques are applied to train them.

Off -the- job technique for employees include vestibule training, role playing, lecture method, conference, and programmed discussion where as for management development program off-the-job training techniques include case study, incident method, role playing, in basket method, business game, sensitivity training and simulation. . (VSP Rao, 1990)

A) *Vestibule* training. In this method, actual work conditions are simulated in a class room. Material, files and equipment those are used in actual job performance are also used in training (harris, 1994). This type of training is commonly used for clerical and semi-skilled jobs.

B) *Role playing.* This is a method of a human interaction that involves realistic behaviour in imaginary situations. This method of training involves action, doing and practice. The participants play the role of certain characters, such as the production manager, mechanical engineer, quality control and the like. This method is mostly used for development interpersonal interactions and relation. (VSP Rao, 1990)

C) *Lecture Method*. It is a traditional and direct method of instruction. The instructor organizes the material and gives it to a group of trainees in the form of talk. *Lectures* present training material verbally and are used when the goal is to present a great deal of material to many people. It is more cost effective to lecture to a group than to train people individually. Lecturing is one-way communication and as such may not be the most effective way to train. Also, it is hard to ensure that the entire audience understands a topic on the same level; by targeting the

average attendee you may under train some and lose others. Despite these drawbacks, lecturing is the most cost-effective way of reaching large audiences.(Mahapatra,2010)

D) *Conference or discussion*. It is a method in training the clerical, professional and supervisory personnel. This method involves a group of people who pose ideas, examine and share facts, ideas and data, test assumptions and draw conclusion, all of which contribute to the improvement of job performance.

Management development through off-the job-training techniques

A) *Case study*: are prepared on the basis of actual business situation that happened in various organizations. The trainees are given cases for discussion and deciding up on the case. Then they are asked to identify the apparent and hidden problems for which they have to suggest solutions.

B) *Incidental Method*: this method was developed by paul pigors(VSP Rao,1990,p.300). It aims to develop the trainee in the area of intellectual ability, practical judgment and social awareness. Under this method each employee is developed in a group process.

C*) Role playing*: a problem situation is simulated by asking the participants to assume the role of a particular person in the situation. The participants interact with other participants assuming different role. (VSP RaRo, 1990)

D*) In-basket method*: the trainees are first given background information about a simulated company, its products, key personnel, various memoranda, requests and all data pertaining to the firm. The trainee has to understand all this, make notes, delegate tasks and prepare memos within a specified amount of time (Shaun Tyson, 1982).

E) *Business Game*: under this method the trainee are divided into groups or different teams. Each has to discuss and arrive at decisions concerning such subjects as production, pricing, research expenditure, advertising etc…assuming itself to be the management of a simulated firm. The other teams assume themselves as a competitors and reaction to the decision. This immediate feedback helps to know the relative performance of each team.

F) *Sensitivity training*: Sensitivity training is based on research on human behaviour that came out of efforts during World War II to ascertain whether or not an enemy's core beliefs and behaviour could be modified by the application of certain psychological techniques. These techniques have been gradually perfected over the years by efforts of business and industry leaders to persuade people to buy products, including the radio and television industry to ascertain how an audience might be habituated to certain types of programming (Mahapatro, 2010). The main objective of sensitivity training is the "development of awareness of and sensitivity to behavioural patterns of one self and another". This development results in the

i. increase openness with others
ii. greater concern for others
iii. increase tolerance for individual difference
iv. less ethnic prejudice
v. understand of group process
vi. increase trust and support

G) Simulation: Simulation is a training approach that uses a training site set up to be identical to the work site. In this setting, trainees can learn under realistic conditions but be away from the pressures of the production schedule then asked to assume a particular role in the circumstances and solve the problem by making a decision. He is immediately given a feed back of his performance. (mathis & jackson 2010).

Determine which method to use.

On-the-job training is delivered to employees while they perform their regular jobs. In this way, they do not lose time while they are learning. After a plan is developed for what should be taught, employees should be informed of the details. A timetable should be established with periodic evaluations to inform employees about their progress. On-the-job techniques include orientations, job instruction training, apprenticeships, internships and assistantships, job rotation and coaching.

Off-the-job techniques include lectures, special study, films, television conferences or discussions, case studies, role playing, simulation, programmed instruction and laboratory

training. Most of these techniques can be used by small businesses although, some may be too costly.

Orientations are for new employees. The first several days on the job are crucial in the success of new employees. This point is illustrated by the fact that 60 percent of all employees who quit do so in the first ten days. Orientation training should emphasize the following topics:

- The company's history and mission.
- The key members in the organization.
- The key members in the department, and how the department helps fulfill the mission of the company.
- Personnel rules and regulations. . (VSP Rao, 1990)

Some companies use verbal presentations while others have written presentations. Many small businesses convey these topics in one-on-one orientations. No matter what method is used, it is important that the newcomer understand his or her new place of employment.

Lectures present training material verbally and are used when the goal is to present a great deal of material to many people. It is more cost effective to lecture to a group than to train people individually. Lecturing is one-way communication and as such may not be the most effective way to train. Also, it is hard to ensure that the entire audience understands a topic on the same level; by targeting the average attendee you may undertrain some and lose others. Despite these drawbacks, lecturing is the most cost-effective way of reaching large audiences.

Role playing and simulation are training techniques that attempt to bring realistic decision making situations to the trainee. Likely problems and alternative solutions are presented for discussion. The adage there is no better trainer than experience is exemplified with this type of training. Experienced employees can describe real world experiences, and can help in and learn from developing the solutions to these simulations. This method is cost effective and is used in marketing and management training.

Audiovisual methods such as television, videotapes and films are the most effective means of providing real world conditions and situations in a short time. One advantage is that the presentation is the same no matter how many times it's played. This is not true with lectures,

which can change as the speaker is changed or can be influenced by outside constraints. The major flaw with the audiovisual method is that it does not allow for questions and interactions with the speaker, nor does it allow for changes in the presentation for different audiences.

Job rotation involves moving an employee through a series of jobs so he or she can get a good feel for the tasks that are associated with different jobs. It is usually used in training for supervisory positions. The employee learns a little about everything. This is a good strategy for small businesses because of the many jobs an employee may be asked to do.

Apprenticeships develop employees who can do many different tasks. They usually involve several related groups of skills that allow the apprentice to practice a particular trade, and they take place over a long period of time in which the apprentice works for, and with, the senior skilled worker. Apprenticeships are especially appropriate for jobs requiring production skills.

Internships and assistantships are usually a combination of classroom and on-the-job training. They are often used to train prospective managers or marketing personnel.

Programmed learning, computer-aided instruction and interactive video all have one thing in common: they allow the trainee to learn at his or her own pace. Also, they allow material already learned to be bypassed in favor of material with which a trainee is having difficulty. After the introductory period, the instructor need not be present, and the traineecan learn as his or her time allows. These methods sound good, but may be beyond the resources of some small businesses.

Laboratory training is conducted for groups by skilled trainers. It usually is conducted at a neutral site and is used by upper- and middle management trainees to develop a spirit of teamwork and an increased ability to deal with management and peers. It can be costly and usually is offered by larger small businesses.

Trainers

Who actually conducts the training depends on the type of training needed and who will be receiving it. On-the-job training is conducted mostly by supervisors; off-the-job training, by either in-house personnel or outside instructors.

In-house training is the daily responsibility of supervisors and employees. Supervisors are ultimately responsible for the productivity and, therefore, the training of their subordinates. These supervisors should be taught the techniques of good training. They must be aware of the knowledge and skills necessary to make a productive employee. Trainers should be taught to establish goals and objectives for their training and to determine how these objectives can be used to influence the productivity of their departments. They also must be aware of how adults learn and how best to communicate with adults. Small businesses need to develop their supervisors' training capabilities by sending them to courses on training methods. The investment will pay off in increased productivity.

There are several ways to select training personnel for off-the-job training programs. Many small businesses use in-house personnel to develop formal training programs to be delivered to employees off line from their normal work activities, during company meetings or individually at prearranged training sessions.

There are many outside training sources, including consultants, technical and vocational schools, continuing education programs, chambers of commerce and economic development groups. Selecting an outside source for training has advantages and disadvantages. The biggest advantage is that these organizations are well versed in training techniques, which is often not the case with in-house personnel.

The disadvantage of using outside training specialists is their limited knowledge of the company's product or service and customer needs. These trainers have a more general knowledge of customer satisfaction and needs. In many cases, the outside trainer can develop this knowledge quickly by immersing himself or herself in the company prior to training the employees. Another disadvantage of using outside trainers is the relatively high cost compared to in-house training, although the higher cost may be offset by the increased effectiveness of the training.

Whoever is selected to conduct the training, either outside or in-house trainers, it is important that the company's goals and values be carefully explained.

Training Implementation

Having planned the training program properly, you must now administer the training to the selected employees. It is important to follow through to make sure the goals are being met. Questions to consider before training begins include:

- Location.
- Facilities.
- Accessibility.
- Comfort.
- Equipment.
- Timing.

Careful attention to these operational details will contribute to the success of the training program.

An effective training program administrator should follow these steps:

- Define the organizational objectives.
- Determine the needs of the training program.
- Define training goals.
- Develop training methods.
- Decide whom to train.
- Decide who should do the training.
- Administer the training.
- Evaluate the training program

Following these steps will help an administrator develop an effective training program to ensure that the firm keeps qualified employees who are productive, happy workers. This will contribute positively to the bottom line.

Training Evaluation

Training should be evaluated several times during the process. Determine these milestones when you develop the training. Employees should be evaluated by comparing their newly acquired skills with the skills defined by the goals of the training program. Any discrepancies should be

noted and adjustments made to the training program to enable it to meet specified goals. Many training programs fall short of their expectations simply because the administrator failed to evaluate its progress until it was too late. Timely evaluation will prevent the training from straying from its goals. In evaluating the worth of specific programs, sets of measurement criteria should be identified. These, according to writers in the area, are:

1. Reaction

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

2. Learning

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

3. Job behaviors

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

4. Organizational impact

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

5. Ultimate Value

Has the training affected the ultimate well-being of the organization? Here evaluation aims to measure how the organization as a whole has benefited from the training in terms of goal achievement, survival or growth. To measure the effect of human resource development program using the criteria mentioned above requires using data gathering method such as questionnaire, interview and observation. Other measures like management audit, survey, analysis of record and performance data, expert opinion, test and the like can be used to collect evaluation information (EMI).In sum, human resource development to be useful to both the organization and the employee the management concerned should:

− Properly assess needs

− Formulate clear objectives

− Design program to meet the needs and to attain objectives

− Conduct cost/benefit evaluation

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

2.7 Review of Empirical Studies

Current global competitiveness and technological development require creation of new knowledge communicated to employees and leads to continuous innovation (Horwitz, 1999). Improving product and service quality may require devolution of authority and responsibility to employees at lower levels. Integrated systemic changes in organizational design with de-layered structures, flexible work practices including task or functional flexibility and multi-skilling creates new challenges for human resource development (Horwitz, 1999). According to Snyder and Cummings (1998) as cited by Reed & Vakola (2006); organizations' abilities to change are necessary for survival. The capacity of change is associated with organizational learning since organizations have to be able to learn from past experiences, effectively use "lessons learnt" correct errors and disseminate knowledge within the organization in order to Training and Development of Human Capital in commercial Banking Industry change and adapt themselves to the continuously changing dmarket. Increased needs for improved performance requires efficient ways to identify, recruit, measure and improve the training and education of workforce (Berge et al., 2002). If people are to do things better, they must not only want to do things differently, they must have the skills and knowledge to do so (Vermeulen, & Crous, 2000). Hence human resource development is a process of developing and/or unleashing expertise through organization development (OD) and personnel training and development for the purpose of improving performance (Swanson, 2001 as cited by Arif Hassan, 2007). This view is supported by the study which seeks to determine the impact of training and development on motivation and job involvement along with what training methods are widely used in the banking sector of Pakistan. The primary data for this study was collected through a structured questionnaire that was tailored with the help of literature. The questionnaire comprised of 37 items, categorized into 5 sections, which are general perspective, motivation, job involvement, training & development and demographics. Survey was carried out on public and private banks of Pakistan (Punjab region). With the support of SPSS, Co-relation and regression analysis was conducted to

generate results. The result shows that training and development has a positive association with both motivation and job involvement of the employees of banks in Pakistan. Moreover, job instructional training and informal learning are widely used techniques to impart the knowledge towards the employees in banking sector. These findings suggest that by boosting the training and development activities within the banking sector the employees could be motivated and get attached with their work.

other researches shows that Employees who are highly trained and whose career development is effectively managed by the company show high levels of commitment, flexible, invariably multi-skilled and able to produce significant contributions to the quality of goods and services the company offers, regardless of the level they operate (Morrow,2001). The roles of training comprehend the required and acceptable level of competencies which enable organizations to compete. In the mid-1990s a team of researchers from Charles Sturt University and from the University of Technology Sydney carried out two major projects that examine the determinants of employer training. The research confirmed the growing strength of association between training and human resource development (Smith, 2006). The research confirmed the increasing strength of association between the three classic elements of human resource development – individual career development, organizational development and training (Mc Lagan, 1989 cited by Smith, 2006).

CHAPTER THREE

RESEARCH DESIGN & METHODOLOGY

This chapter covers about the way that the research carried out. This includes research design, study population, sample determination, sampling technique, source of data, procedures of data collection, analysis and interpretation and reliability and validity test are presented respectively

3.1. Research Design

The researcher chooses quantitative research for this study because in line with the interest of the study, the quantitative method proposes to measure and analyze causal relationships between variables within a framework (Denzin & Lincoln(2002) and its findings are mainly the products of the statistical summary and analysis (Shaughnessy& Zechmeister(1997).One of the advantages of quantitative research design, according to Blanche ,Durrheim & Painter(2006),is

that the findings are generalizable and the data are objective. The researcher used a quantitative research design and survey method for the study in which the participants answers the questions administered through questionnaire

3.2 Study Population

Managerial and clerical employees of Dashen bank which are found at south west, west and central region of the country that have 850 employees are the target population. The reason why the researcher choose southwest, west and central region is because it is convenience for the researcher and then will use two stage cluster sampling in order to select a representative region among the five region and sample unit respectively.

3.3 Sample Size

To determine the total sample size which is included in the research the following formula of sample size determination that was developed by Kothari (Business Research Methods) were used. The sample size computed as follows:

$$N= \frac{z2.p.N\ (1-p)}{d2(N-1)+Z2\ p\ (1-p)}$$

Where: $Z^2_{\alpha/2}$ = Table value of chi-square which equals to 1.96

N= population size

P= population proportion (assumed to be 0.5)

d= degree of accuracy (expressed as a proportion)

$$N= \frac{z2.p.N\ (1-p)}{d2\ (N-1) + Z2\ p\ (1-p)}$$

$$= \frac{(1.96)2.(0.5).850\ (1-0.5)}{(0.1)2\ (850-1)+(1.96).(0.5)(1-0.5)}$$

$$= \frac{816.34}{9.45}$$

=86.38

Therefore, the total number of observations was 86. Accordingly, 50 from central region and the rest 36 from west and south west region were taken judgmentally. Where10 branches from central region and 6 branches from west and south west region are included to collect the data.

3.4. Sampling Technique

The sample were selected by simple random sampling using lottery method of sampling from the population of Dashen Bank located at south west, west and central zone of the country. sampling is advantageous is that each member has an equal probability of being included in the sample (Roberts-Lombard, 2002:112).The sample will be selected from the list of employees found at two region .Since it is not possible to comprise all, the researcher uses the regional division of Dashen Bank in the country. A two-stage cluster sampling method is used in both selecting the two regions from (North, South west and west, East, South, Central region) and sample unit from the selected region respectively. Besides with respect to the researcher's interest of variables the researcher beliefs that there will not be population characteristic or response variation among region .Since the population are homogenous and the training and development program of the bank is administered centralized and the same in all region, thereby the researcher left other region and select the two South west, West and Central region randomly.

3.5 Materials (Data)

Mainly Primary data and secondary data were used for this study. The researcher collected information using the survey research method since this method has many advantageous like economical in terms of researcher time, effort and cost. Moreover, it is an excellent vehicle for measuring a wide variety of unobservable data, such as people's attitude, belief and behavior (Bhattacherje, 2012).

3.6 Data collection procedure

The method that is used to collect information concerning the employee opinion towards human capital development practice of Dashen bank s.c is both self administered questionnaire that were distributed to the sample (i.e. managers and non-managers) of the bank. This method is chosen because of the following advantage that it has:

- ✓ Low cost even for large sample size and widely spread geographically
- ✓ Respondents have adequate time to give well through answers
- ✓ It is free from bias of the interviewer. Answers are in respondents' word.

The forms of questionnaires developed are open-ended question to get different information from different respondents or closed ended question to get uniform answer. The other method which is used includes interview method. The interview were conducted with HRD division of Dashen bank, head of training and development department , and head of coaching officer of the bank.

To get the secondary data the researcher used secondary source through the banks HRD Division and the training and development policy manual of the bank and also the researcher uses any relevant document which supports the research topic.

3.7. Method of data analysis and interpretation

The data analysis is a further transformation of the processed data to look for patterns and relations among them. The collected & processed data were presented by using descriptive statistical tools like: Table- which tells to the researcher how frequently each respondent occurs and Percentage for comparing the trend among categories.

Data interpretation is the final work for the study and it is made from the analyzed facts. Here are some techniques of interpretation that were used in this research: descriptive statistics with the help of Statistical package for social scientists (SPSS) version16.0 software this is the most widely employed software package for statistics analysis and it is among the best ones available (Bryman&Bell, 2007; Burns&Burns, 2008)

3.8. Ethical Considerations

Everyone who participated in this study was entitled to the right of privacy and dignity of treatment. Moreover, there was no any tendency of affecting them negatively related to their involvement in this study. The response provided also kept confidential and employed solely for accomplishment of the study. In addition, all sources drawn for the study were properly acknowledged.

CHAPTER FOUR

ANALYSIS AND INTERPRETATION OF DATA

The study was intended to know the opinions of employees of Dashen bank on human capital development practice of the bank and the required data for the study was collected using primary data gained by questioner. The method of analysis used is descriptive method of analysis. Finally to get the most valuable and understandable meaning about the collected data, the conclusion and interpretation was done using tabulation and percentage as tool of analysis. Out of the total 86 distributed questionnaires, 83 were properly filled and collected which accounts the response rate of 96.5% and no questionnaires were discarded in relation to missing data.

4.1 .Demographic Profile

This section presents the descriptive analysis of sample respondents included in the study, which is concerned about sex of the respondent, age and marital status. In addition, educational status, field of specialization and tenure the respondents are analyzed accordingly.

Table 2: Demographic Profile of Respondents

Items	Respondents	
	No.	%

1. Sex	Male	74	89
	Female	9	11
	Total	**83**	**100**
2.Age	>25	8	10
	26-35	60	72
	36-40	12	14
	41-50	3	4
	Total	**83**	**100**
3.Martial Status	Married	37	45
	Single	46	55
	Total	**83**	**100**
4. Education	PHD.	0	0
	Second degree	11	13
	First Degree	72	87
	College diploma	0	0
	12 grade	0	0
	Total	**83**	**100**
5.Tenure	1-3yrs	28	34
	4-6yrs	26	31
	7-9yrs	18	22
	>10 yrs	11	13
	Total	**83**	**100**
6. field of specialization	Banking and finance	6	7
	Accounting	39	47
	Management	32	39
	Economics	5	6
	others	1	1
	Total	**83**	**100**

Source: Survey questionnaire 2015

As it can be seen form table 4.1 above, majority of the respondents (89%) are males whereas, the remaining (11%) are females. Regarding the age of respondents, the majority of respondents (72%) are under the category of 25-35 years. The next dominant respondents, which account (14%), are within the range of 36-40. The third groups of respondents, which represent (10%),

are below 25 years and the remaining 4% are within the age category of 41-50. This shows that the majority of respondents are under the category of 25-35, which almost comprises productive group.

As it can be seen on table 4.1 item 3 above, related to the marital status, of the total respondents (55%) are single whereas, (45%) are married. This indicates that majority of the respondents are single.

The profiles of respondents are also assessed in terms of their educational level. The majority of the respondents that account 72 % are first degree holders. The remaining 13% have their second degree. This indicates that the majority of employees' have high educational status which is consider to be an asset to the bank and shows the bank has huge potential on man power.

In relation to service year within the organization, (34%) of the respondents have work experience of 1years to 3 years. Around 31% of the respondents have worked experience of 4years to 6 years and the remaining 22% and 11% fall under the range of 7-9 years and >= 10 years respectively. This shows that most of the respondents are under the category of 1 year to 3years.

When we see the field of specialization of employees almost all the respondents have educational background related to the job they are doing. The result from the table 4.1 reveals the truth. Accordingly 47% accounts for Accounting, 39% for Management, 7% for Banking and finance, 6% for Economics and the remaining 1% includes other field.

4.2 Training Need Assessment

As indicated in the literature review part of this study training need analysis will provide answers to the following questions: Where is training needed? What specifically must an employee learn in order to be more productive? And who needs to be trained? .With regard to analysis of the opinions of employees on their perception to training need assessment of the bank ,the researcher found the following result as shown in the table.

Table 3: Training Need assessment

Measure	Response	Frequency	Percentage
1.Training Participation	Yes	81	98
	No	2	2
2.No of round training Participation	1	19	23.5
	2-3	40	49.4
	4-5	12	14.8
	>5	10	12.3
3. Conduct training need assessment periodically.	Yes	41	49.4
	No	21	25.3
	I don't Know	21	25.3
4.Techniques of TNA	Organizational	5	12
	Personal	0	0
	Task(job)	36	88

Source: Based on Server research 2015

The existing employees of the organization were asked to indicate their view on whether they are participated in any form training program prepared by Dashen bank. Accordingly 98% of them respond that they have participated in the training program and the rest 2% respond they didn't participate in any form training program. The result shows majority of the employees have taken training program prepared by Dashen ban this implies the organization commitment and believe training and development program necessary for its employees.

Whereas in terms of the frequency of the training given to employees 49.4% of them have participated 2-3 round in the last three years this shows they have participated approximately one training session per year , 23.5% of them participated only one round, 14.8% have participated 4-5 round and the rest 12.3% participate more than 5 round. The result indicates that majority of the respondents train ones in a year.

In addition to this, the respondents were asked whether the bank make training need assessment periodically. as depicted from the table 4.2.1 49.4% of the respondents believe that the bank make training need assessment periodically the rest respond equally 25.3% each; and there is no training need assessment or they didn't know exactly whether the bank make this analysis periodically. The result shows that majority of the respondents didn't now or believe there is no training need assessment conducted in the bank. This implies that bank makes training need assessment without the participation of employees who need to be trained.

The next issue regarding the technique of identifying training needs assessment by the organization under this study the result from the table depicts that 88% of the respondents believe the bank make task(job) analysis to identify the need and the rest 12% believe the bank make organizational need analysis to give training session to the employees. The results from table shows that bank ignore how an Individual employees training need entertained in the bank. The above result lead to a conclusion that even though it's good for the organization to use organizational and job need assessment technique to identify training need it is important if the bank includes individual training need assessment to create able, skillful employee who can perform the job in a better way than he is used to be.

The other point which is used to measure the training need assessment of the bank is measuring degree training need assessment. Through this the opinions employees using likert scale where used to measure. Accordingly table 4.2.2 shows the result which is collected using survey questionnaire.

Table 4: Degree of training Need assessment

Satisfaction measure		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean
1. Training improve productivity	Frequency	3	2	7	33	38	4.22
	Valid Percent	3.6	2.4	8.4	39.8	45.8	
2. financial Commitment to invest on training and dev't	Frequency	4	14	20	33	12	3.42
	Valid percent	4.8	16.9	24.1	39.8	14.5	
3. Effective utilization of man power	Frequency	5	19	20	32	7	3.2
	Valid percent	6	22.9	24.1	38.6	8.4	
Total							83
Valid percent							100

Source: Based on survey questionnaire (2015)

Based on analysis of responses given by the sample respondents shown on table 4.2.2 item 1, the significant proportion of the respondents that accounts 85.6 % agrees with the idea that training increase productivity. While 8.4% of the respondents undecided or neutral about the idea the rest 6% disagree that training didn't improve productivity. These figures lead as towards the conclusion that employees of Dashen bank has positive attitude towards the concept that training improves their productivity and work efficiency.

The other measurement is assessing how the bank is committed to invest on training and development of employees; accordingly 54.3% agree that the bank is committed to invest on training and development of staffs while 24.1% undecided on the commitment of the bank and the rest 21.7% disagree that the bank is not committed to invest on training and development of the staff. These figures and the mean value, which is (3.42), lead toward the conclusion that employees of Dashen lack confidence in deciding on the commitment of the bank in investing on training and development of employees.

The next issue is regard to assessment opinions of employees on effective utilization its man power to the expected level through training and development. The result clearly shows that 47% of the respondents agree that the bank effectively utilize its man power whereas 28.9% disagree that the bank didn't use its man power effectively to expected level through training and development while 24.1% undecided on the issue. These figures and the mean value, which is (3.2), lead toward the conclusion that there is no clear and equal way of utilization of available man power to the expected level through training and development.

4.3 Training Design

As indicated in the literature review part of this; training design includes setting Training Goals and objective, selection of Training Methods, and trainees are the main components in designing training. With regard to the analysis of the result obtained from the data collected the trend of the bank in design training are measured and the opinions of the employees are presented in the following table.

Table 5: Training design

Measure	Response	Frequency	Percentage
1. Training program type	On the job	20	24.1

	Off the job	18	21.7
	both	45	54.2
2. On job training	Job instruction	19	29.2
	Job rotation	4	6.2
	Apprenticeship	0	0
	Coaching	42	64.6
	All of the above	0	0
3. Off the job training	Lecture	54	85.7
	Vestibule training	5	7.9
	Case study	3	4.8
	Simulation	1	1.6
4.Respondents selection for training	Man power need of the company	45	54.3
	Knowing people in charge	0	0
	Seniority/merit	9	10.8
	No idea	29	34.9

Source: Based on survey questionnaire (2015)

As shown in Table 4.3.1 item 1 respondent were asked to identify the type of training program given in the company. Accordingly 54.2% of the respondents say they have taken both in the job and off the job training method where as 24.1% said they have taken only on the job type of training method the rest 21.7% said off the job training method. From the result it can be said that majority employees of the Dashen bank take both off the job and on the job type of training based on this here it can be concluded that the bank used both on the job and off the job training method and this will increase the knowledge of employees in doing organization task effectively with all due care.

Based on the question in item 1 respondents were asked to identify the method of training they have taken so far for each type of training type. Accordingly respondents who take on the job training were asked which type of on the job training method frequently given to them by the bank. Out of the total population "coaching" contributed the highest with 64.6% followed by " job instruction" with 29.2% and 6.2% in charge for job rotation. Here it can be concluded that the

organization use coaching as best way of giving on the job training with all its limitation for trainees to express their own feeling or idea.

The other question the respondents asked to identify the method of off the job training method frequently given to them. Accordingly "lecture" contribute the highest with 85.7% followed by "vestibule training" with 7.9%, and case study with 4.8% and simulation 1.6% respectively. The implication for the lecture method that is mostly frequently used (lecture method) is that it is the most widely accepted method and also economical because a large number of people can be trained using one instructor.

The last item in table 4.3.1 is the selection criteria for the training by the organization. The result from above table 4.3.1 examines the factors responsible for selection of staff for the training. Out of the total population, “manpower needs of the organization” constituted the highest with 54.3%, followed by did not have an idea of how staffs were selected for training with 34.9% and finally by the Seniority/Merit with 10.8%. Here it can be concluded that the bank rated the “manpower needs of the organization” are the most important factor before embarking on training programmes.

4.3.2 Degree of Training Design

In this section of the analysis part the degree of training design of the organization is measured from the perspective of the employees' opinion with regard to the standard, technique, content of training materials and relevancy of the training for the employees were analyzed. The degree of measurement is used by likert-type of scale method. The rating scale stand for: 1= strongly disagree 2=Disagree 3=undecided 4= Agree and 5= strongly Agree.

Table 6: Degree of training design

Measure		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean
1. Develops standardized training program	Frequency	7	15	14	31	16	3.5
	Valid Percent	8.4	18.1	16.9	37.3	19.3	
2. Design training program that contain techniques to perform task and meet standards	Frequency	5	9	17	40	12	3.56
	Valid percent	6	10.8	20.5	48.2	14.5	
3. Prepare adequate training material	Frequency	5	9	11	42	16	3.68
	Valid percent	6	10.8	13.3	50.6	19.3	
4.prepare training relevant to current job	Frequency	4	7	12	38	22	3.83
	Valid percent	4.8	8.4	14.5	45.8	26.5	
Total							83
Valid percent							100

Source: Based on survey questionnaire (2015)

Accordingly, employees are asked to rate the question under investigation the result shows 56.6% of the respondents of item one agree that Dashen bank prepares standardized training program. While 26.5% disagree and the rest 16.9% undecided whether the bank prepare or not doing as such satisfactory job in preparing standardize training program that enable employees to perform a given task.

The respondents also asked to rate the trend of the organization in designing training program that contain techniques that enables them to perform task and meet standards. The result depicts 62.7% of the respondents agree, 20.5% undecided and 16.8 disagree. From the result it can be concluded that majority of the employee agree that there is a training program in the bank that is well designed and which enables the employees to perform a given task and able them to meet the required standard of service to their customers.

The next issue is related preparation of adequate training material for the trainee. The data collected from the respondents revealed that 69.9% of the respondents agree there is adequate training material for the trainees the rest 16.8% and 13.3% of the respondents disagree and respond undecided over the issue respectively. From this descriptive analysis, it can be concluded that the organization is preparing adequate training material for the trainees.

The other point is related to the content of the training that is relevant to the current job. The mean result 3.83 and the frequency percentage 72.3% shows the respondents agree that there is a due care given on the content of the training that are given to employees while 14.5% of the respondents are not sure about and the rest 13.2% of the respondents disagree that the training contents are not relevant to current job. From the descriptive analysis, it can be concluded that the organization make a big effort to design a good training program but it have a long way to go and satisfy employees with due care on the content of the training and the relevancy to the trainers.

4.4 Training Implementation

The context of training implementation refers to delivering the training and development program to the selected individuals. In this sense it is important to make sure the following points in the table are included. Based on this the research questionnaires where designed to answer those issues which are presented below.

Table 7: Degree of Training Implementation by the bank

Measure		Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean
1 In-house training is effective	Frequency	3	9	21	26	23	3.7
	Percent	3.6	10.8	25.3	31.3	27.7	
2 Training with adequate facilities	Frequency	5	10	7	43	17	3.7
	percent	6	12	8.4	51.8	20.5	
3. Schedule training program	Frequency	7	13	15	34	13	3.4
	percent	8.4	15.7	18.1	41	15.7	
4. Delivers participatory training	Frequency	3	7	15	40	17	3.74
	percent	3.6	8.4	18.1	48.2	20.5	
Total							83
Valid percent							100

Source: Based on survey questionnaire (2015)

Based on the finding which is shown in the table 4.4.1 item 1 respondent 59% of the respondents agree that training by in-house trainers is more effective than outside instructors, while 25.3% undecided and the rest 14.4% disagree respectively. From the result it can be concluded that employees of the organization need to be trained by in-house personnel yet in the training and development efforts of the bank there is still room for improvement. This is because efforts are only on the internal trainings and thus, the external training is exclusively for the management staff which should not be in most cases.

When we come to the fulfilling adequate facilities during training period and the comfort of the training place 72.3% of the respondents agree that the training program managed and conducted with adequate facilities and comfort; while 18% disagree and 8.4% undecided respectively. From

the result we can conclude that the organization gives due care on fulfilling facilities and make sure the comfort to conduct the program is well organized.

The other point included in the table includes the provision of training program with well schedule to perform the training timely. In this regard 56.7% of the respondents agree that the training program is well scheduled to conduct the training timely; while 24.1 % disagree and 18.1% of the respondents' undecided on the agreement. From the finding it can be concluded that majority of the staffs are happy about the time and the schedule used to conduct the training program yet there is room for improvement on schedule training program that should be addressed.

The next and the final agreement in implementation of the training program were measuring the delivery of the program by participating learners. Result shows that 68.7% of the respondents agree there is a participatory training program in the organization; the rest 18.1% and 12% undecided and disagree respectively. Based on the result it can be concluded that there is a training program in the organization participate learners during the training period.

4.5. Training Evaluation

It is easy to generate a new training, but if the training effort is not evaluated,any employee training effort can rationalized. Training evaluation information should be provided to the trainer and/or instructor, trainees and all other parties concerned for control,correction and improvement of trainees activities. Trainees reactions to the training may, in fact provide feedback on how worthwhile the participants viewed the training. having in mind this the research paper evaluate how the the training program in the dashen bank look likewhat measurement criteria do they make to identify the worthiness of the training, and also what chage they see after atending the program. finlly the paper evaluate the benefit the trainers get from the training program given to them and the degree of satisfaction on the overall training process and the topic which are included to upp grade emlopyees capacity in resolving problems and increase their overall managerial skill therefore the findings are discussed in the follwing tables.

Table 8: Depicts of Training evaluation

Measure	Response	Frequency	Percentage
1.Evaluate effectiveness	Yes	48	58.5
	No	34	41.5
2. Measurement criteria	Reaction	21	43.8
	Learning	9	18.8
	Job behavior	3	6.2
	Organizational impact	15	31.2
3. Performance change	Yes	68	84
	No	13	16

Source: Based on survey questionnaire (2015)

Table 4.5.1 shows the trend of the bank in evaluating the training program given to employees, the criteria they use to measure and also measure any change the employee achieves after taking the training program prepared by the organization. Accordingly 58.5% of the respondents say the bank evaluate the effectiveness of the training and development program and 41.5% of them say "No" the bank didn't evaluate the effectiveness of the program. The result indicates majority of them agree there is an evaluation measure taken on the effectiveness of the training program. here it can be concluded that evaluation of the training result in the bank is not strong therefore the bank need to do hard in evaluating the effectiveness of the training program which is a key in knowing the newly acquired skills vs. the skills defined by the goals of the training program.

The research also asked the criteria the bank used to evaluate training. Accordingly 43.8% of the respondents say the organization use reaction as evaluation measure, 31.2% organizational impact, 18.8% learning, and 6.2% job behaviour as a measure of evaluation respectively. The

result depicts that the organization uses four measuring criteria which is a positive side for the organization to see the result of the program from different spectrum.

Finally what contribution or change does the training bring to the trainees after taking the program The result from the table 4.5.1 shows 84% of the believe that there is a change on performance after taking the training program prepared by the organization and 16% respondents say there is no change in performance after taking training. Here it can be concluded that the training program given by the organization lead to increase on performance of the employee which result increase in service delivery of the organization.

Table 9: Degree of Benefits of Training

Satisfaction measure		**Not benefit**	**Less benefit**	**Undecided**	**Benefit**	**Highly benefit**	**Mean**
1. Gives necessary knowledge	Frequency	1	5	9	50	18	3.95
	Percent	1.2	6	10.8	60.2	21.7	
2. Gives communication	Frequency	3	0	18	51	11	3.81
	percent	3.6	0	21.7	61.4	13.3	
3. Training motivation	Frequency	2	6	11	48	16	3.84
	percent	2.4	7.2	13.3	57.8	19.3	
4. Improve service delivery	Frequency	2	4	11	45	20	3.94
	percent	2.4	4.8	13.3	54.2	24.1	
Total							83
Valid percent							100

Source: Based on survey questionnaire (2015)

The above table shows the degree of benefit the employees get from the training program delivered by the organization. the result also reviled that majority of the respondents benefited from the training program and believe that the training give them necessary knowledge of

banking, it has improve their communication and interaction , motivates them to carry out tasks and improves in service delivery. From the result it can be generalized that training program has made a positive impact on the employee.

Evaluation of Degree of satisfaction with training process

Evaluation activities in training situations involve multiple goals associated with multiple levels; evaluation should perhaps be viewed as a collaborative activity between training designers, training managers, trainers, floor managers, and possibly others. In this section the overall training process of the organization were evaluated.

Table 10: Degree of satisfaction with training process

Satisfaction measure		Not satisfy	Less satisfy	Undecided	Satisfy	Highly satisfy	Mean
1. Selection Criteria	Frequency	11	19	12	33	8	3.1
	Percent	13.2	22.9	14.5	39.8	9.6	
2. Training methods	Frequency	4	20	9	45	5	3.33
	percent	4.8	24.1	10.8	54.2	6	
3. Adequacy of training period	Frequency	7	32	20	22	2	2.76
	percent	8.4	38.6	24.1	26.5	2.4	
4. Trainer's skill and capacity	Frequency	2	6	21	42	12	3.67
	percent	2.4	7.2	25.3	50.6	14.5	
5. Training Objective	Frequency	2	9	4	53	15	3.84
	percent	2.4	10.8	4.8	63.9	18.1	
6. Training facilities	Frequency	2	18	12	37	12	3.48
	percent	2.5	22.2	14.8	45.7	14.8	
7. Desired program contact	Frequency	3	19	20	30	11	3.33
	percent	3.6	22.9	24.1	36.1	13.3	
8. Evaluating training Results	Frequency	9	18	18	30	11	3.12
	percent	10.8	21.7	21.7	36.1	9.6	
9. Training Policy	Frequency	8	11	18	35	11	3.36
	Valid percent	9.6	13.3	21.7	42.2	13.3	
Total and percent 83(100)							

Source: Based on survey questionnaire (2015)

Respondents were asked to show their degree of satisfaction on selection criteria for training, training method, adequacy of training period, trainer's skill, training objective, training facilities, program content, evaluation of training result, and training policy of the organization.

The result from table shows that 49.4% of them satisfy with selection criteria of the organization for training and 22.9% less satisfy. The result shows that majority of respondents satisfy with the selection criteria in the organization but still there is a room for improvement in the selection criteria.

The other point is table 4.5.3 degree of satisfaction on training method and adequacy of training period. The result shows 60.2% of the respondents satisfied with the training method and 24.1% of them are less satisfied but when we come to the adequacy of training period 38.6% of the respondents less satisfy while 28.9% of the respondents satisfy. Here it can be concluded that the bank isn't giving enough time for training period even though it gives high concern on the method and media this also supported by the respondents view on the open ended question part of the questionnaire.

In relation to trainer's skill and training objective of the organization about 65.1% of the respondents satisfy with the trainer's skill and capacity while 25.3% are undecided. From this result it can be concluded that the organization give due care in selecting trainers which have adequate skill and capacity. Regarding to the objective of the training 82% feels that they are satisfy with the training objective and 10.8% feels less satisfaction. From the result it can be concluded that employees have positive attitude towards the training objective of the bank which assist employees to function more effectively in their present position by exposing them to the latest concept, information and techniques and development the skills they need in their particular job.

Lastly, 60.5%, 49.4%, 45.7% and 55.5% of the respondents feel satisfy with training facilities, desired program content, evaluation of training result and training policy of the organization respectively. The result shows the organization committed with fulfilling training facilities for trainees and also has developed strong training policy which majorities of the respondents agree on it. But a lot work need to improving the content of the program as well as in evaluating the result of the training result.

Table 11: Percentage Distribution of Respondents Rating of Human Capital Development of Dashen Bank s.c

Rating	Frequency	Percentage
Excellent	0	0%
Very Good	66	78.6%
Good	13	15.5%
Poor	4	4.8%
Total	83	100%

The above table shows the respondents rating of the human capital development programmes of the bank. In their responses, a total number of 78.6% rated the human capital development in the Dashen Bank as "very good", "good" stood at 15.5% and "poor" constituted 4.8% of the total population. This in effect indicates that human capital development programmes in Dashen Bank s.c is yielding the results of its objectives. This is further established by a key informant provided in open ended question thus: "The programme is robust so far are on-going, must be consistent and not disjointed. Definitely, if it continues unabated, the bank will become stronger and reliable"

4.6. Interview Analysis

The information regarding the practice of Dashen Bank on human capital development practice which mainly focus on training and management development were conducted with training and development division of HRD of Dashen bank s.c. Accordingly the interview was conducted and the result of the interview was discussed as follows.

Q 1.Would you please, explain what the bank does on issues of training need assessment?

The bank conducts training need assessment periodically to identify the training need of the organization at the corporate level through source of need assessment techniques such as:

- Questionnaires which is field by employees
- From the result of performance evaluation
- from Inspection report of the internal auditors
- Annual managerial meeting and
- Organizational need base

Q2. How does the Dashen bank design training programs?

Based on the training need assessment report the training for the employees are start by defining the objective and depth of the training program. According to response the next step will be developing plan on what specifically the trainers learn, deciding who need trained and who will train them with appropriate method of training are the major activity how the bank design its training program .

Q3. What techniques or methods do you use to implement the training program?

To implement the training program the bank use both on the job and off the job training program; regarding on the job training method the bank use mainly coaching and job instruction training method. When come to off the job training program the training methods mostly used are discussion/conference, lecture method and Simulation as a method media to transfer the information of the training.

Q4. How the bank evaluates the results of the training?

Dashen bank implemented two type of training evaluation technique. Thus are post-training evaluation which compares the post-training results to the objectives expected by managers, trainers, and trainees. The other method is Impact assessment which is done annually through this analysis the bank measure the value of the output before and after training. Any increase represents the benefit resulting from training.

Q 5.What are the most challenging factors you faced before-during-after training?

The challenges the bank faced before during and after training includes:

- Absence of specific training institution to support the banking industry in giving training which cope with the need of the banking sector.

- Unavailability of E-learning institution in the country also consider to be the problem to implement the training program widely across the country and
- Evaluation of the training program consider to complex and most difficult task to undertake.

Q6. What do you suggest for the bank to overcome the above mentioned challenges & others?

Correcting the challenges in evaluation of the training result will be possible solution to overcome the challenged the bank face in evaluation the training program. The other issue which needs big emphasis is overcoming the problem of lack of training institution. In this regard the bank wants to negotiate with higher institutions which give training and management development program based on the need of the organization can also be used as a solution to overcome the challenges assessment, training design, training implementation and training evaluation were significantly influencing training and development program of Dashen bank

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

This chapter present conclusions drawn from the findings and indicates its implications. The chapter is organized in two main sections with section (5.1) discussing conclusion and section (5.2) presenting recommendations for the organization on the issue of training and development.

5.1 Conclusions

1. The bank uses organizational and task analysis as techniques to measure training need assessment of the organization and ignores/inapplicable personal/individual analysis for training need assessment.
2. Majority of the respondents believe training improves productivity this shows employees have positive attitude on training and development program of the bank.
3. Employees are selected mostly by company need for training and development but still some trainers have no idea with what criteria they are selected for training.
4. The company uses both on the job and off the job training technique of them job instruction, coaching and lecture method are the highly used type of training method.
5. Majority of the respondents agreed the bank design standardized training program which contain techniques to perform tasks which motivates them to carry out their task. Also agree on the organization commitment in providing adequate training material which is relevant to their current job. Regard to the implementation of the training program most respondents agree that training by in-house personnel is effective and believe the organization provide adequate training facilities and comfort; and conduct the training program timely by participating learner which are selected for training.
6. In evaluation the overall training process of the organization respondents satisfy with selection criteria, training method, trainer's capacity, training objective, desired program content and training policy of the organization but respondents believe that training period is inadequate and need to be improved. Even though the bank makes evaluation of training process periodically there is still a big challenge in assessing the impact of the training on the trainers but most employees realize a change on performance after taking training.

7. It can be concluded based on the above summary of findings, that the human capital development programmes of Dashen bank has improved the skills, attitude and performance of staff of the bank which invariably has led to the achievement of organizational goals and objectives though there is still need for the bank to put in place other motivational policies that will be attractive to the staff to retain them after the training and development exercise.

5.2 Recommendations

1. Creating an employee who is knowledgeable, skilful and capable will be able to improve the productivity and performance of the organization .It is believed that knowledgeable, skilful and capable employee perceive themselves to be more competitive than their counterparts. This is because an able employee can usually carry out his duties more efficiently and is able to produce more quality work. Based the finding employees who take training frequently have realized a change in performance, knowledge, and motivation therefore the bank should keep and increase the frequency of training to employees again and again.
2. Even though the bank know individual need assessment as one technique for knowing the need for training and development. Still it is not applicable in the organization therefore the bank should fill this gap. To avoid/fill this gap the organization need to follow some recommended steps to identify individual training need. First gathers all employees who have the same job and ask them to write and list their most important training needs secondly use a weighted voting process to prioritize the training needs across the group. Thirdly List the training needs in order of importance, with the number of points assigned as votes determining priority.
3. The organization frequently use job instruction, coaching and lecture method but there also other training transmission media which are effective coast efficient media such as Audiovisual methods such as television, videotapes and films are the most effective means of providing real world conditions and situations in a short time. One advantage is that the presentation is the same no matter how many times it's played. This is not true with lectures, which can change as the speaker is changed or can be influenced by outside constraints. The major flaw with the audiovisual method is that it does not allow for questions and interactions with the speaker, nor does it allow for changes in the presentation for different audiences.

4. Most employees have positive feeling for in-house trainers therefore the bank should strength its in-house trainers capacity by giving training and management development program so that it can use its managers as trainers by giving program such as training of trainers. To achieve this strategy the organization need to make collaboration with higher institute to prepare training program which is suit with the company policy and strategy. This program should be imparted in a way that helps in-house trainers to learn and apply the take-a ways in real life work situations.
5. Some senior staffs of the organization perceive the training topics which are given to them are redundant and which already what they know. This show there is some selection problem on who should take those topics. To fill this gap the organization need to inform the training topic and objective to the trainers before conducting the training program and need to allow free those who already take the training topic. This will help them to remain focused and increase their concentration levels.
6. Most respondents are not happy with adequacy of the training period due to this there are topics that are not covered in detail. Therefore the bank should give enough time for topics which need long training period unless the objective of the training will be under big question.
7. The evaluation criteria for training and development program should be clear and measurable. Mainly that of impact (job behaviour) of the training result must be known and assessed. In this regard the organization needs to consider hiring an external evaluator even if it is costly and time consuming. The bank also need to consider the need for the use of internal resources and personnel in organizations, expert system technology which is useful in providing expert support and guidance and increase the power and efficiency of evaluation. To describe how this can be done in practice evaluation must be built in from the outset and involved collaboration between organizational leaders, trainers, participants and evaluators. A four-phase approach can be used:
    - Phase 1: Design of training programme (organizational leaders, trainers and evaluators agree design and methods to obtain feedback from participants after the initial runs of the training programme).
    - Phase 2: Launch and evaluation of initial programme (training conducted and agreed methods used to collect participants' views either through questionnaire or some other method).

- Phase 3: Feedback and design of evaluation instrument (organizational leaders, trainers and evaluators meet to review feedback and field notes and adapt the training programme where necessary. A survey instrument designed for evaluation of future iterations of the programme).
- Phase 4: Ongoing training and evaluation (training programme conducted with new design/content, evaluation survey used and results fed back into Phase 3

REFERENCE

DAVID M. HARRIS, RANDY L. DESIMONE (1994). "Human *Resource Development*", 2nd edition the Dryden Press, first edition.

BELCOURT, WRIGHT, SAKS (2001). "Managing Performance through Training and development"2nd edition Nelson printing press.

HOLT, DAVIS H, (*1993).* "*Management: Concepts and Practices*"(Eagle Wood Cliffs, New Jersey: Prentice Hall),

LAIRD, DUGNAN, (1983). "*Approaches to Training and Development "*(Mass.: Addison - Wesley,).

MILKOVICH, GEORGE T. & BOUDREAN, JOHN W., 1991"*Human Resource Management"* (USA:Richard D. Irwing, Inc.,).

MONDY, R. WAYNE & NOE, ROBERT.M 1990;"*Human Resource Management,"* (Massachusetts: Simon & Schuster, Inc.)

SCARPELLO, VIDAG. AND LEDVINKA, JAMES, PERSONNEL (1988). "*Human Resource management" (*Boston: PWS - Kent Publishing company,).

Kaye, B. L. (1998). 'The Kept on Workforce Training and Development', *Journal of Management and Strategy*, vol. 52, pp. 32 – 36.

KOTHARI, C. (2004) Research Methodology" *Methods and Techniques*," 2nd edition, NewDelhi

N BHATTACHERJEE, A. (2012). " *Social Science Research: Principles, Methods, and Practices*" USF Tampa Bay Open Access Textbooks Collection new Age International (P) Ltd

ABDELGADIR, N. A. AND ELBADRI, G, "*Training Practices Of Polish Companies*: An Appraisal Agenda for Improvement"**,** *Journal of European Industrial Training, 2001, Vol. 25, No. 2/3/4, pp. 69-79.*

ANTONACOPOULOU, E. P., (*1999).* "Reconnecting Education, Development And Training Through Learning: A Holographic Perspective" in, *Education and Training, Vol 42, No. 4/5.*

AZIZ, Q., (*2007).* "Human Capital Optimization", Proceeding from *Human Capital Optimization: Strategies, Challenges and Sustainability, December16 – 18.*

ASARE-BEDIAKO, K (2002). "*Professional Skills in Human Resource Management*" New York: Kasbed Ltd.

BLACK. E & LYNCH.M (1996)," *Human-Capital Investment and Productivity*" *The American Economic Review Vol* 86 (2), pp 96-104

CASCIO, F (1989). “Managing *Human Resources" 2nd edition*. New York: McGraw Hill.

COLE, G. A (2002. " Personnel and Human Resource Management" London: York Publishers.

DE CENZO, A &; ROBBINS.P (1996). "*Human Resource Management*" New York: John Wiley & Sons.

BB MAHAPATRO (2010), "*Human Resource Management" New age international printing press:* New Delhi.

BASS, BERNARD M., and Vaughan, James A. (1966) "*Training in Industry: The Management of Learning*, (Belmont, California: Wadsworth)

CAMPBELL, JOHN P., ET. al. (1970). *Managerial Behavior, Performance, and Effectiveness (*New York: McGraw Hill,).

CHATTERJEE, BHASKAR (1990*) "Human Resource Management"* (New Delhi: Sterling Publishers Private Ltd., Inc.)

P.SUBBA AND V.S.P. RAO (1990)"Personnel Human Resource Management"(New Delhi, Konark Publisher Private Ltd. Inc)

APPENDICES

Appendix I

JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF GRADUATE STUDIES

MASTERS OF BUSINESS ADMINSTRATION (MBA) PROGRAM

A Questionnaire to be filled by Dashen Bank staff

This questionnaire is designed to collect information about Employees opinion about human capital development practice in Dashen bank. The information you provide will help the researcher as partial fulfillment of academic requirements for the degree of MBA in Business Administration as well as to gain practical knowledge on the topic under investigation. It may also help the bank to be aware of major problems related to the issue under study.

Part I – General information

Direction: Please put a tick " ✓"mark for those questions that are followed by choices and write your short and precise answers for those followed by blank spaces. Your genuine response is valuable to the success of the study. Hence, I kindly request you to carefully respond at your best knowledge to all the questions.

1. Sex: 1) Male ☐ 2) female ☐

2. Marital status:

1) Married ☐ 2) single ☐ 3) widowed ☐

3. Your age category:

1) <25 ☐ 4) 41 to 50 ☐

2) 25 to 35 ☐ 5) 51 to 60 ☐

3) 36 to 40 ☐

3. Your current educational status:

1) Third degree (PhD) certificate ☐

2) Second degree ☐

3) First degree ☐

4) College diploma ☐

5) 12 grades complete ☐

4. Your field of specialization: 1) Banking and finance ☐ 2) Accounting ☐

3) Management ☐ 4) Economics ☐ 5) others ☐

5. Years of Service in Dashen Bank:

1) 1-3 years ☐ 2) 4-6 years ☐ 3) 7-9 ☐ 4) ≥10 years ☐

Part II

Training need assessment

1. Have you participated in any form of training program prepared by Dashen Bank?

1) Yes ☐ 2) No ☐

2. If your answer to Q.1 is 'yes', how long did you participate in the training program during the last 3years?

1) 1 round only ☐ 3) 4-5 rounds ☐

2) 2-3 rounds ☐ 4) more than 5 rounds ☐

3. Does your organization conduct training needs assessment periodically?

1) Yes ☐ 2) No ☐ 3) I do not know ☐

4. If your response to Q.3 is 'yes', which of the following technique(s) often use for identifying training need assessment by the organization under study?

1) Organizational analysis ☐ 3) task (job) analysis ☐

2) Person analysis ☐

Part III; Degrees of training need assessment

DIRECTION: carefully note the following and rate the degree of periodical **training need assessment** by the organization under study and make a tick " **√**"mark under the rating scale (1, 2, 3, 4 and 5). The rating scales stand for: **1=** Strongly Disagree **(SD); 2=** Disagree (**D); 3=** Undecided (**UD); 4** = Agree (**A); and 5=**Strongly Agree (**SA)**

No	The Dashen bank	Rating scale				
		1	2	3	4	5
1	believes that employee training improves productivity					
2	conducts training need assessment periodically					
3	financially committed to invest on training and development					
4	is effectively utilizing its available man power to the expected level through training and development					
5	gives training based on the job description					

Part IV: Training Design

1. What type of employee training program have you taken so far?

1) On the job ☐ 2) off the job ☐ 3) both of them ☐

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

1) Job instruction training ☐
2) Job rotation ☐
3) Apprenticeship ☐
4) Coaching ☐
5) All of the above ☐

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

1) Lecture ☐
2) Vestibule training ☐
3) Case study ☐
4) Simulation ☐

4. With what criteria you have been selected for training

1) Man power need of the company ☐ 3) Seniority/merit ☐
2) Knowing people in charge ☐ 4) No idea ☐

Question from 5-6 is only filed by supervisors and above managerial staffs

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

1) Lecture ☐ 5) Conference ☐
2) Case study method ☐ 6) In basket exercise ☐
3) Role playing and behavior modeling ☐ 7) All of the above ☐
4) Management games ☐

6. Which of the following types of management development programs are exercised in Dashen bank?

1) Formal Training (conducted in class room by instructors or experts) ☐
2) Off- the – Job formal training ☐

3) Job rotation ☐

4) Development position ☐

DIRECTION: carefully note the following and rate the degree of periodical **training design** by the organization under study and make a tick " √"mark under the rating scale (1, 2, 3, 4 and 5). The rating scales stand for: **1=** Strongly Disagree **(SD); 2=** Disagree (**D); 3=** Undecided (**UD); 4** = Agree (**A); and 5=**Strongly Agree (**SA)**

	The Dashen bank	Rating scale				
		1	2	3	4	5
1	develops standardized training program that enable employee to perform a given task					
2	designs training program contains techniques that use to perform tasks and meet the standards					
3	believes that doing the job based on training motivates the employees to carry out their task					
4	prepares adequate training materials for the trainees					
5	prepares contents of the training that are relevant to current Job					

Part IV. Training Implementation

DIRECTION: carefully note the following and rate the degree of **training implementation** by the organization under study and make a tick " √"mark under the rating scale (1, 2, 3, 4 and 5). The rating scales stand for: **1=** Strongly Disagree **(SD); 2=** Disagree (**D); 3=** Undecided (**UD); 4** = Agree (**A); and 5=**Strongly Agree (**SA)**

	The Dashen bank	Rating scale				
		1	2	3	4	5
1	believes that the training by in-house personnel is more effective than outside instructors					

2	provides training program with adequate facilities and comfort					
3	Provides training program that is well scheduled to conduct the training timely					
4	delivers participatory training that involves learner					

Part V.A: Training Evaluation

1. Does your organization evaluate the effectiveness of training and development program?

1) Yes ☐ 2) No ☐

2. If your answer to Q.2 above is 'yes', what measurement criteria are used in evaluating the worthiness of a specific training program?

1) Reaction ☐ 4) organizational impact ☐
2) Learning ☐ 5) Ultimate value ☐
3) Job behavior ☐

3. Have you realized any change on your performance after taking training that organized by Dashen bank? 1) Yes ☐ 2) No ☐

4. If your answer to the Q.3 above is "yes", rank the items from 1-4, if it is 'no' jump to question No 5

	Items for the rank	Ranks
4.1	the training given has increased knowledge of the employees and banking product	
4.2	the training program given to the employees open room for communication/benefited in various ways	
4.3	the training program given has advanced/ increased employee skills and knowledge	
4.4	the training program given has helped the employees to improve service delivery	

Part V.B: Degree of the benefits of the training

5. How much have you benefited from the training program given so far?

Please, rate the degree of your benefit by Making a tick "√"mark under the rating scale with1, 2, 3, 4 and 5). The rating scales stand for: **1=** not benefit**; 2=** less benefit**; 3=** Undecided (**UD); 4** = benefit; and **5=**highly benefit

	The training	Rating scale				
		1	2	3	4	5
5.1	Has given me necessary knowledge of banking by increasing my capacity					
5.2	Has given me room for more communication and interaction in various ways					
5.3	Has motivated me to carry out my tasks					
5.4	Has acquainted me with necessary knowledge and skill					
5.5	Has made improvement in service delivery					

Part V.C: Degree of satisfaction with training process

6. To what extent have you satisfied with respect to factors which are parts of employee training process? Please, rate the degree of your satisfaction by Making a tick "√"mark under the rating scale with1, 2, 3, 4 and 5). The rating scales stand for: **1=** not satisfy**; 2=** less satisfy**; 3=** Undecided (**UD); 4** = satisfy; and **5=**highly satisfy

	I have satisfied with the	Rating scale				
		1	2	3	4	5
6.1	Selection criteria					
6.2	Training methods					
6.3	adequacy of training periods'					
6.4	Trainer's skills and capabilities					
6.5	Training objective					
6.6	Appropriateness of training facilities					
6.7	Desired program content					
6.8	evaluation of training results					
6.9	Training policy of the organization					

Part V.D: Degree of satisfaction with training topics

7. To what extent the following topics have included in the training program that you have participated so far? Please, rate the degree of your satisfaction by Making a tick "√"mark under the

rating scale with1, 2, 3 and 4). The rating scales stand for: **1=** Not include**; 2=** less include**; 3=** moderately include**;** and **4** = highly include;

	The topics of the training includes	Rating scale			
		1	2	3	4
7.1	Planning				
7.2	Decision making and Problem solving				
7.3	Communication				
7.4	Motivation				
7.5	Resource Management				
7.6	Leadership				
7.7	Performance appraisal				

8. What is your opinion on the training and development program of Dashen Bank?

1) Poor ☐ 2) Good ☐ 3) Very good ☐ 4) excellent ☐

9. Do you have any **suggestion** about **strengths and weaknesses** of training and development program designed by Dashen Bank s.c?

Strengths_____

_____

Weaknesses_____

_____

10. What is your recommendation on how the bank can make progressive change in the training and development programs? _____

_____

Thank you!!!!

Appendix II

JIMMA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF GRADUATE STUDIES

MASTERS OF BUSINESS ADMINSTRATION (MBA) PROGRAM

INTERVIEW QUESTIONS

General information

Branch _____

Position of person in charge of the interview:_____

1. Would you please, explain what the bank does on issues of training need assessment?
2. How does the Dashen bank design training programs?
3. What techniques or methods do you use to implement the training program?
4. How the bank evaluates the results of the training?
5. What are the most challenging factors you face before-during-after training?
6. What do you suggest for the bank to overcome the above mentioned challenges & others?

Thank you!!!!!!