

The Effect Of Training And Development On The Bank
Performance In Case Of Awash Bank Wolkite Main Branch



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Abstract

This study analyzes the effect of training and development on organizational performance at Awash Bank, Wolkite Main Branch. The primary objective was to assess the effect of these practices on employee performance within the bank. Both primary and secondary data were collected. Questionnaires were distributed to all 20 employees at the Wolkite Main Branch using a census method, due to the small population size, with participation based on willingness and cooperation. The data collected was analyzed using descriptive statistics, including tables and percentages. The study identified key factors affected by training and assessed the consequences of inadequate training, evaluating the results both before and after training interventions. Based on these findings, the following conclusions were drawn and recommendations for performance improvements were formulated. The researcher concluded that Awash Bank employees largely participated in training, especially on-the-job, selected based on performance and supervisor input. Training needs were primarily identified by job requirements and employee KSA, with limited consideration for other factors. Training primarily focuses on new systems and skills enhancement, not morale, satisfaction, or promotions. Employees reported positive impacts from training on their work performance and the bank's overall performance. Awash Bank has limited training relationships with other banks, with existing relationships showing promise for improvement. Generally, the study concludes that training and development positively influence Awash Bank's performance. Acknowledging the limitation of a small sample size, this study ultimately aims to provide insights into optimizing training and development strategies to enhance the bank's overall performance.

CHAPTER ONE

Introduction

1.1. Back Ground of the Study

Organization as a system uses different types of resources including material, information finance and human resources. Among these resources human resources is the most important that helps the organization to meet its goal.

To day to grow and thrive in competitive environment, organization requires making a decision choosing appropriate training and development strategies to capitalizes its human resources.

Employees are not only amount the most important resources of firm have these also are among the most expensive and same time problematic (Mathis, 1974). Organization and their employees must constantly expand their knowledge, skills and behaviors to meet customer needs and complete in today's demanding and rapidly changing business environment more and more companies operate international ally requiring that employees understand different cultures and customs mare companies organize work in term of project or customers rather than specialized functions so employees need to acquire aboard range of technical and intern personal skills many companies expect employees at all level to perform roles once reserved for management.

Modern organizations are expected to provide development opportunities to employees without regard to their sex race, ethnic back ground or age, so that they have equal opportunity for advancement. In this climate, organizations must understand developments relationship to training and development. Training is acquisition of knowledge, skill and knowledge that result to specific useful comment is the heart of a continuous effort designed to improve employees competency and organization performance.

Development involves learning that guess beyond today's job and has a more long-term

faces (Monday 2010; 198). Development is the long term process of enhancing employee's capacities and motivation to make them valuable future members of the organization development include not only training but also cares and others expires (Georget, Milkovich & Tehnw, Boudeay, 1997; 658).

Training today also plays a key role in the performance of management process. This is the in the grated process employees uses to make sure employees are working to world organizational goals (Institution). Many organizations including bank/institution need to train and develop their human resource to win the challenges at the competitive environment that possess them. If the human resources of an organization well trained and developed then an organization can profitable and competitive one.

1.2. Back ground of the organization

Awash Bank, named after the Awash River, that is used for irrigation, hydroelectricity, and industrial activities on Ethiopia. It was Ethiopia's first private bank with a tagline of "nurturing like the river" that reflects its commitment to the country's socioeconomic development. It was founded on 10, November 1994 after the downfall of the socialist regime. Awash Bank officially started its operation on 13, February 1995 with 486 shareholders and paid-up capital of 24.3 million Ethiopian birr.

Awash Bank is Ethiopia's leading private bank, offering a range of services including retail, corporate, international, and interest-free banking. It has over 530 branches across the country and is the most accessible private bank in Ethiopia. Nowadays it has a capital of 5.87 billion Ethiopian birr.

Vision

- To be the first choice world class bank.

Mission

- To provide innovative, competitive, and diversified banking services that are accessible

to society, while being profitable and socially responsible.

Values

- Building public trust and confidence.
- Treating customers as guests of honor.
- Growing together with customers.
- Developing competent leadership with the right vision as well as competent qualified employees imbued with strong team spirit.
- Building a strong and healthy bank of which the current and future generations will be proud of.
- Accountability and Accessibility.
- Socially responsible.

1.3. Statement of the Problem

Modern organizations as highlighted by Mathis (2008), face intense competitive pressures that demand a workforce up-to-date knowledge, skills, and adaptability. Training and development are therefore crucial for maintaining a competitive edge, driving productivity, and fostering employee commitment. This theoretical understanding emphasizes the importance of continuous training to ensure organizational success. While the theoretical literature stresses the necessity of robust training and development programs for employee effectiveness and organizational performance, Awash bank's Wolkite Main Branch appears to be experiencing a significant deficiency in this area. Specifically, the bank branch is exhibiting several key performance issues that strongly suggest a lack of adequate training and development, such as low productivity, frequent errors, customer dissatisfaction, and employee initiative. These issues are a direct indication that the bank has not adopted a robust and proper training and development program as should be

expected given the requirements of banking business in a competitive environment.

The discrepancy here is evident. The recognized theory asserts that effective training and development lead to enhanced organizational performance, whereas, the practical situation at Awash bank of Wolkite Main Branch reveals that the absence of such training is directly linked to various deficiencies that affect the bank's performance, staff productivity and satisfaction of its clients. Consequently, the branch is failing to translate the benefits of training into its operations. This gap indicates that the bank is falling short of industry best practices, where training is considered a strategic investment to enhance productivity and competitive positioning. The bank appears to be lacking a needs assessment process and failing to conduct proper analysis of the organization's needs. As such, the bank is not able to define training objectives or evaluate the effectiveness of any training that may be done.

1.4. Research Question

This research work will answer the following questions

- What is the effect of training and development on performance of Awash bank of Wolkite Main Branch?
- How is training need identified?
- What criteria are used in selecting trainees?
- What are the training methods used?
- What are the major problems that can be obstacles to training?

1.5. Objectives of the Study

1.5.1. General Objectives

The main objective of this study is to assess training and development situations on Awash bank (Wolkite).

1.5.2. Specific Objectives

The specific objectives of the study are:

- To identify the effect of training and development on performance of Awash bank in Wolkite Main Branch.
- To identify what criteria are used in selecting trainee.
- To identify which training methods does the bank use.
- To identify problem areas of training and development.

1.6. Significance of the Study

The researcher believes that, this study have the following significance. The result of this study will provide information regarding the effect of training and development on performance for policy makers, managers and customers. The organization may use some of the alternative solutions that the study will recommend as appreciate for its purpose. The study is an important document for those researchers who want to make further study the area.

1.7 Scope of the Study

The study has the conceptual and methodological delimitation. The study of the research is to assess the effect of training and development on the performance of Awash bank at Wolkite Main Branch. Awash bank has over 530 branches in different parts of the country. From those branches the researcher selected and focused on Wolkite Main Branch because it is near, accessible to gather the information needed as well has enough number of employees to conduct a research edit.

1.8 Limitation of the Study

When conducting the research, the researcher encountered several challenges, including respondents' reluctance to provide relevant information, employees' inability to return

responses on time, and a lack of experience.

CHAPTER TWO

Review of Related Literature

2.1 Introduction

The beginning of training could be traced to the Stone Age when people started transferring knowledge through signs and deed to others.

Training and development is increasingly recognized now as most important organizational activity. Once an applicant is selected by an organization as a member its personnel the next duty is to place him in right job and provide him with training and development facilities needed for him to fit the present job as the future. Career chalked out for such is dividable. (Davar, 1999; 118).

After the employee has been recruited selected and induced he or she must next be developed to better fit the job and organization. No one is a perfect fit at the time of hiring and some training and education must take place. (Churne, 2000; 143).

Up grading employees performance and improving their skills through training is a necessary in today's competitive environment. Job demands are changing very rapidly as technology advance. For instance, constant improvements in imputing hard ware computers essential organizations that neglect to train their work force are depriving themselves of the human resource they need to prosper or even to survive (Gomez 1995; 293).

2.2 Training and Development Definitions

We can find many definitions of training and development according to Glueck (1999; 410).

Training is systematic process of altering the behavior knowledge, and or motivation of employees in direction to increase to increase organization goal achievements development is the process by which or remain successful leader in their enterprise.

According to Gomez- Mejia, Balkin and Gardy (1995; 293) training focuses on

Providing employees with specific skill or helping them to correct deficiencies in their performance. Development is an effort to provide employee with the abilities that the organization will need in the future.

According to Monday (210; 198) training provides learners with the knowledge and skills need for their present jobs. On the other hand, development involves learning the pose beyond today's job and long term focus.

According to Georget, Milkovich and Tohn.W.Baudeav (1997; 658), training is a systematic processes to faster the acquisitions of skill, rules, concept, or attitudes employees' characteristic and development requirement.

According to Megginson (2003;205) training involves learning specific, detailed and routine skill and techniques, development is the systematic process of education, training and

growing by which a person learns and applies information, knowledge, skill, attitudes and perceptions.

According to Mathis (1997; 282), training is a process whereby people acquire skill or knowledge to aid in the achievement of goals.

2.3 Training versus Development

Although training is often used in conjunction with development the terms are not synonymous. In training the focus is solely on the current job whereas in development the focus in both current job and employees will hold in the future. The scope of training is an individual employees while the scope development is one the entire work group or organization.

That is training is job specific and addresses particular performance deficits or problems, while development concerned with the work force's skills and versatility. Training tends to focus on mediate organization needs, while development tends to focus on long term requirements.

The goal of training is fairly quick improvement in workers performance while the goal or development is the overall enrichment of the organization human resources by preparing employees for future work demands. Training strongly influences present performance levels, while development pays off in term capable and flexible human resources in the long run [http://\(Gomez-Mejia, David B, Balkin, Robery L. Cardy \(2004; 260\).](http://(Gomez-Mejia, David B, Balkin, Robery L. Cardy (2004; 260).)

2.4 Factors Influencing Training and Development

According to Mandy (2010; 199-200) there are numerals factors that both impact and are impacted by training and development.

Top management support

For training and development programs to be successful top management support is

required without it a training and development will not succeed. The most effective way to achieve success is for executive to make an active part in the training and provide the needed resources.

Technological Advance

Change is occurring at an amazing speed, with knowledge doubling every year perhaps no factors has influenced training and development more than technology. The computer internet, black berry text messaging and e-mail are dramatically affecting the conduct of all business functions.

World Complexity

The world is simply getting more complex and this has had an impact on how an organization operated. The entire world provides opportunities and threats that must be comforted. Organizations have to think of the entire work and how it will be staffed and trained in this goals environment.

Learning Styles

Although much remains unknown about the learning process some generalizations stemming from the behavioral sciences have affected the way firms conduct training.

2.5 Human Resource Development Process

Enhancing the quality of organization human resources involves many activities newly hired employees must be introduced to the organization and to their jobs. They must be trained to perform their jobs. Employee assistance and unions relations (if applicable must be planned and managed. Also current employees must regularly have their skill up dated be and managed. A business must also be concerned about development the skill of its management team (De Nisi 2001; 245)

Job applicant gets same orientation to the organization even the organization even the

organization refutation how it's treats employees and the types of products or services it provides. Also during the selection process, applicant often learn about other general aspects of the organization and what their duties working can diction and pay will be commonly cited objectives of company orientation programs are (griffin 2001;246).

1. Reduce of the anew employees streets
2. Lower startup costs integrating the new employee in to the organization
3. Eventual reduction of turn over duets failure to understand the rule and culture of the organization.
4. Reduce time required taint grate the employee in to the job and
5. Helping the employee adjust to his, her work team or work environment more quickly.

2.6 Training Employees

Training involves the employees acquiring skills or learning concept to increase his or her performance. Generally the new employee's manager has primary responsibility for training in how to perform the department. Regardless the quality of these initial training can prettily influence the employees job attitude and productivity. Economically, socially, technologically and governmental changes also inference the skill an organization short time. Also planned organizational changes and expansions can make it necessary for employees to up data their skill or acquired new ones. (DENLSL, Griffin, 2001, 247-248).

2.7 The Need for Training and Development

According to Gueck (1995; 413-141) the reason employees usually given for under taking training and development include.

1. Orient new employees; while schools provide training many skill new employees may still require additional training to learn skill specific to the job.
2. Improve performance; decision to after training to improve performance often follow

analysis indicators such as productivity turn over production cost quality, labor cost and soon.

3. Maintain performance; obsolescence's skills and knowledge dual holding in position lacks the current skill and knowledge generally considered important to maintain effective performance in current or future work.

4. Prepare for new jobs. The present workforce represents an excellent pool of candidates to fill vacancies in other departments or at higher levels within the organizations But additional training is often necessary for these employees most people prefer organization that offer the opportunity for internal advancement many companies try to anticipate vacancies through succession planning in order to have trained replacement on hand.

2.8 Training Categories

According to math is (2008; 20-261). Training can be designed to meet a number of objectives and can be classified in various ways.

- Required and regular training complies with various mandated legal Requirements and is given to all employees.
- Job technical training can able employees to perform their job well.
- Interpersonal and problem; solving training addresses both operational and interpersonal problems and seeks to improve organizational working relationships.
- Developmental and career training provide longer term focus to enhance individual and organizational capabilities for the future. (Ivancevich 1989; 531)

2.9 Training Needs Assessment

Training must be direct to word the accomplishment of the organizational objectives such as more efficient production methods, improved quality of product or service or reduce operating costs. This means an organization should commit its resources only to those

training activities that can be best helping in achieving its objectives (Leslie W, rise and loyd 2009; 244)

Need assessment measure that competency of the accompany group or an in dividable as they relate to what is required in the strategic plan. It is necessary to find out what is happening and what should be happening before deciding if training will help and if it will help what kind is needed.

Need assessment is a systematic analysis of specific training activities a business requires to achieve its objectives. In general a need assessment can be conducted in to three ways.

1. Organizational Analysis

Organizational analysis examines such as brood factors as the organization culture mission business calibrate long and short term goals and structure. Its purpose is to identify both over all organizational needs and the level of support for training that exist in the organization perhaps the organization lacks the resources organization's strategy emphasizes innovations.

2. Person Analysis

Person analysis determined which employees need training by examining how well employees are carrying out the tasks make up their jobs. (Gomez 1999.

3. Task Analysis

Task analysis is the process of identifying the task knowledge, skill and behaviors that need to be emphasize in training (WRIGHT 2000; 270).

2.10 Setting Training Objectives

Training consists of planned programs designed to improve performance at the individuals group, and organization level. Improved performance in turn implies that there have been measurable chances in knowledge skills, attitudes and social behavior (Cascio, 2004; 290,

objectives for training can set in any area by using one of the following four dimensions.

- Quantity of work resulting (for example number of words per minute type or number of applications processed par days.
- Quality of work offer training (for example dollar of rework, scrap loss or errors).
- Time lines of work offer training (for example, schedules met or budget reports turned in on times.
- Cost saving as a result of training (for example, deviation from budget, sales expense or cost down times.

2.11 Training Design and Development Program

The actual design of program of course is the foundation to effective training and development without solid and relevant content training and development efforts are pointless. Selecting the most appropriate in structures completes the process (Denis Griffin 2001; 276).

There are three primary considerations when designing training

Learner's Readiness

For training to be successful, learners must be ready to learn learner readiness means individual having the ability to learn, which many people have however if effective learning is to occur individual must also have the motivation to learn and self-efficacy .

Learning Styles

In deigning training interventions, trainers also consider individual learning styles.

- Auditor learner best by listening to same one else tell them about the training content.
- Tactile learner must get their hands on the training resources and sue them.
- Visual learner's thing in pictures and figures and need to see the purpose and process of

the training.

Transfer of Training

Finally trainers should design training for the highest possible transfer from the class to the job.

Transfer occurs when trainees actually use on the job what knowledge and information they learned in training.

2.12 Choosing Trainer and Trainees

2.12.1 Selection of Trainers

Create core must be exercised in choosing effective instructors or training. To some extent the success of the training program depends on proper selection of the person who performs the training task. The process of need analysis and training of program development can be accomplished by company trainers. HRM specialists or hired outside consultants who report to the HRM managers or other top managers used to performance a needs analysis and to conduct the training (Ivancevich 1989; 542).

2.12.2 Selection of Trainees

In some case the selection of trainees who will participate in the program is obvious: the program may have been designed for new employees, or to help reach equal employment opportunity goals. In other program the purpose may be to help employees find jobs else when layoffs are necessary, or to retain older employees whose skills may be obsolete. If formal selection techniques are not used, quota, supervisors, nominations self-nominations, and seniority rules may develop either unofficially or officially as selection mechanism for the programs. (DANIEL, R.GIBERT.JR, 2006; 390)

2.12.3 Training Methods

Training is one of the most important tools available to organizations. Management can make use of management programs to enhance the achievement of organizational objectives. This is possible by developing the skills and competencies of their employees for the purpose of improving performance.

There are variety of training methods that are available and that can be used by training agencies and organizations.

- On the job training
- Off the job training
- Vestibule training

On the Job Training

On the job training method takes place in a normal working situation using the actual tools, equipment, document or materials that trainee will use when fully trained on the job training has a general reputation most effective for vocational work.

More over this method of training has the following advantages

- The trainee is motivated and immediately is productive and gains experience on the actual equipment and materials.
- It is less costly
- The transform of training to job is Maximum.
- Being multi skilled is possible (Reward, Freeman; 392)
- On the job training is the training that takes place is centered on the job.

Off the Job Training

Off the job training method takes place away from normal work situation implying that the employee does not count as a directly productive worker where such training takes place. Also it involves employee training at a site away from the actual work environment

(Glueck, 1982; 426).

Vestibule Training

Vestibule training is a term for near the job training as it offers access to something new (learning). Vestibule training is a form of inters educations held in proximity to the actual work environment. The training focuses primarily on learn specific skill that enables employees to perform the present job better.

2.13 Training evaluation

2.13.1 Evaluating Employee Training and Management Development Activity

When the result of employees training and management development are evaluated certain benefits occur. Less effective programs can with draw to save time and effort. Weakness with in programs can be identified and remedied. Evaluation of training and management development activity can be broken down in to four areas. According to(Rue. 2009; 244).

1. Reaction: how well did the trainees like program?
2. Learning: what principles facts and concept were learned in program?
3. Behavior: did the job behavior of the trainees change because of the program?
4. Results: what were the results of program in terms of factors such as reduce cost or reduction in turn over?

The evaluation training becomes successively more difficult as it moves from measuring reaction to measuring learning to measuring behavior and then to measure results.

2.13.2 Training Evaluation Metrics

According to Mathis (2008; 283-284), training expansive and it is an HR function that requires measurement and monitoring. Cost benefits analysis and return an investment

(role) analysis are commonly used to do so as are various bench marking approaches.

Cost benefit analysis training result can be examined through cost benefit analysis which is comparison of costs of benefits associated with training. There four stages in calculating training of cost and benefits.

1. Determine training cost consider direct cost such as design trainer fees materials facilities and other administration action activities.
2. Identify pin fail saving result.
3. Compute potential saving.
4. Conduct cost and saving benefit comparisons.

2.13.3 Training of Evaluation Designs

According to Mathis (2008: 285) with or without bench marking data, internal evacuation of training programs can be designed in a number of ways.

Post measure: the most obvious way to evaluate training of effectiveness is to determine after the training who ether the individuals can perform the way management that them to perform.

Per past measure: if the manageress the data entry speeds before and after training the manager should have known whether the training made any different.

According to Robert L. Cardy (2004; 283) in the evaluation phase of the training process the effectiveness of training program is assessed. Companies can measure effectiveness in monetary or non-monetary terms whatever the term training should be judged on how will it addressed the needs it was designed to address.

All too often the evaluation phase of the training process is neglected.

2.14 Performance and Training

Training refers to a planned intervention aimed at enhancing aspects of individual job performance (Chiaburu and Tekleab, 2005). It focuses on improving skills necessary for achieving organizational goals. Training programs may also assist the workforce in reducing anxiety or frustration potentially stemming from their work (Chen et al., 2004). Employees who perceive themselves as unable to perform tasks at the desired level may be more likely to leave the organization (Chen et al., 2004), and their continued employment may not contribute to increased productivity (Kanelopoulos and Akrivos, 2006). A significant gap between required skills and those possessed by employees could lead to job dissatisfaction. Rowden (2002) suggests that training may also improve job satisfaction, as enhanced employee performance can lead to recognition and a greater sense of adjustment to the job. According to Rowden and Conine (2005), well-trained employees are potentially better equipped to satisfy customers, and (Tsai et al., 2007) propose that employees who learn through training programs may exhibit greater job satisfaction and superior performance.

The Hawthorne studies and subsequent research have suggested a link between employee satisfaction and job performance, potentially leading to improved job retention (Landy, 1985). It is theorized that dissatisfied employees are more likely to experience turnover and reduced motivation. Employee performance is generally considered higher among satisfied workers, making it easier for management to motivate them towards achieving organizational targets (Kinicki and Kreitner, 2007). Employees are likely to feel more competent when they believe themselves capable of performing their jobs effectively, which can be facilitated through well-designed training programs. Recognizing the potential benefits of training practices can enable leaders to create a more positive working environment, potentially enhancing both employee motivation and performance.

It has been argued that a strong positive relationship exists between human resource

management practices and organizational performance (Purcell et al., 2003). Guest (1997) suggests that training and development programs, as a key human resource practice, may positively influence the knowledge, skills, and abilities of workers, potentially leading to higher job performance. This, in turn, could contribute to improved organizational performance.

CHAPTER THREE

Research Methodology

3.1. Target Population

The target population that is considered in this area is all employees of the organization. Which are 20 from those, 15 males and the remaining 5 are females. The study does not include regimental and sub branch district. It include only main branch of Awash bank at Wolkite.

3.2. Research Design

This study employed a descriptive research design to assess the effect of training and development programs on the performance of Awash Bank's Wolkite Main Branch. The research focused on examining the current state of training initiatives, and their relationship with organizational performance. A census inquiry technique is used, collecting both primary and secondary data. Primary data consist of questionnaires administered to all operational staff to gauge their training experiences and their perceived impact on performance. Secondary data is sourced from existing bank training records, performance reports, and relevant organizational documents. Data are analyzed using descriptive statistics like mean and percentage, along with descriptive analysis to reach conclusions and provide recommendations for enhancing training and development to improve overall bank performance.

3.3 Source and method of data collection

For the purpose of this study the researcher used both primary and secondary sources to collect data. The primary data is obtained from the respondent by using questionnaire as original source and secondary data is collected from different source like books, referring to different document, operational manual and other related materials.

3.4. Method of respondent selection and Selection of respondent

The researcher used census. Census is study of whole population and it involved complete enumeration of the whole population and gathering from every member of the population. There are 20 employees in Awash bank of Wolkite Main Branch and the researcher used the whole population so as to gather relevant information from them.

3.5. Method of Data Analysis

The researcher analyzed the collected data using descriptive form of data analysis .In order to make data presentation clear, it is appropriate to use descriptive technique. Then the data analysis process presented the analyzed data in the form of tables and percentages to show the relationship between data collected from the respondents.

3.6 Ethical Considerations

Ethical consideration is taken into account throughout the research process. Participation in the study was voluntary, and respondents were informed of their right to withdraw at any time. Confidentiality was maintained, and data were reported in aggregate form to protect individual identities. Informed consent was obtained from all participants prior to data collection.

CHAPTER FOUR

4.1 Data Presentation, Analysis and Interpretation

This chapter contains data analysis, presentation and interpretation. To collect the information, questionnaire was used. The total numbers of employees in Awash bank is 20 from this employees for 20 of them questionnaire was distributed and 10 or 50% of the questionnaire was required, presented and interpreted with the help of the tables.

4.1 background of respondents

Table 4.1: personal information

Item		Number respondent	of Percentage
Sex	Male	7	70
	Female	3	30

	Total	10	100
Age	<20	0	0
	21-35	10	100
	35-50	0	0
	50 and above	0	0
	Total	10	100
Educational back ground	Certificate	0	0
	Diploma	2	20
	Degree	8	80
	Master and above	0	0
	Total	10	100
Years of service	<5years	6	60
	6-10years	4	40
	11-15years	0	0
	16-20years	0	0
	20 and above	0	0
	Total	10	100

Source: Survey questionnaire, 2017

As can be seen from table 4.1 (Item) Majority 7 (70%) employees were males, while 3 (30%) employees were females. This shows that the number of males' employees is greater than the number of female. Concerning the age range respondents' all 10 (100%) respondents were between 21-35 years. None of them were less than 20 years and above 35 years. With regard to the educational back ground /majority of 8 (80%) respondents were degree, 2 (20%) respondents were diploma. This implies that majority of the respondents have degree. Concerning years' service almost employees 6 (60%) were less than 5 years' service, some 4 (40%) of them were between 6-10 years' service. This shows that the majority of respondents have short term experience on their job.

4.2 Training, development and performance

Training is viewed in the bank as an effective route to the development of human resource

capacity. Training means that learning the basic skills and knowledge necessary for particular job or group of job. Training and development for Awash bank at Wolkite branch has many benefits. Among these benefits: better quality, better job satisfaction, low absenteeism, and high performance are included. Therefore, Awash bank at Wolkite branch can accomplish their goals by training and educating employees, because any activity of an organization cannot be accomplished without skilled man power.

Table 4.2: Number of employees who take training and method of training taken by them.

Item		Number of respondents	Percentage
Have you taken training in Awash bank?	Yes	10	100
	No	0	0
	Total	10	100

Source: Survey questionnaire, 2017

As shown from the above table, the questionnaire results show that all 10 (100%) respondents have participated in training provided by Awash Bank, strongly implying a commitment to employee development through structured training programs. The respondents were also been asked the training method used in their bank.

Table 4.3: which training methods have you taken?

Item		Number of respondents	Percentage
Which training method have you taken?	On the job	7	70
	Apprenticeship	1	10

	Vestibule training	2	20
	Off the job	0	0
	Other	0	0
	Total	10	100

Source: Survey questionnaire, 2017

As shown from the above table 7 (70%) employees took on the job training, 1 (10%) employee took apprenticeship training and 2 (20%) employees took vestibule training methods. This shows that the bank mainly gives on the job training and other training methods like off the job training are not given.

Table 4.4: Trainee's selection

Item	Alternatives	Number of respondent	Percentage
What are the criterion for selection of trainee?	Performance	6	60
	Experience	2	20
	Education	2	20
	Other	0	0
	Total	10	100

Source: Survey questionnaire, 2017

Table 4.5: Trainee's selection

Item	Alternatives	Number of respondents	Percentage
Who is responsible for selection of trainees in your department?	Supervisor	7	70
	Employee initiation	2	20
	Training center	1	10
	Other	0	0
	Total	10	100

Source: Survey questionnaire, 2017

In the first item of the above table the respondents were asked the criterion that they were selected. From the respondents 6(60%) employees were selected based on performance, 2(20%) of employees were selected based on experience and 2 (20%) were selected based on education. Here we can conclude that the employees were mostly selected based on performance.

The second item of the above table the respondents were asked who select them for training as per their response 7 (70%) of Awash bank employees were selected by supervisor. In Awash bank employee 1 (10%) was selected by training center, 2 (20%) of them were selected by their initiation manager. This shows that the bank mostly used selection of trainees by supervisor.

Table 4.6: Method of identifying training and development need

Item	Alternative	Number of respondents	Percentage
How are training and development	Customer complaint	3	30
	Requirement of job	5	50
	Skills and knowledge	2	20

needs identified in your bank?	Employees performance	0	0
	Total	10	100

Source: Survey questionnaire, 2017

From the table 4.6 indicates 3(30%) employees training needs were identified by customer compliant, 5(50%) employees training need were identified by requirement job with skills and knowledge of employees and 2(20%) respondent that training need were identified by employees performance. This shows that the bank identifies training and development need by requirement job with employee skills and knowledge; this is called task analysis.

Table 4.7: Trainers of the bank

Item	Alternative	Number of respondents	Percentage
Who carries out the training and development?	Staff trainer	8	80
	Outside trainer	2	20
	Other	0	0
	Total	10	100

Source: Survey questionnaire, 2017

The table indicates that 8 (80%) of respondents were trained by staff trainer and 2 (20%) employees took training through outside trainer. This shows that the bank gives training mostly through staff trainer.

Table 4.8 After taking training

Item	Alternative	Number of respondents	Percentage
Have you realized any change on your performance after taking training?	Yes	10	100
	No	0	0

	Total	10	100
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Source: Survey questionnaire, 2017

As clearly seen in the above table 10(100%) of the respondents were asked their performance after taking training. The greater portion of employees 10(100%) responded that they realized employees change on their performance after taking training. None of the respondents said "No". This indicates that almost all of the participants gained some change on their performance after taking training.

Table 4.9: Training objectives and benefits

Item	Alternative	No of respondent	Percentage
What do you think are the objectives of training program?	To familiarize employees with new system	7	70
	To improve basic skill of employees	3	30
	To improve moral and satisfaction	0	0
	Other	0	0
	Total	10	100

Source: Survey questionnaire, 2017

The first item of the above table shows the respondents view about objectives of training. Accordingly about 7(70%) employees said that the objective of training program that they had participated were to familiarize employees with new system, procedures and method of work and 3(30%) of employees said that objectives of training program were to improve basic skills. None of the respondents said to improve moral and satisfaction and to facilitate promotion. This shows that the more the objectives of training program is to familiarize employees with new system, method and to improve basic skills of employees.

This leads us to think the bank should give training employees.

Table 4.10: The Effect of Training and Development on the performance of the Bank.

Item	Alternative	Number of respondents	Percentage
What do you think the effect of training and development on performance of Awash bank?	Encourage	8	80
	Need improvement	2	20
	Discourage	0	0
	Total	10	100

Source: Survey questionnaire, 2017

As the above table indicates most of respondents 8(80%) employees believed that the effect of training and development is encouraging on the performance of Awash bank. The rest 2(20%) respondents believed training and development on performance of the bank needs improvement. We can conclude that the effect of training and development on performance of the bank is encouraging.

Table 4.11: Frequency of training

Item	Alternative	Number of respondents	Percentage
How many times your trainee a years?	One times	6	60
	Two times	2	20
	Three times	1	10
	Four and above	1	10
	Total	10	100

Source: Survey questionnaire, 2017

From the above table 4.11 indicates 6(60%) respondents said that they took training once a year, 2 (20%) took twice a year, 1(10%) respond they took three times a year and 1(10%)

of respond they took four times and above. From this table we can conclude that most of employees had taken training once a year.

Table4.12: The contribution of training and development for performance of the bank.

Item	Alternative	Number of respondents	Percentage
Is there any contribution that training and development can provide to enhance performance of the bank?	Yes	8	80
	Partialities	2	20
	No	0	0
	Total	10	100

Source: Survey questionnaire, 2017

From the first item of the above table it indicates that majority of respondents 8(80%) employees said that training and development of the bank provides contribution for enhancing performance of the bank and 2(20%) respondents said partially yes.

Table 4.13: problems observed in training and development.

Item	Alternative	Number of respondents	Percentage
What the problem do you observe in training and development program? (choosing more than one option is possible).	Lack of completed trainer	1	10
	Lack of training material	1	10
	Shortage of time	7	70
	Lack of space	1	10
	Total	10	100

Source: Survey questionnaire, 2017

As it is clearly indicated in the table 1(10%) of respondent said that lack of completed trainers is the problem of training, 1(10%) of respondents said that lack of training material is problem encountered during training , 7(70%) of respondent claimed that shortage of time is the problem of training, 1(10%) of respondent lack of space is the problem of training. Generally, shortage of time is a major problem as indicated by both management and non-management respondents.

CHAPTER FIVE

Conclusions and Recommendation

5.1 Conclusions

Based on the findings, the following conclusions can be drawn:

The majority of employees at Awash Bank participated in training programs, with a

significant number receiving on-the-job training. The selection criteria for these training opportunities were primarily based on employee performance, and supervisors played a key role in selecting

Most respondents indicated that training and development needs were identified based on job requirements, as well as the employees' knowledge, skills, and abilities (KSA). Some employees noted that no other criteria were considered. Generally, training is conducted by staff trainers.

According to the majority of employees, the primary objectives of training and development are to familiarize them with new systems and methods of work, as well as to enhance their skills. However, they mentioned that training is not aimed at improving morale, job satisfaction, or facilitating promotions.

All employees had the opportunity to participate in training and development programs, which they reported had a positive impact on their work performance, with many rating the benefits as high or medium. This suggests that the training programs have significantly contributed to improving productivity. Most respondents also expressed that the effects of training and development on the bank's performance are encouraging.

Most respondents indicated that they had no relationship with other banks regarding training and development. Among those who did have a relationship, the majority of employees described it as encouraging. However, many responses suggested that there is still room for improvement. The primary focus of this study is to understand the effect of training and development on the performance of the bank. The findings suggest that the bank's performance is positively influenced by its training and development initiatives. This indicates that training and development have a beneficial effect on the performance of Awash Bank.

5.2 Recommendations

Based on the findings and conclusions, the following recommendations are proposed to improve the training and development process at Awash Bank:

- The bank should implement a variety of training methods to cater to different learning styles and preferences among employees.
- Since most trainees are selected by their supervisors, there is a risk that employees with deficiencies may not be accurately identified. To address this issue, the training center should take a more active role in selecting candidates for training programs.
- Currently, the bank identifies training and development needs primarily based on job requirements and employees' knowledge, skills, and abilities (KSA). However, some employees are unclear about how these needs are determined. It is essential to enhance communication regarding the criteria used for identifying training needs.
- On-the-Job Training Preference: Many employees prefer on-the-job training as an effective method. Therefore, the training and development division should focus on providing effective training tailored to the specific needs of trainees whenever possible.
- The bank should expand its training objectives beyond familiarizing employees with new systems and procedures. Training should also aim to improve employee morale, job satisfaction, and facilitate opportunities for promotion.
- A significant number of employees reported receiving training only once a year. To enhance overall bank performance, it is recommended that training sessions be conducted more frequently.
- Finally, the researcher recommends that Awash Bank should commit to continuous training and development initiatives, ensuring sufficient time, resources, budget, and materials are allocated. This approach will help achieve the bank's goals and provide efficient, modernized banking services to customers, ultimately enhancing

competitiveness in the market.

By implementing these recommendations, Awash Bank can foster a more effective training and development environment that supports both employee growth and organizational success.

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Appendix I

Wolkite University

College of Business and Economics

Department of Management

Dear respondents;

This questionnaire is prepared to conduct a study on the effect of training and development on the performance of Awash Bank: the case of Wolkite main branch. The aim is for academic purpose only. The researcher requested your quick and honest answer.

Instruction

- No need of writing your name, mark "√" to show your response and choose you cans more alternatives if necessary.

Part I: personal information

1. Sex: Male Female
2. Age: Below 20 21-35 35-50 50& above
3. Educational background: Certificate Diploma Degree Master & above
4. For how long have you been working in Awash Bank? Less than 5 years 6-10 years 11-15 years 16-20 years 20& above

Part II: Training, Development and Performance

5. Have you taken training in Awash bank? Yes No
6. If your answer for question "no" '5' is "yes" which of these training method have you

taken? On the job Apprenticeship Vestibule training Off the job
Other , please specify _____

7. What are the criteria for the selection of trainee? Performance Experience
Education Other , please specify

8. Who is responsible for selection of trainees in your department? Supervisor
 Employees initiation Training center
Other , please specify

9. How there training and development need identified in your bank? Customer complaint
 Requirement of jobs skills and knowledge Employees performance

10. Who carries out the training and development process? Staff trainer Outside
trainee Other , please specify

11. Have you realized any change on your performance after taking the training?
Yes No

12. What do you think is the objectives of training program?
To familiarize employees with new system To improve basic skill of employees
To improve moral and satisfaction
Other , please specify _____

13. Is there any contribution that training and development can provide to enhance
performance of the bank?
Yes No

14. How many times do you take training per year? One time two times
Three times four times and above

15. What do you think about the effect of training and development up on employee's
performance in your bank?
Encouraging Discouraging Need improvement

16. What problems do you observe in training and development program? (Choosing more
than one option is possible).
Lack of completed training shortage of time Lack of training material
Other , please
specify _____

17. Please give an idea or suggestion about the training and development program in your
bank.

