



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

SCHOOL OF BUSINESS

**THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEE
PERFORMANCE, A CASE STUDY OF NILE INSURANCE COMPANY**

BY:

NEGASA NIGUSA

JUNE, 2020

ADDIS ABABA, ETHIOPIA

**THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEE
PERFORMANCE, A CASE STUDY OF NILE INSURANCE COMPANY**

BY:

NEGASA NIGUSA

ADVISOR:

MISGANAW SOLOMON (PhD)

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

JUNE, 2020

ADDIS ABABA, ETHIOPIA

DECLARATION

I hereby proclaim that this thesis entitled “The effect of training and development on employee performance in Nile Insurance Company” is my original work that has not been presented for a degree award and that all sources of material have dully acknowledged.

Researcher name

St. Mary’s University, Addis Ababa

Signature

June, 2020

ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
SCHOOL OF BUSINESS

**THE EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEE
PERFORMANCE, A *CASE STUDY OF NILE INSURANCE COMPANY***

BY:

NEGASA NIGUSA

APPROVED BY BOARD OF EXAMINERS

Dean, Graduate studies

Signature

Advisor

Signature

External Examiner

Signature

Internal Examiner

Signature

CERTIFICATE

This is to certify that Mr., Negasa Nigusa has completed a thesis entitled “the effect of training and development on employee performance in Nile Insurance Company with my advice and follow up. I also approve that his work is appropriate enough to be submitted as a partial fulfilment of the degree in Master of Business Administration.

Advisor name
St. Mary’s University, Addis Ababa

Signature
June, 2020

ACKNOWLEDGEMENT

First, I would like to express my gratitude and appreciation to my advisor Misganaw Solomon (PhD) for his patience and advice in making the study practical. And I like to thank employees of Nile Insurance Company who participated in the survey for devoting their time in responding the questionnaires during this difficult time due to Covid19. Finally, I would like to thank my family, friends and all my colleagues for their continuous encouragement and support when undertaking the study.

Table of Contents

ACKNOWLEDGEMENT	i
LIST OF TABLES AND FIGURES	iv
ACRONOMYS	V
ABSTRACT	Vi
CHAPTER ONE	1
1. INTRODUCTION	1
1.1. Background of the study	1
1.2. Statement of the problem	3
1.3. Research questions	4
1.4. Objectives of the study	5
1.4.1. General objective	5
1.4.2. Specific objectives	5
1.5. Scope of the study	5
1.6. Significance of the study	5
1.7. Limitation of the study	6
1.8. Organization of the study	6
CHAPTER TWO	7
2. REVIEW OF RELATED LITERATURE	7
2.1. Introduction	7
2.2. Theoretical Literature review	7
2.2.1. Concept of Training	7
2.2.2. The concept of development	9
2.2.3. Difference between Training and Development	10
2.2.4. Role of training and development in Organizations	11
2.2.5. Role of training and development in Insurance Sector	12
2.2.6. Contemporary types of training	13
2.2.7. Approach to Training	17
2.2.8. Effective Training Practice	18
2.2.9. Key Element of Effective Training Practice	19
2.2.10. Employee Performance	20
2.2.11. Relationship between training and employee performance	21
2.3. Empirical literature	22

2.4. Conceptual framework.....	24
CHAPTER THREE.....	25
3. RESEARCH METHODOLOGY	25
3.1. Research approach.....	25
3.2. Research design.....	25
3.3. Population and sample size determination	26
3.4. Sampling Method	26
3.5. Source of data and collection technique.....	27
3.5.1. Source of data	27
3.5.2. Data collection techniques	28
3.6. Methods of data analysis	28
CHAPTER FOUR.....	29
4. RESULTS AND DISCUSSION	29
4.1. Introduction.....	29
4.2. Demographic characteristics of respondent	29
4.3. Data analysis and interpretation on training practice of Nile Insurance Company	31
4.4. Data analysis on training delivery techniques	36
4.5. Data analysis on implementation of training practice	37
4.6. Data analysis on training evaluation	38
4.7. Data analysis on effectiveness of training	39
4.8. Effect of training on employee performance	40
4.9. Correlation analysis on training practices and employee performance.....	42
4.10 Correlation between training practice and employee performance variables	42
4.11 Regression Analysis	44
4.12 Regression Analysis of training practice and employee effectiveness	44
4.13 Regression Analysis of training practice and employee efficiency	45
4.14 Regression Analysis of training practice and employee commitment.....	45
4.15 Regression Analysis – effects of training on employee performance to test the basic assumptions of Liner regression analysis.....	46
4.15.1 Simple Regression Analysis.....	46
4.15.2 Multiple Regressions.....	49
CHAPTER FIVE	51
5. SUMMARY, CONCLUSION AND RECOMMENDATIONS.....	51
5.1. Major finding of the study.....	51

5.2. Conclusion 54
5.3. Recommendation..... 55
References..... 57
Appendix..... 60

LIST OF TABLES AND FIGURES

Table 3.1 Table which shows sample size from each stratum	26
Table 4.1 Data analysis on demographic characteristics of respondent	30
Table 4.2 Data analysis on existence of separate training and development unit	31
Table 4.3 Data analysis on existence of training policy and procedure	31
Table 4.4 Data analysis on training need assessment	32
Table 4.5 Data analysis on trainee's selection	33
Table 4.6 Data analysis on employee participation in training	34
Table 4.7 Data analysis on employee on the job training	35
Table 4.8 Data analysis on employee off the job training	36
Table 4.9 Data analysis on employee training implementation	36
Table 4.10 Data analysis on training Evaluation	37
Table 4.11 Data analysis on effectiveness of training program	38
Table 4.12 Effect of training on employee effectiveness	39
Table 4.13 Effect of training on employee accuracy	40
Table 4.14 Effect of training on employee commitment.....	40
Table 4.15 Correlation analysis of training and employee performance	42

ACRONOMYS

HR: Human Resource

HRD: Human Resource Development

HRM: Human resource management

NIC: Nile Insurance Company

T&D: Training and development

ABSTRACT

Employee training and development helps a great deal in the acquisition of new technical knowledge and updated skills in the different aspects of service sector like Insurance Company to provide quality service to the customers. The main objective of training and development is to improve performance of employee at individual and organization level. The purpose of this study was to examine the effect of training and development on employee performance in Nile Insurance Company. The research was in the form of explanatory research design. The study used both primary and secondary sources of data. Population of the study was employee of Nile Insurance Company with total head count One hundred fifty (150) with sample size 109. Researcher used questionnaire and interview method of data collection. Quantitative and qualitative research approach was used, questionnaires was distributed to total sample size and 76.15% responded accordingly and structured interview conducted with human resource team leader. The data was analyzed using descriptive research method and inferential statistics and correlation and regression analysis. The research finding indicate that there is training practice within organization under the study, but training practice were not assured systematic training approach to the maximum. The study also shows that there is significant and positive correlation between training and employee performance. Based on the findings of the study, it is recommended that Nile Insurance Company should follow systematic training need analysis, should deliver a timely training to employees and strictly choose which training technique is more effective for certain training program, the organization should evaluate the pre training, in training and post training evaluation to take corrective actions which help to make training program more fruitful.

Key words: Training and development, training practices, employee performances.

CHAPTER ONE

1. INTRODUCTION

1.1. Background of the study

Training and development have been defined in several ways by different authors. The main idea that each one of them highlighted in their studies is the workforce capability enhancement. Nadler & Nadler (1991, as cited in Kumpikaite & Sakalas, 2011) identified Training and Development as the components of the human resource development (HRD) model. The same authors Nadler & Nadler (1970, as cited in Khan, Khan, & Mahmood, 2012) have defined HRD to be a system or an assortment of such activities that enable organizations to add to the worth of their workforce by bringing behavioral reforms through training, development, and education within a specified time period. Thus, training & development help building and strengthening the work-related attributes of the human resource (workers or employees) in any organization. Moreover, in training there is a specialist who delivers the understanding about the expertise required for enhancing the job proficiency keeping in view both present and future job-related skill requirements (Saleem et al., 2011). Hence, we may say that training & development is a more logical and organized way of improving the skills, knowledge, and attributes needed by the workers to better fulfill their job tasks.

In an ever-growing competitive world, where organizations are always at competition with one another in terms of goods and services, there should be a link between the organizations business strategy and the training and development that it undertakes (Wilson, 1999). Therefore, an organization which combines its strategy and training and development is regarded as having a good business sense. Recruiting, retaining, training, and developing the right and talented people give an organization a competitive edge over its competitors: this is what human resource management is about. It is therefore a great strategic concern to the organization how it manages it people to develop their commitment and produce the best out of them for its benefit.

Wilson, (1999), states that “a range of organizational changes has contributed to providing circumstances making the development of Human Resource Management (HRM) both pertinent and possible”. The provision of good and quality goods and services to customers of an

organization has necessitated that the employees give out their best and that the organization can rely on their commitment. If employees are to experience flexibility and effectiveness on the job, they need to acquire and develop knowledge and skills, and if they are to believe that they are valued by the organization they work for, then they need to see visible signs of management's commitment to their training and career needs.

The quality of the human resource of an organization is essential to its success. Thus, every organization must seek to improve the quality of its workforce. One way of achieving this is through training. The importance of training can only be appreciated with a clear understanding of its direct impact on employee performance. An improvement in employee performance also leads to an improvement in the company's performance.

The core strength of any organization comes from its employees. To develop and strength them, leads to a solid foundation for the organization's future, therefore a manager must continue to develop himself and have a commitment to help his employees develop their full potential. The employees depend on the managers, and the organization depends on all of them for its success. Many researchers believe that, for organizations to maintain a competitive advantage they must focus on enhancing performance through a process of continual learning.

According to Mamoria (1995), training is a practical and vital necessity because; it enables employees to develop and rise within the organization and increase their market value, earning power and job security. He also explains that training helps to mold employees' attitudes and help them to contribute meaningfully to the organization and the organization benefits because of enhanced performance of employees. He further states that a well-trained employee would make a better and economic use of materials and equipment which would go a long way to minimize wastages. On the other hand, Ohabunwa (1999) if organizations train their employees very well, managers and superiors would have the confidence to delegate authority to their subordinates but when subordinates are not properly trained, it would be difficult for authority to be delegated to them by their superiors.

In the Insurance industry, human resources, skills, and expertise are crucial assets that drive productivity and performance. This is because, as a service industry, the service provided by Insurance Company is delivered through its personnel. Insurance company personnel (human resource) stand for the service. Training helps both individual and organizations to improve their

performance and to achieve their ultimate objectives. However, in Nile Insurance Company employee participate in some training but, the delivery of the specific service will be implemented after long period elapsed and after employee forget the knowledge, and skill acquired from the training, and also systematic training approach were not feasible. Grizzell (2003), states that the contribution of training in organizations growth is also emphasized in theories and empirical findings. They mentioned particularly that the human motivations view which argues that motivational characteristics can be acquired through training and learning from others. Training enable companies to adapt to fluctuating conditions and be operative in the market. Thus, Nile Insurance Company offer some training to employees however, it is not performing as expected. Therefore, the study seeks to investigate the effect of training and development on employee performance in Nile Insurance Company.

1.2. Statement of the problem

Nowadays, training is the essential tool in this volatile business world especially in banking and insurance industry. Many research findings indicate that training has a positive impact on business outcome through increased productivity, improved management skill, reduced production cost easy access to profitability, and expanded market resulted from new idea from the training (Kessy and Temu, 2010). Due to fast pace of global and technological development, firms are now facing new changes as well as challenges for productivity and survival. Technology advancement has molded the need of capabilities and competencies required to perform a task. Thus, to cope up with these challenges, more improved and effective training is required by all business organizations.

Training is an important aspect of human resource management and it is important for organizations to get skilled and capable employees for better performances, and employees will be competent when they have the knowledge and skill of doing the task. Training will provide opportunities to the employees to make a better performance and outshine in the given work.

Training is learning process in which employees acquire knowledge, skills, experience, and attitudes that they need to perform their job better for the achievements of their organizational goals. It tides the gap between the job requirements and employee present specification. It simply

means that changing what employee knows how they work, their attitudes towards their jobs and organization Ngirwa (2009).

Currently many organizations in Insurance sector engaged in employee training and development. However, for a certain condition in Nile Insurance Company staff training practice effect on employee's performance appears little or negative. Hence, the main reason that the researcher wanted to conduct this research was to investigate training practice and effect on employee performance in Nile Insurance Company. Understanding the effect of training and development on employee job performance primarily helps to create competent and well performed work force. It will also enable the organization to design effective training system which is fit with the organization mission and vision.

The study, therefore, focused on how providing training for employees of Nile Insurance Company would improve their performance. Those organizations which develop a good training design according to the need of the employees as well as to the organization always get good results (Partlow, 1996; Tihanyi et.al., 2000; Boudreau et al., 2001), as well a bad training design is nothing but the loss of time and money (Tsaur et.al, 2004). It seems that training and development plays a very vital role in the employee as well as organizational performance in general. Effective training practices should be systematic and continuous i.e. training must be viewed as a long-term process, not just an infrequent and/or haphazard event (Tannenbaum et.al 1992; Wexley et.al, 1991). Having the above facts in mind, conducting this research is important to know the effect of training and development on employee performance in Nile Insurance Company.

1.3. Research questions

Research question of the study was:

- ✚ How are the training and development practices in Nile Insurance Company?
- ✚ How effective are training and development programs in Nile Insurance Company?
- ✚ Do training and development have an effect of employee performance in Nile Insurance Company?

1.4. Objectives of the study

1.4.1. General objective

The general objective of the study was to assess effect of employee training and development on employee performance, at Nile Insurance Company.

1.4.2. Specific objectives

The specific objectives of the study were:

- ✚ To examine training and development practice in Nile Insurance Company,
- ✚ To analyze the effectiveness of training and development programs in Nile Insurance Company, and
- ✚ To find out whether training has effect on employee performance.

1.5. Scope of the study

The scope of the study was delimited to employee of Nile Insurance Company, head office. And the subject under study were confined to training and development practice of the organization (training need assessment, training design, training delivery and evaluation) and elements of employee performance.

1.6. Significance of the study

The study deal with effect of training and development on employee performance. It helps the management of the Nile Insurance Company to concentrate on training and development variables that have significant effect on employee's performance. Therefore, this study may have important implications, as it helps Nile Insurance Company to practice training based on need analysis to enhance their employee's performance. It may also be assumed that the result of this study may be helpful for top management of the Company to make proper decisions in relation to training and employee performance. In addition, the outcome of this study may serve as a step for further research on the area. It will also be predicted that the study makes a theoretical contribution to the body of knowledge related to the effect of training and development on employee performance.

1.7. Limitation of the study

This study was examined the effect of training and development on employee performance of Nile Insurance Company, Head office. So, the finding of this researcher paper did not represent over all Nile Insurance Company employees. The researcher encountered a limitation data collection from respondent due to global issue of COVID-19, but by the cooperation of Nile Insurance company staff researcher collected enough data which helped to accomplish the study. And researcher knowledge to conduct the study was also challenging factor which frighten the researcher, but with technical and academically assistance of advisor the study accomplished in fruitful way.

1.8. Organization of the study

The paper has five chapters. Chapter One includes background of the study, statement of the problem, research questions, objectives of the study, significance of the study, scope of the study, limitation of the study and organization of the study. Chapter Two covers literature relevant for the subject matter under study. Under Chapter Three, the methodology of the study is described in detail. The findings of the study are presented, analyzed, and discussed in Chapter Four. Finally, in Chapter Five, summary, conclusions, and recommendations were stated.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter reviews literature on training and performance organized under two major separate sections namely theoretical literature and empirical literature. The theoretical literature states what different authors discussed about training, performance, and their relationship. On the other hand, empirical literature section discusses different contemporary research findings on training, performance, and the relationship between them. The chapter also discusses different aspects of training and its effect on employee's performance.

2.2. Theoretical Literature review

Human resources are the most valuable assets of any organization. With machines, materials and even money, nothing gets done without manpower. One major area of the human resource management function of relevance to the effective use of human resources is training. Traditionally, lower level employees are "trained" while higher level employees are developed; this distinction focusing on the learning of hands on skills versus interpersonal and decision-making skills (Casio 2006).

2.2.1. Concept of Training

An important upbringing area of every Human Resource Management role is training and development for a capable use of human resources. It is also known that some improved capabilities, knowledge, and skills of the workforce proved to be a major source of competitive advantage in every organization. Training refers to bridging the gap between the current performance and standard desired performance. Training increases the knowledge and skill of an individual for doing a job. In the current condition pertaining to training is increasingly seen as a means of not only aiding the growth of the individual employee but as an incorporated part of organizational growth.

Chiaburu and Telkleab (2005), defined training as a planned intervention aim at enhancing the elements of individual job performance. Ngirwa (2009) defined training as a learning process in which employees acquire knowledge, skills, experience, and attitudes that they need in order to perform their job better for the achievements of their organizational goals. It tides the gap between the job requirements and employee present specification. It simply means that changing what employee knows how they work, their attitudes towards their jobs and organization.

Training is a planned process of increasing the knowledge and skills of the employees for doing a specified job by providing a learning experience. Armstrong, (2008), defined training as the planned and systematic modification of behavior through learning events, programs, and instructions, which enable individuals to achieve the levels of knowledge, skill and competence needed to carry out their work effectively.

Training is not only to develop employees but also help an organization to make best use of their human resources in favor of gaining competitive advantage. This means that training helps the employees or trainees acquire new skills, technical know-how and problem-solving capabilities, thereby improving the performance of the employees. Training is also trying to amend skills and increase to the existing level of knowledge so that the employee is better fitted out to do is present job, or to equip him/her to be fit for a higher job involving higher responsibilities. This is to say that Employee training is the planned and systematic modification of behavior through learning events, activities and programs which results in the participants achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively (Gordon 1992).

Rowden (2002), suggest that training may also be an efficient tool for improving one's job satisfaction, as employee better performance leads to appreciation by the top management, hence employee feel more adjusted with his job. According to Rowden and Conine (2005), trained employees are more able to satisfy the customers and (Tsaielal; 2007) employees who learn as a result of training program shows a greater level of job satisfaction along with superior performance. Armstrong (1996) expressed an understanding of training by emphasizing that training should be developed and operated within an organization by appreciating learning theories and approaches if the training is to be well understood.

Sherman et al (1996), added that, the success of a training program will depend more on the organization's ability to identify their needs and care with which it prepares the program so that if

the trainees do not learn what they are supposed to learn, the training has not been successful. They also indicated that training experts believe that if trainees do not learn, it is probably only because some important learning principle had been overlooked. This simply means that the progress or failure of a training program oftentimes related to the acknowledgment and practical application of some basic psychological principles of learning. In other words, it means that organizations might have done all the necessary planning to ensure a successful training program, where the wrong employee would have been selected for the training program.

According to Barrington and Stimpson (2002), training is needed to introduce a new process; improves the efficiency of the employees; provides training for unskilled workers to make them more valuable to the firm; decrease supervision needed; improves the opportunities for interval promotions as specific skills, communication and behavior. Decrease the chances of accidents. Training is an important tool for the organization to restore the performance of the employees for the organizational growth and stability. An employee will become effective and effective and efficient and more productive if he is well trained.

2.2.2. The concept of development

According to Armstrong (2006), development is an unfolding process that enables people to progress from a present state of understanding and capability to a future state in which higher-level skills, knowledge and competencies are required. It takes the form of learning activities that reparse people to exercise wide or increased responsibilities. It does not concentrate on improving performance in the present job.

Harrison (2000), defined development as a learning experience of any kind whereby individuals or groups acquire knowledge, skills, values, and behaviors. It is more of career based than job oriented and is concerned with the longer-term development and capable of the individual. Development does not cover only those activities, which improve job performance, but also those which bring about growth of the individual; assists personality in the development towards maturity and realization of their potential capabilities so that they become not only good employees but better women and men. It therefore refers to the future-oriented or driven training, and on personnel growth of the employee.

As the job and career development is concern, employees need new skills and capabilities. There is, therefore, the need for employee development which helps the individual to improve ability to handle a different type of assignments; enhances performance at all levels in their current jobs; assists to maintain good performance of employees throughout their career exploring their full potential; answer accessibility of required numbers of personnel with the needed skills so as to achieve the current and anticipated future demands of the organization and also to provide the opportunities for the employees to achieve their career ambition, and to answer that the managerial resources of the organization are put to optimum use. According to Itika (2002), development sees the employees as being suitable resources with a variety of skills and places within the organization and it is also concerned with giving the individual the right mix of skills, experiences and contacts to enable them to achieve their full potential.

2.2.3. Difference between Training and Development

The difference between training and development is that training is the learning activity targeted towards the acquisition of knowledge or specific skills for current tasks which enables the individuals, contribute to the organization in their present positions. In other for you to be successful, training should result in a change in attitude should result in a change in attitude, behavior, such as the new skills and knowledge on the performance of the job.

In the case of development, it is a continuous process which is general and dynamic increase of skills and knowledge base which provides the employee with these requirements that are intended to be used in the future. Therefore, the transfer of any learning in non-specific as it includes learning general skills rather than how to perform activities, and the setting in which the learning takes places is always different from the setting in which it is executed. In this respect the essence of career development is to prepare employees to meet future issues and needs, hereby making sure that the organization's survival. Training was really used to give employees the job - specific skills, experience, and knowledge they need to do their jobs or improve their job performance as indicated by (Mayiams, 2002).

Training in more subjected and limited in terms of range and the overall effect on and organization. This subjection matter of training programs can lose the importance early; it is typically a one-time event, but development in the broadest view of skills and knowledge acquisition, development

is an ongoing and topical. Training is a short-term process; individual employees learn technical skills and knowledge for a definite purpose. Development is a long-term educational and theoretical knowledge acquisition for general purpose.

2.2.4. Role of training and development in Organizations

Organizations reap undeniable fruits from training and development. Most important advantages are in the terms of improved productivity and customer services. Productivity is no doubt increased due to the enhanced performance of the workers attending various training programs. So, there is no question in it that training & development uplifts both the employee work performance and organizational productivity but together with this while designing training and development programs it must be kept in the strategic purposes of training to generate creative thinking and innovativeness. These will then strengthen the organization's knowledge base enabling it to establish a competitive advantage. Training and development also make ways for employees to take an active part in the decision-making process (Vemic, 2007).

Moreover, Saleem et al., (2011) have proposed that continuous training caters for bringing employees' motivation, confidence, their general behavior, and self-esteem up. Similarly, they are of the view that it is training & development that increase employees' satisfaction towards their job, improves their work efficiency, and gives return on investment (ROI) in terms of making the employees more knowledgeable, skilled, and productive. It also makes them more loyal, committed, and contributing to the organization. Batool & Batool (2012) also support this view that job satisfaction, confidence on self, and sense of self-worth is given a boost up among the employees through training. Zenger (1989, as cited in Batool & Batool, 2012) points out that providing expert skills makes the workers to energetically take part in the process of improving quality.

In the same way, Graig (1976); Akintayo (1996); Obisi (1996); Oribabor (2000); & Oguntimehin (2001) as cited in Saleem et al., (2012) have put forward the benefits of training & development as improvement in human, theoretical, & managerial competencies, enhanced skills, work efficiency, knowledge, mind-set & punctuality (including be on time and less absenteeism), expertise in operating technology and handling machines with reduced wastage, and also decreased level of skill obsolescence. So, training is and should be meant to enhance the skills and

performance level of employees in all ways (Obisi, 2011). The central role of training & development in bringing transformational reforms to the organizational strength and capabilities in terms of making the employees competent, hence, gets proven.

In the words of Glaveli & Karassavidou (2011), it is the human resource that acts as a multiplicative factor for putting the organization on the track of victory. Although each of the HR practices is vital at its place in supporting the advancement of its workforce but training plays the most vital role of all in developing an organization's leveraging factor for progress i.e. its human asset. The positive outlook of the job gained through training and development generates feelings of loyalty in the employees who then perform well in terms of serving the customers better. Hence, training promotes loyalty that in turn stimulates to perform up to the mark. Better performance of employees is significant as according to Khan et al., (2011), employee performance drives performance of the organization.

2.2.5. Role of training and development in Insurance Sector

We know this fact very well that Insurance comes under the broader services sector. Services sector is such that where people involvement is at the maximum. Customers interact with the employees and the first impression of the Insurance is built during this interaction. So, this is the reason for which Guest (1997, as cited in Glaveli & Karassavidou, 2011) declared people to be the most vital factor contributing to the organizational productivity, sustainability, and image building. People are, without any suspicion, an organization's ultimate strengthening asset. Customers undergo a complicated experience in gaining a service that involves both the mental and physical interaction (Haynes & Fryer, 2000) with the service providers i.e. the employees. These facts lead us to conclude that employees must be skilled enough to provide the delighting services to the customers that least chances remain there for customer switching or customer dissatisfaction. Skills are obviously injected into the workforce through some systematic process of competency training. Banks and Insurance Company focus in their strategy building and philosophy that how and when to train their employees. They plan out that what training methods to be used at the various levels of the organizational workforce.

2.2.6. Contemporary types of training

There are two broad types of training available to the businesses: on-the-job and off-the-job techniques. Individual circumstances and the “who,” “what” and “why” of your training program determine which method to use (Armstrong, 2006).

I. On-the-Job Training

On-the-job training is one way in which an employer may invest in human capital needed for strategic advantage. Such investments may be made by structuring a job so that employees learn while they work. For example, employees’ skills may be increased by learning how to perform new tasks or operate new equipment. Employers may structure jobs so that these skills may be learned from other employees. They may also give employees time to learn new procedures or how to operate new equipment through self-instruction, such as by reading technical manuals, or by learning new software through self-instruction. Employers may also absorb the costs of lower productivity while workers lacking relevant skills learn through interaction with skilled employees or through trial-and-error processes.

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. According to Michael Armstrong (2010), Managers have a vital role in helping their people to learn and develop. Most learning takes place on the job, but it will be more effective if managers provide the coaching, guidance and support people need.

➤ Induction/Orientation Induction/

Orientations are carried out for new entrants on the job to make them familiar with the total corporate requirements like norms, ethics, values, rules, and regulations (Armstrong, 2010). Orientation formats are unique to each firm. However, almost all emphasize these areas, the employment situation (job, department, and company), company policies and rules, compensation

and benefits, corporate culture, team membership, employee development and dealing with change and socialization Noe, (1999).

The first several days on the job are crucial in the success of new employees. This point is illustrated by the fact that sixty per cent of all employees who quit do so in the first ten days (Armstrong, 2010). According to Armstrong (2010), orientation training should emphasize on the company's mission, the key members of the organization, the departments and how the department helps fulfill the mission of the company.

This involves getting new employees familiarized and trained on the new job within an organization. During this process, they are exposed to different undertakings for example, the nature of their new work, how to take on their identified tasks and responsibilities and what is generally expected of the employees by the organization. They are further given a general overview of the organizational working environment including for example, working systems, technology, and office layout, briefed about the existing organizational culture, health, and safety issues, working conditions, processes and procedures (Aidah, 2013).

➤ **Job Rotation**

In job rotation, employees move from one job to another to broaden their experience. This breadth of knowledge is often needed for performing higher level tasks. Rotational training programs help new employees understand the variety of jobs and their interrelationships. Job rotation has much potential as a training method, but it also has some potential problems. The new hires may have such short assignments that they feel more like visitors in the department than a part of the workforce. Because they often do not develop a high level of proficiency, the new hires can lower the overall productivity of the work group. In addition, employees who observe or must work with an individual rotation through their department may resent having to help a fast track employee who may in time become their boss (Noe, 1999).

Job rotation and transfers (Aidah, 2013) as a way of developing employee skills within organization involves movements of employees from one official responsibility to another for example taking on higher rank position within the organization, and one branch of the organization to another. For transfers for example, it could involve movement of employees from one country to another. These rotations and transfers facilitate employees acquire knowledge of the different

operations within the organization together with the differences existing in different countries where the organization operates.

➤ **Committee Assignments**

In committee assignments, a set of the task is given to the group of the trainee to solve the organizational problem together. It improves teamwork and creates the bonding among the employees.

➤ **Internship**

The internship is a pre-job experience of future employees. In internship pre-placed employees work on the floor and learn the real experiences of the company. It helps the college graduates to learn the real experiences of the company.

➤ **Apprenticeship**

Apprenticeship method usually is given to that employee that will give more profits in long term. This method includes day to day coaching with on floor experience. Usually, this training is given to those employees that will promote in the future.

Pros and cons of on the job training

Advantages or Benefits of OJT	Disadvantages of On the Job Training Methods
The simple method of learning	Teaching is a skill that everyone does not possess
An economical way of learning	It is a rushed process
Get the feel right	Low productivity
Immediate productivity	Creates Disturbance
Quick learning	Accidents can happen

II. **Off-the-Job Training**

Off-the-job training techniques include lectures, television conferences or discussions, case studies, role playing, simulation, group exercise, and laboratory training. Most of these techniques can be used by small businesses although, some may be too costly. On- the-job training has also been argued to be the most useful but equally the most abused and most unsuccessful method of training Tobin and Daniel, (1998).

➤ **Lecture**

A lecture is a talk with little or no participation except a question-and-answer session at the end. It is used to transfer information to an audience with controlled content and timing. When the audience is large, there may be no alternative to a straight lecture if there is no scope to break it up into discussion groups (Armstrong, 2010).

The effectiveness of a lecture depends on the ability of the speaker to present material with the judicious use of visual aids. But there are several limits on the amount an inert audience can absorb. In a lecture it is common to provide a framework for ideas by using a drawing or system model to show the interconnection of points. Facts, by giving impact, keep together the framework of ideas that the speaker has assembled. They clarify and give dimension to what is being said. The danger is to use too many, so that the audience are overwhelmed by facts and figures which begin to bemuse them. If the presentation is to be accompanied by a hand-out, facts may be usefully contained in that, so that they can be referred to later, without the audience having to remember them (Taylor, et al. 2008).

➤ **Vestibule training:**

In this method, actual work conditions are simulated in a classroom. Materials, files, and equipment's those that are used in actual job performance are also used in the training. This type of training is commonly used for training personnel for clerical and semi-skilled job.

➤ **Role Playing**

It's defined as a method of human interaction that involves realistic behavior in an imaginary situation. This method of training involves action, doing and practice. The participants play the role of certain characters, such as the production manager, mechanical engineer, superintendents,

maintenance engineers, quality control inspectors, foreman, workers, and the like. This method is mostly used for developing interactions and relations.

Pros and Cons of off the job training

Advantages of off the job training methods	Disadvantages of Off the Job training Methods
More like classroom teaching	Production may hinder
Audio-Visual method aids the visual medium of a brain:	Quality may become deteriorated
Error-free production rates:	It may become non-effective in the actual context
The method is highly time saving	The method is completely detached from the workplace
High productivity rates are maintained	

2.2.7. Approach to Training

Adopting a systematic approach to training helps ensure that organizations are getting the most out of themselves and their employees. A systematic approach to training includes taking the time to analyze what results the organization needs from its employees, if employees are accomplishing those results, and what training approaches are needed by employees to better accomplish those results. A systematic approach includes evaluating approaches before, during and after training to ensure whether employees truly benefited from the training in terms of enhanced results to the organization.

Effective training includes using sound principles of performance management and good, basic training techniques. A systems approach ensures a comprehensive training process that remains focused on the needs of the organization. The process typically includes the phases: Analyze the

organization's needs and identify training goals which, when reached, will equip learners with knowledge and skills to meet the organization's needs. Usually this phase also includes identifying when training should occur and who should attend as learners. Design a training system that learners and trainers can implement to meet the learning goals; typically includes identifying learning objectives (which culminate in reaching the learning goals), needed facilities, necessary funding, course content, lessons and sequence of lessons. Develop a training "package" of resources and materials, including, e.g., developing audio-visuals, graphics, manuals, etc. Implement the training package, including delivering the training, support group feedback, clarifying training materials, administering tests, and conducting the final evaluation. This phase can include administrative activities, such as copying, scheduling facilities, taking attendance data, billing learners, etc.

Evaluate training, including before, during and after implementation of training. In a systematic approach to training, each phase of the process produces results needed by the next phase. For example, the training analysis phase produces learning goals that are used by the next phase, training design. Training design (often called instructional design) refers to the design methods and materials from which learners can reach the goals and objectives. Typically, each phase provides ongoing evaluation feedback to other phases to improve the overall systems process.

2.2.8. Effective Training Practice

The training techniques used should be appropriate to the purpose of the course and to the characteristics of participants their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to be taught (motivated to learn). A blend of different techniques should be used where appropriate. It is particularly important in management, supervisory and interpersonal skills training to provide ample time for participation and active learning through discussion, case studies and simulations. Lectures should form a minor part of the course Armstrong, (2006).

The relevancy of training also plays a role in establishing employee commitment. Employees enter training programs with specific expectations and needs. The result of training programs that do not meet the expectations and needs of participants may be lower commitment, negative attitude

change, and an increase in turnover. Effective training program is one such organizational practice that can lead to greater employee commitment and a more stable workforce Greer, (2003).

2.2.9. Key Element of Effective Training Practice

The first element requires correctly designed and developed training. However, even though properly designed and developed to a defined set of job relevant criteria, if the recipients are already qualified to do the job, this training will not be effective, resulting in a waste of time and resources. The second element is addressed using a defined set of activities and methods to evaluate training delivery effectiveness. The third element is critical to help management allocate resources most effectively. This element addresses activities and methods that will ensure that training to be developed is needed and that it has resulted in improved performance. This section will address these two elements and methods and activities to determine whether training is the appropriate solution to improve performance.

I. Training Design

If an employee feels well-trained, they automatically commit to the organization. As mentioned, some of the most noticeable independent variables affecting training and development. One of the factors is training design as cited Abeeha, Bariha, (2012). There are processes of training design discussed below.

II. Training Delivery

Organizations use all kinds of training delivery methods to improve the skills and qualifications of their personnel. However, it is also worth remembering that different training delivery methods have different features and weaknesses.

III. Training Material

Training materials, such as handouts, Power-Points, or flip charts, are often used as visual aids that facilitate and enhance the participant's learning experience. Materials should be easy-to-read and should highlight the most important messages or needs. Keep in mind that visual aids (such as Power-Points, handouts, overheads, and flip charts) play a supportive role to the main teaching technique and do not substitute for teaching.

Peer-review (optional) the training manager may wish to have training materials peer reviewed by technically competent external reviewers or by a standing advisory board established for that specific purpose. These reviewers should possess relevant expertise and experience in the disciplines appropriate to the course subject. It is advisable that one or more of the reviewers be an experienced worker representing those to whom the training is directed. While it is not required under, having materials peer reviewed by those with relevant expertise has proven useful.

IV. Evaluation of Training

The evaluation and validation of any training process is a very important key element not to be overlooked or treated lightly in the development of any training development process because it becomes the tool used to tell us if we reached our intended goals or objectives. 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.

According to DeCenzo and Robin (2005), there are three popular methods of evaluating training programs. Post-training performance method: - Evaluating training programs based on how well employees can perform their jobs after training. Pre-post-training performance method: Evaluating training programs based on the difference in performance before and after training. Pre-post training performance with control group method: Evaluating training by comparing pre- and post-training results with individuals.

2.2.10. Employee Performance

Performance can be defined as the achievement of specified task measured against identified standard of accuracy or predetermined, completeness, cost, and speed. In an employment contract, performance is deemed to be the accomplishment of a commitment in such a manner that releases the performer from all liabilities laid down under the contract. Efficiency and effectiveness are

ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance.

Employee performance is the important factor and the building block which increases the performance of overall organization. Employee performance depends on many factors like job satisfaction, knowledge, and management but the most important factor of employee performance is training and development (Fakhar Ul Afaq, Anwar Khan, 2008).

Employee performance is normally looked at in terms of outcomes. However, it can also be looked at in terms of behavior (Armstrong 2010). Stated that employee's performance is measured against the performance standards set by the organization.

There are several measures that can be taken into consideration when measuring performance using productivity, efficiency, effectiveness, quality, and profitability measures as briefly explained hereafter. Profitability is the ability to earn profits consistently over a period. It is expressed as the ratio of gross profit to sales or return on capital employed (Wood & Stangster 2002). Efficiency is the ability to produce the desired outcomes by using as minimal resources as possible. Effectiveness is the ability of employees to meet the desired objectives or target. Gilbert Jr 1995). It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed (Lipsey 1989). Productivity is expressed as a ratio of output to that of input (Stoner, Freeman and Gilbert Jr 1995). It is a measure of how the individual, organization and industry converts input resources into goods and services. The measure of how much output is produced per unit of resources employed, quality is the characteristic of products or services that bear an ability to satisfy the stated or implied needs. It is increasingly achieving better products and services at a progressively more competitive price (Stoner 1996). (Aidan, 2013).

2.2.11. Relationship between training and employee performance

It is believed that to achieve the organizational goals employee performance is important that depends on a variety of factors, but training receives high importance as it improves the skills, capabilities, confidence, and competencies (Naveed, et al., 2014). Training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies, and behavior. It is obvious

that training plays an important role in the development of organization, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top.

There is a positive relationship between training and employee performance. Training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies, and behavior. It is obvious that training plays an important role in the development of organization, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top.

Myles (2000) states that a company that seeks to train and develop its employees well and reward them for their performance has its employees in turn motivated and thus are more likely to be engaged in their work hence improving performance and loyalty to their company. These same employees, being the point of contact with customers will provide better service, leading to more business and more referrals from the satisfied customers. The increase in sales through referrals and repeat businesses will translate into an increase in business profits thus improving shareholders' investment. The shareholders are therefore benefiting from increased returns on their investment in the business.

Lerner (1986), to further illustrate this reciprocal relationship, conducted an eleven year study and found that organizations with cultures that emphasized training and development and ethical values in every area with regards to employees, customers and stakeholders, as well as leadership from managers, outperformed companies that did not have this cultural characteristics by a huge margin. According to Noe (2001), organizations that embrace training and development practices can retain customers, suppliers, employees, stakeholders, and shareholders in the long run as they are deemed more trustworthy and better custodians of the interests of the various stakeholders. This translates into better financial performance of the business.

2.3. Empirical literature

Empirical findings are one of the important components of literature review in the research study of any type. This type of literature contributes a lot to the effectiveness of the investigation under

study by revealing the gap what the researcher wants to find out and how the researcher get insight into what and how to assume the investigation he/she stands for.

Khan et al (2011) conduct a study on, impact of training and development on organizational performance. The focus of the study was to understand the effect of training and development, on the Job training, training design and delivery style on organizational performance. The backbone of this study is the secondary data comprised of comprehensive literature review. Four hypotheses are developed to see the impact of all the independent variables on the overall organizational performance. Results show that training and development, on the job training, training design and delivery style have significant effect on organizational performance, and all these have positively affected the organizational performance.

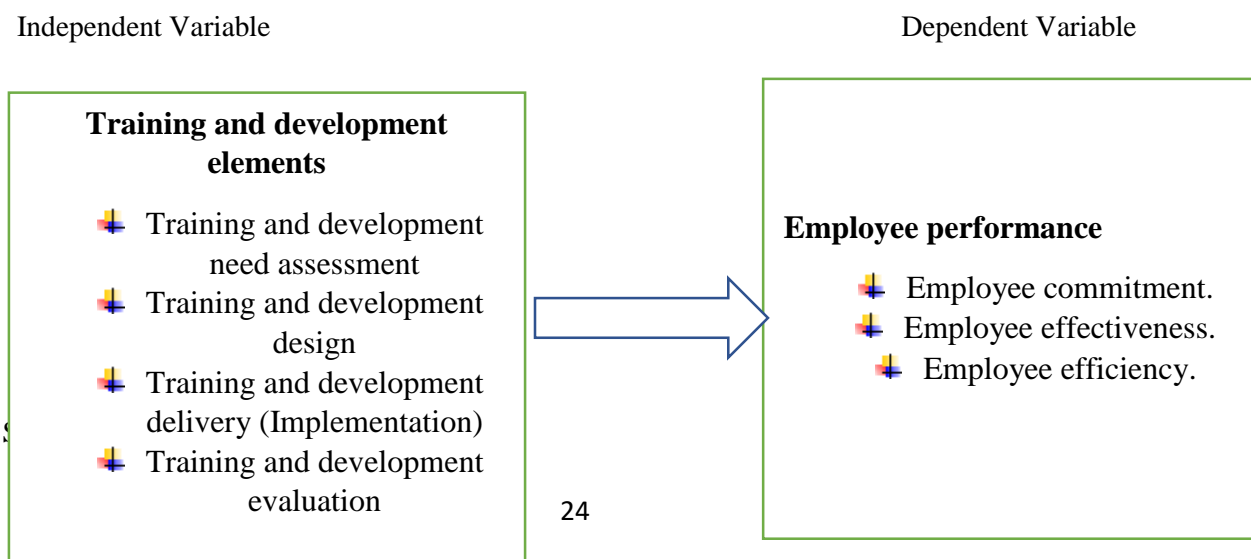
Sultana et.al. (2012) on their study on Training practices of Telecommunication Sector in Pakistan were examined to determine their impact on Employee performance. Based on a combination of literature review and questionnaire surveys, this paper explores that for any organization to succeed in achieving the objectives of its training program, the design and implementation must be planned and systematic, tailored towards enhancing performance and productivity. It has been observed that most organizations meet their needs for training in an ad hoc and haphazard way while others set about identifying their training needs, then design training activities in a rational manner and finally assess the results of training. The study concludes that if organizations invest in right type of employee training it can enhance employee performance as well as competencies and skills. In addition, training is seen as a useful means of coping with changes fostered by technological innovation; market competition, organizational structuring and most importantly it plays a key role to enhance employee performance.

Generally, several other researchers also conduct a study regarding training and its effect on employees and organizational performance which are not fully discussed here. Their empirical findings almost show that training variables positively and significantly correlated with employee as well as organizational. In general, speaking every organization has some expectations from the employees with respect to their performance. Efficiency and effectiveness are some of the ingredients of performance apart from competitiveness and productivity and training is a way of increasing individual's performance. And when they perform up to the set standards and meet organizational expectations, they are believed good performers. Functioning and presentation of

employees is also termed as employee performance. This means that effective administration and presentation of employee’s tasks which reflect the quality desired by the organization can also be termed as performance. In the development of organizations, training plays a vital role, improving performance as well as increasing productivity, and eventually putting companies in the best position to face competition and stay at the top i.e. that there is a significant difference between the organizations that train their employees and organizations that do not, so that there exists a positive association between training and employee performance (Sultana et.al. 2012). There is a positive relationship between training and employee performance. Training generates benefits for the employee as well as the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies, and behavior (Benedicta et al 2010).

A researcher on judicial service of Ghana conclude that training and development in the Judicial Service of Ghana were mainly concerned with offering learning and development opportunities for staff and improvement of knowledge and skills at all levels in the organization (Kennedy 2009). This implies that organizational performance is the result of employee’s performance that also supported by (Sultana et.al. 2012), training generates benefits for the employee as well as for the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies, and behavior. Likewise, other researchers support training and development improves the organizational performance and it has positive effect on Organizational Performance (Khan et.al. 2011).

2.4. Conceptual framework



CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter focus on the research design and methodology applied in this research. The research population and sample, as well as the research method were explained under this chapter. The research tools utilized in this research was discussed. Generally, this part deals with the research methodology; sources of data, sample size and sampling techniques, instrument and procedure of data collection, and methods of data analysis that were employed to analyze the gathered data.

3.1. Research approach

In this research a mixed research approach was employed. Both qualitative and Quantitative methods involve the processes of collecting, analyzing, interpreting, and writing the results of a study. Quantitative approach helps researchers to test relationships between variables and to present numerically. And, the researcher was also used qualitative approach to present and interpret data analyzed numerically.

3.2. Research design

The research was in the form of explanatory research design. The main aim of explanatory research is to identify any casual links between factors or variables that pertain to the research problem. Such research is also very structured in nature. Explanatory studies play an instrumental role in terms of identifying reasons behind a wide range of processes, as well as, assessing the impacts of changes on existing norms, processes etc. This type of studies is associated with greater levels of internal validity due to systematic selection of subjects

Based on the research objective and basic questions explanatory research design were used to assess and determine whether training have impact on employee performance in Nile Insurance Company, Head office branch.

3.3. Population and sample size determination

The research population was Nile Insurance Company employees found at head office. Currently there are One hundred fifty (150) employees at Head Office (Source, Nile Insurance Company Human Resource Department, March 2020).

For this study purpose the researcher was used simplified formula of Taro Yemane (1967) sample size determination that helps to calculate sample size.

Taro Yamane's formula for sample size determination stated that a simplified formula to calculate $n = N / (1 + N(e)^2)$.

Where

N= total population

n= sample size

e= acceptable error, 5% sampling error i.e. 95% confidence level.

The sample size calculated by $150 / (1 + 150(0.05)^2) = 109$. Hence out of the total population of 150 employees of head office a sample size of 109 will be used as sample representative.

3.4. Sampling Method

A sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample (Kothari, 2004, page 55). For this study purpose the researcher was used stratified random sampling method.

The researcher used stratified sampling design technique which helps to draw sample representative from population of the study that does not constitute homogeneous group based on their departments. Stratum will be formed using departments. To determine sample size from each stratum researcher were followed proportional allocation techniques. And after allocating the sample size of each stratum researcher draw items using simple random sampling.

Table 3.1 Table which shows sample size from each stratum

Division	Population from each strata (Ni)	Proportion of population in strata (Pi)= Ni/N	Sample size from each strata (ni) = n*pi (n= 109)
Human Resource Management	28	28/150 = 0.186	20
Marketing and Branch operation	6	6/150 = 0.04	4
Finance and Investment	19	19/150 = 0.126	14
Information Technology	4	4/150= 0.026	3
Internal Audit	8	8/150 = 0.053	6
Legal	15	15/150 = 0.1	11
Client Management	38	38/150 = 0.25	28
Planning and Evaluation	2	2/150 = 0.013	1
Risk Management	1	1/150 =0.0067	1
Re-insurance	2	2/150 = 0.013	1
Engineering	12	12/150 = 0.08	9
Project	3	3/150=0.02	2
Recovery unit	12	12/150 = 0.08	9
Total	150	100%	109

Source: own survey data, Nile insurance Company HR report, March 2020.

To collect relevant data, 109 questionnaires distributed to employees selected as representative from the population of the study. The researcher collected 83 properly filled questionnaires in which the response rate is 76.15 percent and the remaining missed questionnaires were incomplete

3.5. Source of data and collection technique

3.5.1. Source of data

The researcher used both primary and secondary source of data to achieve objective of the study. Primary data is important for all areas of research because it is undistorted information about the

result of an experiment or observation. As it were, it is unique examination information in its basic structure without any dissection or handling. Secondary data is data which have already been collected and analyzed by someone else. The researcher used secondary data because it helps to enrich primary data collected for the study purpose.

3.5.2. Data collection techniques

Primary data collected from Nile Insurance Company employees that was selected as a representative. The study applied a well-designed Five-point Likert scale questions to gather primary information, this was completed by sample representatives. Because questionnaire method of data collection is important to collect big enquires, low cost, respondents have adequate time to respond, respondents who are not easily approachable can also be reached carefully and large samples can be made use of and thus the results can be made more dependable and reliable. Besides to that, structured interview questions was developed and conducted with Training and development section team to enrich data collected using questionnaire from sample representative.

3.6. Methods of data analysis

After collecting the data through different techniques, the researcher was organized and prepared various data depending the source of information. To analyze the raw data gathered through questionnaires and interview quantitative and qualitative methods of data analysis was used. The collected raw data organized and checked to identify questions not responded appropriately. Data collected from questionnaire were analyzed through quantitative descriptive statistical tools such as percentages, frequencies, and correlation analysis. Qualitative data obtained through interviews was analyzed qualitatively in narrative form. Finally, the results discussed and interpreted to draw important conclusions and recommendations.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

4.1. Introduction

This chapter presents the discussion of data analysis and interpretation. During the study, questionnaires and interview were conducted to collect the necessary data. The data collected from employees using the questionnaire distributed is presented using tables. The respondent's characteristics such as gender, age, education level, and service year and employee response on questions related to the effect of training and development on performance was presented.

4.2. Demographic characteristics of respondent

Demographically the respondents were asked to classify themselves according to the category of their education level certificate/diploma, first degree and second degree, service year within the organization, age, and gender.

In this section, respondent demographic characteristics are presented using frequency and percentage.

Table 4.1 Data analysis on demographic characteristics of respondent

Demographic Characteristics	Frequency	Percentage
Sex of respondent (n=83)		
Male	55	66.3%
Female	28	33.7%
Age Range of respondent (n=83)		
21-30	28	33.7%
31-40	41	49.4%
41-50	12	14%
51-60	2	2.3%
Education Level of respondent (n=83)		
Certificate/Diploma	9	11.1%

First Degree (BA/BSc)	53	63.9%
Second Degree (MA/MSc)	21	25.3%
Service Year within the organization (n=83)		
1-5	32	38.5%
6-10	35	42.6%
11-15	16	19.27%
>16	-	-

Source; own survey data, 2020

As shown in the above Table 4.1 Employee gender composition shows that 55 of the respondents are male and 28 of them are female. This shows that 66.3 % of them are male were as 28 (33.7 %) of the respondents are females. From the data we understand that gender composition of our respondent as well as Nile insurance Company male to female segregate data and gender may have own effect on training and development practice.

The age composition of employees who participated in the study shows that 28 employees 33.7% found between 21-30 were as 41 (49.4%) found between 31-40, around 11 employees (14%) found between 41-50 age range and the remaining percentage belongs to 50 and above age group. From this data we understand that most of Nile Insurance Company employee is productive age group and age has own effect on training and development of employee's readiness, acceptable and implement quickly after they took training related to their jobs.

Regarding qualification 25.3% of the respondent had second degree, 63.9% were first degree holder and the remaining 11.1 % is diploma and certificate holder. From this data we understand that there is qualified manpower in Nile Insurance Company, and they understand the importance of training and development in relation to their performance.

Regarding respondent service year within the organization the largest portions 35(42.6 %) of the respondents has 6-10 service year experience. Also, the next largest respondent number 32 (38.5 %) have 1 to 5 years of service. In addition, the remaining 19.27 % of the respondent served the organization for 11 -15. So, based on their service year data we can infer that employee were familiar with training practice of their organization.

4.3. Data analysis and interpretation on training practice of Nile Insurance Company

Table 4.2 Data analysis on existence of training and development department

	There is a separate department responsible for manpower training in my organization.	Frequency	Percent
Scale	Agree	11	13.25
	Disagree	41	49.4
	Neutral	6	7.22
	Strongly Agree	5	6.02
	Strongly disagree	20	24.1
	Total	83	100

Source; own survey data, 2020

Respondents was asked the presence of separate unit/department responsible for manpower training and development. According to Table 4.2 Large portion of the respondent 49.4 % and 24.1% were disagree and strongly disagreed that Nile insurance company has separated training and development department and the remaining percentage 7.2 % and 13.25 % of the respondent were neutral and agree with the availability of training unit. Generally, from the analysis we ensure that there is no separate training, and development department which fully engaged on employee training and development activity.

Table 4.3 Data analysis on existence of training policy and procedure

	In my organization there is training policy and procedure.	Frequency	Percent
Scale	Agree	32	38.55
	Disagree	11	13.25
	Neutral	19	22.9
	Strongly Agree	13	15.7
	Strongly disagree	8	9.6

	Total	83	100
--	-------	----	-----

Source; own survey data, 2020

Related with availability of training policy and procedure, high portion of the employee agree and strongly agree with the statement. As presented in Table 4.2 39% agree and 15% strongly agree presence training policy and procedure but 22% & 13% of the respondent were neutral and disagree and the remaining 9% strongly disagree. So, from this point we understand that training policy and procedure of Nile Insurance Company may be lacks visibility in practice. In addition to result obtained from questionnaire the response obtained from interview were stated on the below paragraph.

The interview was conducted with Human resource management leader of the Nile Insurance Company and it indicated that there is training policies and procedures in place. According to the interviewee response the organization strongly believes that helping employees to become effective in their job is one of the most fundamentally important tasks in people management that any work organization must undertake. Organization depend on the quality of their employee's performance to achieve organizational aims and objectives; employees have motivational need for training and development, recognition status, and achievements that can should be meet through job satisfaction. Moreover, as he stated in his interview the training policy indicates that it contains some essential elements of training. It outlined the objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types and techniques of training.

In addition to questionnaire the researcher also conducted interview with Nile Insurance Company Human resource department head regarding the training practices of the organization. The head department proves that Nile Insurance Company has no separate department responsible for manpower training and the department also works by using its own comprehensive written guidelines, policies and procedures in place that explains some essential elements of training. And the organization used Human resource unit support in the organization as training and development unit in addition to other HR activities. It outlined the objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training. The HR head said that the main purpose of training at Nile Insurance Company is improving employee skills, knowledge, abilities and competencies of customer servicing and job performance. He

added the ultimate objective however is to help improve both individual and organizational performance. The concern therefore is about how the company carries through its training and what impact the training has had on its employees in terms of improved performance.

Nile insurance company allocates budget for employee training and development. This also indicates that the company priority for its manpower. The organization properly plans the training program annually, semiannually, and quarterly and revises it when the organization made changes and amendments on its corporate strategic plan. He also said that the organization uses both its own professionals and outsourcing available professional training institutions, but in the market the availability and quality of professional training institutions are not as such blameless. He also states that the Nile insurance company has its own training facilities like rooms and materials.

The researcher also revised the training policy and procedures of Nile Insurance Company and the policy indicates essential elements of training i.e. objectives of the policy, spelt out the measures for training needs identification, methods of training implementation, and types of training and training facilities. However, according to the training and development department head but there is some deviation or gap may occur in planning as a result of other uncontrollable internal or external limitations and on implementation of the program there is some communication gap between the training and development department and other the bank's departments on identifying their skill gap, the appropriate training need and selection of appropriate trainees. Generally, he said that training at Nile Insurance Company is planned and but not systematic and it results positive effect on employee's performance but not as we expected to be with respect to other internal and external environmental limitations. Currently the Nile Insurance Company conducts a research on this area to find out challenges and limitations of the training practice that results unsatisfactory result on the performance of employees of the organization.

Table 4.4 Data analysis on training need assessment

	My organization properly undertaken training needs assessment before the training program designed and implemented.	Frequency	Percent
Scale	Agree	18	21.9

	Disagree	21	25.3
	Neutral	25	30.1
	Strongly Agree	6	7.2
	Strongly disagree	13	15.6
	Total	83	100

Source; own survey data, 2020

Researcher asked whether Nile Insurance Company undertaken training needs assessment or not in designing the training programs. Table 4.4 illustrates respondent's reflection whether training needs assessment in place and its appropriateness and the high composition representing 30.1% of the total are neutrals or they do not know about the case. The idea that the organization properly undertake training need assessment before the training program designed and implemented were supported by 21.9% and 7.2 % of the total by voting to agree and strongly agreed, respectively. The remaining 25.3% disagreed and 15.6% strongly disagree with the idea, respectively. Identifying needs properly is obviously a very important part of the training cycle. The content of the training should be related to the work contexts of the participants (Armstrong 2006). If your analysis is wrong at this stage, then the later training activity will also be inappropriate. This may result in wasting money and dissatisfy staff. From the above analysis excluding neutrals, the highest percentage vote is to strongly disagree and disagree and proportionally, others also agreed and strongly agreed about the case. This implies that Nile Insurance Company were undertaken training needs assessment but not properly undertaken the assessment to identify the real performance gap on employees i.e. between "what is" and "what should be" and what type of training will needed to fill the identified gap.

Table 4.5 Data analysis on trainee's selection

	The basis for the selection of trainees in Nile Insurance Company is Performance evaluation result, not based on seniority.	Frequency	Percent
Scale	Agree	23	27.7
	Disagree	14	16.9
	Neutral	17	20.5

	Strongly Agree	22	26.5
	Strongly disagree	7	8.4
	Total	83	100

Source; own survey data, 2020

According to Table 4.5 from the total respondent composition 26.5 % strongly agree and 27.7% of the total respondents agree the idea that the Nile Insurance Company select trainee is based on performance evaluation result not based on seniority. The other significant numbers of respondents which are 20.5% of the total are neutrals. And 8.4% and 16.9% of the respondents are strongly disagree and disagreed that the organization select trainee is based on performance evaluation result. The data portrays that the organization uses performance evaluation result and not seniority for selection of trainee's and 20.5% respondents are neutrals because they are not clear how Nile Insurance Company select trainee's or they are not yet asked about their performance or what problem encounter on their day to day job. Performance is a matter not only of what people achieve but how they achieve it. Performance management must examine how results are attained because this provides the information necessary to consider what needs to be done to improve those results (Armstrong 2006).

Table 4.6 Data analysis on employee participation in training

	As an employee I was involved in the practices of training Programs in Nile Insurance Company.	Frequency	Percent
Scale	Agree	37	44.6
	Disagree	10	12
	Neutral	6	7.2
	Strongly Agree	25	30.1
	Strongly disagree	5	6
	Total	83	100

Source; own survey data, 2020

Table 4.6 shows that significant number of respondents representing 44.6% and 30.1% of the total respondent agreed and strongly agreed that they were participated in training program since they

are joined Nile Insurance Company respectively i.e. they support that they have got the opportunity to participate at least one training session. The other groups which are 12 % and 6 % of the total respondents are disagreed and strongly disagreed that they are not get training opportunities yet. The remaining 7.2% of the total have no idea or neutral. From the above analysis we can depict that organization provides training opportunities for employees which supported by 74.6 % of the total but there are problems in selection of trainees i.e. which is unsystematic or unfair selection process. The reason why the researcher said so, 18 % of respondents is disagree with the statement.

4.4. Data analysis on training delivery techniques

Table 4.7 Data analysis on employee on the job training

	Most of the time Nile Insurance Company gives to the employees on the job training like job rotation, learning by doing (coaching), job instruction etc.	Frequency	Percent
Scale	Agree	5	6.02
	Disagree	40	48.2
	Neutral	11	13.25
	Strongly Agree	7	8.4
	Strongly disagree	20	24.1
	Total	83	100

Source; own survey data, 2020

According to the above Table 4.7 the largest composition of the respondents strongly disagree and disagreed that most of the times the Nile Insurance Company does not use on the job training technique for its employees which representing 48.2% and 24.1% of the total respondents respectively. Other group or respondents representing 8.4% and 6.02% of the total strongly agree and agreed respectively and the remaining 13.25% of the respondents is no idea. From the above analysis we can depict that organization does not provide on the job training for its employees which is supported by the maximum portion of the respondents. On the job type of training is most effective for operative personnel and given training at the workplace under the supervision and guidance of a trained worker or instructor (R. Kumar, 2012). People learn from their practical experience much better as compare to bookish knowledge and it is better for the organizations to

give their employees on the job training because it is cost effective and time saving (Khan et al, 2011).

Table 4.8 Data analysis on employee off the job training

	Most of the time Nile Insurance Company use off the job training techniques like lecture, seminar, case study, group discussion etc.	Frequency	Percent
Scale	Agree	38	45.8
	Disagree	11	13.2
	Neutral	7	8.4
	Strongly Agree	27	32.5
	Strongly disagree		
	Total	83	100

Source; own survey data, 2020

Table 4.8 shows that most of the respondents 45.8% and 32.5% agreed and strongly agreed, respectively. The other groups of respondents 13.2% of the total respondents disagree. And only 8.4% of the respondents are neutrals. The analysis shows that most of the time Nile Insurance Company uses off the job training technique to train employees. In off the job training method, the trainees leave their workplace and devote their entire time to the training. In this method the trainee can place his entire concentration on learning rather than spending his time on performing it (R. Kumar, 2012). Here a trainee focuses on theories rather than practicing it.

4.5. Data analysis on implementation of training practice

Table 4.9 Data analysis on training implementation

	In my opinion, training practices at Nile Insurance Company is planned and systematic.	Frequency	Percent
Scale	Agree	10	12.4
	Disagree	37	44.9
	Neutral	5	5.6
	Strongly Agree	7	7.8

	Strongly disagree	24	29.2
	Total	83	100

Source; own survey data, 2020

The Table 4.9 portrays that 29.2% strongly disagree, 44.9% disagree, 12.4% agree, 7.8% strongly disagree, and only 5.6% of the respondents are neutral about the idea that Nile Insurance Company implement the training program based on the purpose and characteristics of employee’s needs, experience, level of knowledge and skills and motivation to train. In implementing training programs the training techniques used should be appropriate to the purpose of the course and to the characteristics of participants, their jobs, learning needs, previous experience, level of knowledge and skills, and how receptive they will be to being taught or motivated to learn (Armstrong 2006).

The above analysis depicts that the implementation of training program at Nile Insurance Company is not based on the intended purpose or according to the plan that already prepared on planning phase and characteristics of job, need, experience, level of knowledge or skill and motivation to train and this were supported by the high percentage of the respondents disagree and strongly disagree representing the total respondents. Training program planning is composed of four continuous and related stages including training interventions. If your analysis is wrong at any of the above stage, then the later training activity or stage will also be inappropriate. This may result in wasting money and de motivating staff. It can also set up negative attitudes towards future training. Therefore, the analysis portrays that because of inappropriateness and shortfalls on the prior stages i.e. need assessment, training interventions will affect the outcome of training implementation. Here we can conclude that the organization should have to revise and properly do every step based on the objectives and goals before implementation of training programs.

4.6. Data analysis on training evaluation

Table 4.10 Data analysis on training evaluation

	The management request feedback before and after training about the training program and the value added to my career, experience, and performance.	Frequency	Percent
--	---	------------------	----------------

Scale	Agree	23	27.7
	Disagree	33	39.75
	Neutral	16	19.3
	Strongly Agree	4	4.8
	Strongly disagree	7	8.4
	Total	83	100

Source; own survey data, 2020

Table 4.10 illustrates that the large portion 39.75% of the respondents disagree and 8% strongly disagree anticipation and evaluation practice of training. On the other hand, 27.7% agreed and 4.8% strongly agreed with idea and the remaining 19.3 % are neutrals. Requesting trainee’s anticipation before and after training is important to know what trainees expect from the training and to evaluate training effectiveness that enables you to see whether you have met the training needs identified; feedback might be gained about the training that could be used for future training; information on the venue and the trainer might prove very useful.

From the analysis above, we can depict that the training management of Nile Insurance Company is not request feedback before and after training to solicit their expectation and how it was respectively to search out drawbacks that may adjusted and improved in the future. The intention of evaluation through trainee’s feedback is to improve the training provided by assessing which methods are successful.

4.7. Data analysis on effectiveness of training

Table 4.11 Effectiveness of training program

	Generally, the training practice of the organization has helped me to improve my performance since I joined Nile Insurance Company	Frequency	Percent
Scale	Agree	22	26.1
	Disagree	19	23
	Neutral	25	29.5
	Strongly Agree	15	18.8

	Strongly disagree	2	2.5
	Total	83	100

Source; own survey data, 2020

Table 4.11 Shows that highest portion of the respondents representing 29.5% had no idea or neutral about effectiveness of training practice for the importance of training to perform well their regular activities. The next major 26.1% respondents are agreed and 18.8% are strongly agreed that training practice at Nile Insurance company after training employees in the organization are working well their regular activities. However, 23 % and 2.5% of the respondents are disagree and strongly disagreed. Hence, these responses indicated that there is gap on effectiveness of training and development at the organization.

4.8. Effect of training on employee performance

Table 4.12 Data analysis on employee effect of training on employee performance (Employee Effectiveness)

	I can say that training practice of Nile Insurance Company helped me to perform and effectively work my regular activities.	Frequency	Percent
Scale	Agree	28	33.7
	Disagree	13	16.2
	Neutral	16	19.3
	Strongly Agree	18	21.6
	Strongly disagree	8	9.6
	Total	83	100

Source; own survey data, 2020

In addition to the above response, the researcher also proved that how much the training provided by the organization helped employees to perform their work quickly and efficiently. Therefore, as shown in the Table 4.12 among the respondents 33.7% agreed and 21.6% strongly agreed about the training relevance to work quickly and efficiently even if 16.2% disagreed and in addition to this, 9.6% strongly disagreed up on this issue. The remaining significant numbers of respondents which are 19.3% are neutrals. Here from the above analysis we can say that training provided by

Nile Insurance Company helped employees to perform works quickly and efficiently. Training is how such skills; knowledge and attitudes are impacted to employees to enhance efficiency and effectiveness. The creation and transfer of knowledge in an organization has become a critical factor in an organization’s success and competitiveness. Here we can say that work efficiency or adaptability will enhance through employee training accordingly.

Table 4.13 Data analysis on employee effect of training on employee performance (employee accuracy)

	I feel that training practice of Nile Insurance Company enable me to perform my work with greater accuracy.	Frequency	Percent
Scale	Agree	31	37.3
	Disagree	10	12
	Neutral	15	18
	Strongly Agree	27	32.5
	Strongly disagree	-	-
	Total	83	100

Source; own survey data, 2020

Table 4.13 shows that most of the respondents representing 37.3% are agreed and 32.5 % strongly agreed and feel that training enable them to perform their work with greater accuracy. While, 12% of the respondents were disagreed for the importance of training to perform their work with greater accuracy and precisely. The remaining 18% % of the respondents were neutral about training effect on performing work with greater accuracy.

Table 4.14 Data analysis on employee effect of training on employee performance (Employee commitment)

	Because of the training practices of the organization, employees are committed for their work and for the organization.	Frequency	Percent
Scale	Agree	39	47.1
	Disagree	8	9.6

	Neutral	10	11.6
	Strongly Agree	22	26
	Strongly disagree	5	5.7
	Total	83	100

Source; own survey data, 2020

Related with whether employees training enhance commitment, respondents were asked to indicate the Nile Insurance Company training practice to bring a positive effect on their commitment to the organization and for the work, the greater part 47.1% of respondents agreed about the issue and 27% strongly agreed that the training practice of Nile Insurance Company makes employees committed for their work and for the organization. Only 11.6% respondents were neutral and 5.7% and 9.6% of respondents disagree and strongly disagree on the training practice of the organization that makes them more committed for the work and for the organization. The analysis shows some of the respondent agreed the training practice of the Company make them committed to their work.

4.9. Correlation analysis on training practices and employee performance

Pearson correlation test was conducted to know the degree of relationship between the independent variable i.e. training Practices and the dependent variable i.e. employee performance variables. Then the researcher analyzes the result using the correlation rule that explain if the correlation coefficient is 1 variables are perfectly positively correlated and -1 perfectly negatively correlated, if it is between (1, 0.3] the correlation is positive, (-1, -0.3] negatively correlated, and (-0.3, 0.3) no correlation between variables.

4.10 Correlation between training practice and employee performance variables

The results of the correlation analysis between the independent variable and dependent variable are shown in table below as it is indicated in the table at Nile Insurance Company there is significant and positive correlation between training practices and all employees' performance variables. As shown on the table the relationship is moderate between training practices and Effectiveness, efficiency, and Commitment i.e. ($r = 0.625, 0.493, 0.563$ respectively with $p < 0.01$).

Table 4.15 Correlation analysis of training and employee performance variables

		<i>Training practice</i>	<i>Effectiveness</i>	<i>Efficiency</i>	<i>Commitment</i>
<i>Employee Training</i>	<i>Pearson Correlation</i>	<i>1</i>	<i>.625</i>	<i>.493</i>	<i>.563</i>
	<i>Sig.(2-tailed)</i>		<i>.000</i>	<i>.000</i>	<i>.000</i>
	<i>N</i>	<i>83</i>	<i>83</i>	<i>83</i>	<i>83</i>
<i>Effectiveness</i>	<i>Pearson Correlation</i>	<i>.625**</i>	<i>1</i>	<i>.646**</i>	<i>.872**</i>
	<i>Sig.(2-tailed)</i>	<i>.000</i>		<i>.000</i>	<i>.000</i>
	<i>N</i>	<i>83</i>	<i>83</i>	<i>83</i>	<i>83</i>
	<i>Pearson correlation</i>	<i>.306</i>	<i>.646**</i>	<i>1</i>	<i>.720**</i>
<i>Efficiency</i>	<i>Sig.(2-tailed)</i>	<i>.493</i>	<i>.000</i>		<i>.000</i>
	<i>N</i>	<i>83</i>	<i>83</i>	<i>83</i>	<i>83</i>
	<i>Pearson Correlation</i>	<i>.493</i>	<i>.872**</i>	<i>1</i>	<i>.720**</i>
<i>Commitment</i>	<i>Sig.(2-tailed)</i>	<i>.000</i>	<i>.000</i>	<i>.000</i>	
	<i>N</i>	<i>83</i>	<i>83</i>	<i>83</i>	<i>83</i>
	<i>Pearson Correlation</i>	<i>.563**</i>	<i>.872</i>	<i>.720</i>	<i>1</i>

Source: own survey data 2020

4.11 Regression Analysis

The researcher also conducted regression analysis to know by how much the independent variable explains the dependent variable. It is also used to understand by how much the independent variable training practices move the dependent variables of performance i.e. (Effectiveness, Efficiency, and Commitment). The beta value is a measure of how strongly predictor variable influences the criterion variable. The higher the beta value the greater the impact of the predictor variable on the criterion variable. The results of regression analysis employee training practices against performance variables i.e. Effectiveness, Efficiency, Commitment can be seen in tables presented below.

4.12 Regression Analysis of training practice and employee effectiveness

The regression analysis results on below table shows that standardized beta coefficients for employee training and effectiveness is .625.

Table 4.16 Beta Coefficients of training practice and employee effectiveness

Model	Standard coefficients	Sig.
	Beta	
1. Training practices	.625	.000

Source: own survey data, 2020

The Beta coefficient result indicates that a change of one standard deviation in the predictor variable resulted in a change of standard deviations in the criterion variable. Thus, a change of one standard deviation in training practices has 62.5% change of standard deviations on employee Effectiveness. Since the higher the beta value the greater the effect of the predictor variable on the criterion variable. Hence, a 1 standard deviation change on training practices results a 62.5% move on employees Effectiveness. Hence, there is moderately higher impact of training practice on employee Effectiveness.

4.13 Regression Analysis of training practice and employee efficiency

The regression analysis results on below table shows that standardized beta coefficients for employee training and efficiency is .493.

Table 4.17 Beta Coefficients of training practice and employee efficiency

Model	Standard coefficients	Sig.
	Beta	
1. Training practices	.493	.000

Source: own survey data, 2020

Therefore, the above table pointed out that 49.3% of training practices can explain the dependent variable that is employee efficiency

4.14 Regression Analysis of training practice and employee commitment

The regression analysis results on below table shows that standardized beta coefficients for employee training and employee commitment is .563.

Table 4.18 Beta Coefficients of training practice and employee commitment

Model	Standard coefficients	Sig.
	Beta	
1. Training practices	.563	.000

Source: own survey data, 2020

From the table we can see the Beta column under standardized coefficients below and understand that the value of Beta for training practice and commitment is 0.563. Therefore, a change of one standard deviation in training practices results a 56.3% change of standard deviations on employee commitment. So, there is positive relation between training and employee commitment.

4.15 Regression Analysis – effects of training on employee performance to test the basic assumptions of Liner regression analysis

In simple regression, we have only two variables, one variable defined as independent is the cause of the behavior of another one defined as dependent variable. Since the result provides only the direction and significance of relationship between variables. Multiple regression analysis was employed to examine the effect of training dimensions on employee performance.

4.15.1 Simple Regression Analysis

Since this research was designed to investigate training with employee performance, we employed linear regression analysis. As presented in the below Table, the effect of training on employee performance was computed. To determine how both training design and training delivery influence employee performance, a simple linear regression was done, and the result provides or shows the direction and significance of relationship between variables.

Table 4.19 Regress employee performance on training design Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.875 ^a	.765	.764	.486

a. Predictors: (Constant), Training practice (design)

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	145.481	1	145.481	615.059	.000 ^b
1 Residual	44.704	189	.237		
Total	190.185	190			

a. Dependent Variable: Performance (effectiveness, efficiency, and commitment)

b. Predictors: (Constant), Training (design)

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.378	.127		2.970	.003
1 Design	.884	.036	.875	24.800	.000

a. Dependent Variable: Employees Performance

From the above table correlation between training practice (design) and employee performance is given by 0.87. Additionally, R square and adjusted R square value of the simple linear regression is given by 0.765 and 0.764, respectively. This is interpreted as 76.5% of variance in employee performance is explained by training practice, while 23.5% of variation in employee performance can be attributed to other variables which are not considered in this study. If another factor is presented, it would further explain 56.1% as shown by the Adjusted R square. The F Statistic of 615.059 at 1 and 189 degrees of freedom is statistically significant at 99% confidence level, which implies the variation in employee performance that is explained by training design expressed by R square is statistically significant.

Table 4:20 Regress employee performance on delivery style

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.865 ^a	.748	.747	.503

a. Predictors: (Constant), training practice (delivery)

ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	142.278	1	142.278	561.306	.000 ^b
1 Residual	47.907	189	.253		
Total	190.185	190			

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.380	.133		2.857	.005
1 Delivery	.890	.038	.865	23.692	.000

a. Dependent Variable: Performance (effectiveness, efficiency, and commitment)

b. Predictors: (Constant), Training practice (delivery

From above 4.20 table correlation between delivery style and employee performance is given by 0.865. Additionally, R square and adjusted R square value of the simple linear regression is given by 0.748 and 0.747, respectively. This is interpreted as 74.8% of variance in employee performance is due to delivery style, while 25.2% of variation in employee performance can be attributed to other variables which are not considered in this study. If another factor is presented, it would further explain 74.7% as shown by the Adjusted R square.

4.15.2 Multiple Regressions

To determine the extent to which the explanatory variables explain the variance in the explained variable, multiple regression analysis was performed. To assess the statistical significance of the result it is necessary to look below table ANOVA.

Table 4.21 Regress training dimensions (training design, delivery style and evaluation) as independent variable on employee performance as dependent variable

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.887 ^a	.787	.785	.464

a. Predictors: (Constant), Design, delivery, and evaluation

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	149.669	2	74.834	347.237	.000 ^b
1 Residual	40.517	188	.216		
Total	190.185	190			

a. Dependent Variable: Performance (effectiveness, efficiency, and commitment)

b. Predictors: (Constant), Design, Delivery, and evaluation

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.261	.124		2.105	.037
Delivery	.400	.091	.388	4.408	.000
Design	.521	.089	.516	5.856	.000
1 Evaluation	.631	.083	.532	6.326	.000

a. Dependent Variable: Performance (effectiveness, efficiency, and commitment)

The result of multiple regression analysis shows that the value of F statistics 347.237 at 2 and 188 degrees of freedom is statistically significant at 99% confidence which means that model is statistically significant. The R² of the model is .787, which shows that approximately 78.7% of variance in dependent variable (employee performance) can be explained by the linear combination of the independent variables training and development (training design, delivery, and evaluation style).

CHAPTER FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS

The aim of this study was to summarize the finding and the results that have emerged from data analysis presented in Chapter four. Under this part the summary, conclusion and recommendation dealt based on the finding.

5.1. Major finding of the study

The general objective of this study was to assess the effect of training and development on employee performance in the case of Nile Insurance Company. From the study below listed points findings were obtained.

- From the questionnaire distributed to all sample size of the study, 76.15 % has completed and properly returned. Out of which the remaining portion 23.85 % were not completed and returned.
- Regarding respondent service year within the organization the largest portions 84(38.9 %) of the respondents has less than five-year experience. Also, the next largest respondent number 78 (36.1 %) have 6 to 10 years of service. In addition, the remaining 18.5 % and 6.5 % of the respondent served the organization for 10-15 and above 15, respectively. So, based on their service year data we can infer that employee were familiar with training and development practice of their organization.
- The sample group those who are holders of first-degree accounts 64.4 % and 24.5 were second degree holder. While the remaining composition 11% were college diploma holder. This implies that most of the respondents were degree and master's holder respectively, so, there is qualified manpower in Nile Insurance Company, and they understand the importance of training and development in relation to their performance.
- Related with presence of employee training and development unit in Nile Insurance Company, highest composition of the respondent 49.4 % and 24.1% were disagree and strongly disagreed that Nile insurance company has training and development department and the remaining percentage 7.2 % and 13.25 % of the respondent were neutral and agree

with the availability of training unit. Generally, from the analysis we ensure that there is no separated training and development unit in Nile insurance company.

- Regards with availability of training policy and procedure, highest percentage of the employee agree and strongly agree with the statement. As presented in Table 4.2 39% agree and 15% strongly agree presence training policy and procedure but 22% & 13% of the respondent were neutral and disagree and the remaining 9% strongly disagree. So, from this point we understand that training policy and procedure of Nile Insurance Company may be lacks visibility in practice.
- Concerning practice of systematic training need assessment, respondent's reflection whether training needs assessment in place and its appropriateness and the large percentage representing 30.1% of the total are neutrals or they do not know about the case. The idea that the organization properly undertake training need assessment before the training program designed and implemented were supported by 21.9% and 7.2 % of the total by voting to agree and strongly agreed, respectively. The remaining 25.3% disagreed and 15.6% strongly disagree with the idea, respectively. The analysis implies that there is no effective training need assessment in Nile insurance Company.
- Concerning trainee selection mechanism, 26.5 % strongly agree and 27.7% of the total respondents agree the idea that the Nile Insurance Company select trainee is based on performance evaluation result not based on seniority. The other significant numbers of respondents which are 20.5% of the total are neutrals. And 8.4% and 16.9% of the respondents are strongly disagree and disagreed that the organization select trainee is based on performance evaluation result. The analysis portrays that the organization uses performance evaluation result and not seniority for selection of trainee's and 20.5% respondents are neutrals because they are not clear how Nile Insurance Company select trainee's or they are not yet asked about their performance or what problem encounter on their day to day job. So, it implies that trainee selection mechanism within Nile Insurance Company lacks perceptibility.
- Regarding training delivery techniques, analysis shows that most of the respondents 45.8% and 32.5% agreed and strongly agreed, respectively that most of the time Nile Insurance Company uses off the job training technique to train employees.

- Related with training implementation the analyzed data portrays that 29.2% strongly disagree, 44.9% disagree, 12.4% agree, 7.8% strongly disagree, and only 5.6% of the respondents are neutral about the idea that Nile Insurance Company implement the training program based on the purpose and characteristics of employee's needs, experience, level of knowledge and skills and motivation to train.
- Concerning with training evaluation, 39.75% of the respondents disagree and 8% strongly disagree anticipation and evaluation practice of training. On the other hand, 27.7% agreed and 4.8% strongly agreed with idea and the remaining 19.3 % are neutrals. So, it shows in Nile Insurance Company pre and post training evaluation practice is low.
- About effectiveness of training program in Nile Insurance Company, the analysis shows that highest percentage of the respondents representing 29.5% had no idea or neutral about effectiveness of training practice for the importance of training to perform well their regular activities. The next major 26.1% respondents are agreed and 18.8% are strongly agreed that training practice at Nile Insurance company after training employees in the organization are working well their regular activities. However, 23 % and 2.5% of the respondents are disagree and strongly disagreed. Hence, the responses indicated that there is gap on effectiveness of training and development at the organization.
- In addition to the above response, the researcher also proved that how much the training provided by the organization helped employees to perform their work quickly and efficiently. Among the respondents 33.7% agreed and 21.6% strongly agreed about the training relevance to work quickly and efficiently even if 16.2% disagreed and in addition to this, 9.6% strongly disagreed up on this issue. The remaining significant numbers of respondents which are 19.3% are neutrals. Here from the above analysis we can say that training provided by Nile Insurance Company helped employees to perform works quickly and efficiently. Competitiveness.
- Related with whether employees training enhance commitment, respondents were asked to indicate that training bring a positive effect on their commitment to the organization and for the work, the largest portion, 47.1% of respondents agreed about the issue and 27% strongly agreed that the training and development makes employees committed for their work and for the organization.

- Employee training was correlated with value of variable of employee performance with training relationship detected. The result on Table shows a correlation between the effect of employee training and development and improved employee performance resulted in strong positive relationship. This value of correlation analysis indicates a stronger relationship and significant.
- From the correlation analysis the researcher concludes that at Nile Insurance Company there is significant and positive correlation between training practices and effectiveness, efficiency, and commitment, respectively. The relationship between training practices and Effectiveness, efficiency, and Commitment i.e. ($r= 0.625, 0.493, 0.563$ respectively with $p < 0.01$).

5.2. Conclusion

This study has discussed the effect of training and development on employee performance in Nile Insurance Company. It adopts the employee training and performance have a significant relationship. Based on the responses of the sample population as well as interpretations and findings discussed above, the researcher represents the below conclusion.

- Nile Insurance company practice employee training and development programs were not through organized separate department which is responsible for manpower training and development by having formal policies and procedure that guide the practice. Concerning to trainee selection process the organization currently were not take serious measure. Regarding to training process and delivery techniques, Nile Insurance Company emphasizes on off the job training technique that employees leave their work place and devotes their entire time to the training but as indicated on analysis this type of technique doesn't highly affects performance of employees under study as compared to the resources and time spent for training programs. Regards with training evaluation practice the study found out that in Nile Insurance Company pre and post training evaluation practice is low. Related with effectiveness of training program in Nile Insurance Company, the analysis shows that large number of the respondents had no idea or neutral about effectiveness of training practice for the importance of training to perform well their regular activities. Hence, the responses indicated that there is gap on effectiveness of training and development at the organization.

Finally, Employee training was correlated with value of variable of employee performance with training relationship detected. From the correlation analysis the researcher concludes that at Nile Insurance Company there is significant and positive correlation between training practices and effectiveness, efficiency, and commitment, respectively. The relationship between training practices and Effectiveness, efficiency, and Commitment i.e. ($r= 0.625, 0.493, 0.563$ respectively with $p < 0.01$).

5.3. Recommendation

The aim of training and development practices are to enhance employee performance throughout the organization. Previous theories and researches on the effect of training and development on employee's performance and this study shows significant relationship and interaction between training and development practices and employees performance which helps to deeply understand the relationship and interaction between training practices and employee's performance. Based on findings of the study researcher forwarded the below recommendations which will helpful for Nile Insurance Company.

- Nile Insurance Company should follow systematic training need analysis to identify the skill gaps of employees to be filled before exercising training and development practices for employees, to increase employee interest and address the required performance level. All employees of the organization should participate in recommending skill gaps of each employees rather than the training comes from the central human resource training and development department.
- By having separated work unit which perform training and development as their major duties, training should be conducted on continues basis for employees of Nile Insurance Company to make the employees capable in this challenging environment.
- Nile Insurance Company should deliver a timely training to employees which will be implemented and applied at work areas and the organization should strictly choose which training technique is more effective for certain training program.
- The organization should evaluate the pre training, in training and post training evaluation to take corrective actions which help to make training program more fruitful.

- The training practice at Nile Insurance Company should be kept under constant review. It is important to identify the effectiveness of training practice of the organization. This helps to know whether employees are comfortable with their job performance and their workplace they are working for and to cross check degree of training practice effectiveness in the organization.

References

- Armstrong, M. (1996), A Handbook on Personnel Management Practice, 5th ed. London: Kogan Publishers.
- Armstrong, M. (2002), a Handbook on Personnel Management Practice, 5th ed. London: Kogan Publishers.
- Armstrong .M (2003); Human Resource Management practice 8th Edition London Kogan page Ltd.
- Armstrong, M. (1998); Human Resource Management: Strategy and Action, Irwin, Boston.
- Armstrong, M. (2010). Human Resource Management Practice - A guide to people Management. 1st ed. London: Kogan Page Limited.
- Batool, A., & Batool, B. (2012). Effects of employees training on the organizational competitive advantage: Empirical study of Private Sector of Islamabad, Pakistan. Far East Journal of Psychology and Business, 6 (1), 59-72.
- Bardwell, N. and Holden, B. (1993), Managing for Success, 2nd ed. England: Prentice Hall Publisher.
- Bardwell Ian, Holden Len, (1997) Human Resource Management: A contemporary perspective, pitman publishing, Cambridge.
- Creswell, J. (2009). Research Design Qualitative, Quantitative and Mixed.2nd ed. USA: SAGE publications.
- Fakhar V. Afaq A.K, (2008), relationship of training with employee's performance, case of pearl continental hotels in Pakistan.
- Gale T Bradley, Managing Customer Value (1994), Published in Toronto.
- Harrison, R. 2000. Employee Development. Silver Lakes, Pretoria. Beekman Publishing.
- Hughey, A.W., Mussnug, K.J. (1997) "Designing effective employee training programs", Training for Quality, Vol.5 No.2 pp52-7.
- Kempton (1995), Human Resource Management and Development Current Issues and Themes. St. Martin's Press, Inc. New York.

- Khan et.al. (2011), "Impact of Training and Development on Organizational Performance"
Global Journal of Management and Business Research Volume 11 Issue 7 Version 1.0
July 2011 (USA).
- Kumar (2012), Human Resource Management, strategic analysis, text, and cases. I.K.
international publishing house pvt. Ltd. New Delhi.
- Lerner, R (1986). Concepts and theories of Human Development (2nded.) New York Random
House.
- Lise F.S., Gilbert R., (2003), International Federation of Red Cross and Red Crescent Societies
Community-based psychological support – Evaluation questionnaire Principal
- Myles Dowrey, (2000) Effective coaching: Lessons from the coach.
- Nadler Leonard (1984), the handbook of Human Resource development (Glossary). New York:
John Wiley & Sons.
- Nadler, L., & Nadler, Z. (1991). Developing human resources. (3rd ed.). San Francisco: Jossey
Bass
- Nassazi, A. (2013). Effects of training on employee performance- Evidence from Uganda. Report
to Business Economic and Tourism. Unpublished.
- Naveed A., Nadeem I., Maryam S., Zeesham H., Naqui H., (2014), the impact of training and
development on employee performance, Arabian journal of business and management
review vol. 2.
- Noe Raymond, (2001) Human Resource Management 2nd edition Prentice Hall.
- Obisi, C. (2011). Employee training and development in Nigerian organizations: Some
observations and agenda for research. Australian Journal of Business and Management
Research, 1 (9), 82-91.
- Saleem, Q., Shahid, M., & Naseem, A. (2011). Degree of influence of training and development
on employees' behavior. International Journal of Computing and Business Research, 1-
13.

Schmidt (2007), the Relationship between Satisfaction with Workplace Training and Overall Job Satisfaction. Human Resource Development Quarterly, Vol. 18, No. 4.
(www.interscience.wiley.com).

Seligman L (1998), the relationship of facilitative functioning of effective peer supervision
Counselor education and supervision 17, 254 – 260

Sultana et.al. (2012), Impact of Training on Employee Performance: A Study of
Telecommunication Sector in Pakistan. Interdisciplinary Journal of Contemporary
Research in Business. Institute of Interdisciplinary Business Research 6 4 6 October
2012 Vol 4, No 6.

Vehmic, J. (2007). Employee training and development and the learning organization. Facta
Universitatis; Series: Economics and Organization, 4 (2), 209-216.

Yamane Taro. 1967. Statistics an introductory Analysis, second edition, New York: Harper and
Row.

Zenger, J. H. (1989, November). Leadership skills for quality improvement. Executive
Excellence, pp. 11-12

Appendix

**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MA PROGRAM IN BUSINESS ADMINISTRATION**

This questionnaire is designed to collect data for purely academic purposes. This is to enable the researcher, in pursuance of master's degree in Business Administration from St. Mary's University School of graduate studies, to conduct a thesis on the topic; the effect of training and development on employee performance: in the case of Nile Insurance Company.

NB. All information given will be treated with utmost confidentiality and no need to write your name.

Thank you.

- Please answer by putting "√" in the box

Researcher Name; Negasa Nigusa

Contact Number 0946411112

Part I: General information of respondent

1. Gender A) Male B) Female
2. In which age group are you? A) 20-30 B) 31-40 C) 41-50
D) 51& above
3. What is your current Educational Qualification? A) Certificate or College Diploma
B) Degree C) Master's degree

4. Service years in the company? A) 1 -5 B) 6-10 C) 11-15 D) 16 and above

Part II. Questionnaire on training Practice and process

After you read each of the factors, evaluate them in relation to your performance and then put a tick mark (√) under the choices below. Where, 5 = strongly agree, 4 = agree, 3 = Neutral 2 = disagree and 1= strongly disagree

S. No	Description	Likert scale				
		1	2	3	4	5
1	There is a separate department responsible for manpower training in my organization.					
2	Since I joined Nile Insurance Company I did not participate in any form of training.					
2	In my organization there is training policy and procedure.					
3	As an employee I was involved in the practices of training Programs in Nile Insurance Company.					
4	My organization properly undertaken training needs assessment before the training program designed and implemented.					
5	Nile Insurance Company implements the training program based on the purpose of training.					
6	Nile Insurance Company implements the training program based on the characteristics of employee’s jobs, needs, experience, level of knowledge, and skills and motivation to train.					
7	The management request feedback before and after training about the training program and the					

	value added to my career, experience, and performance.					
8	I think that the basis for the selection of trainees in Nile Insurance Company is Performance evaluation result, not based on seniority.					
9	In my opinion, training practices at Nile Insurance Company is planned and systematic.					
10	I am satisfied with the training program of Nile Insurance Company.					
11	Generally, the training practice of the organization has helped me to improve my performance since I joined Nile Insurance Company.					
12	Most of the time Nile Insurance Company gives to the employees on the job training like job rotation, learning by doing (coaching), job instruction etc.					
13	Most of the time Nile Insurance Company use off the job training techniques like lecture, seminar, case study, group discussion etc.					
14	On the job training technique of Nile Insurance Company affects my knowledge, skill, and my performance.					
15	Off the job training technique of Nile Insurance Company affects my knowledge, skill, and my performance.					

Part III. Questionnaire on training Practice and employee performance

After you read each of the factors, evaluate them in relation to your performance and then put a tick mark (√) under the choices below. Where, 5 = strongly agree, 4 = agree, 3 = Neutral 2 = disagree and 1= strongly disagree

S. No	Description	Likert scale				
		1	2	3	4	5
1	I can say that training practice of Nile Insurance Company helped me to perform and effectively work my regular activities.					
2	The training practice of Nile Insurance Company helped me to perform my work quickly.					
3	I feel that training practice of Nile Insurance Company enable me to perform my work with greater accuracy.					
4	Because of the training practices of the organization, employees are committed for their work and for the organization.					
5	I feel I am better-off to rely on myself for a solution when things are looking difficult in my work because of the training practices. So, the training practices of the makes me to feel self-confidence on my work.					
6	Since the culture of the Nile Insurance Company is good to provide training on time, I am so specialized in the services that will be delivered to the clients.					

Part IV Interview questions

1. Is there a separate department or unit in the Nile Insurance Company that is responsible for manpower training?
2. Does the Nile Insurance Company currently have a written comprehensive training policies and procedures? If your answer is yes, can you please briefly describe the training policy and procedures?
4. What are the major purposes of training that the organization need to attain?
5. How Nile Insurance Company currently plans and implement the training program?
6. Regarding to the training program.
 - a. What are the kinds of training used?
 - b. What methods of training are used?
 - c. Do the organization has its own professional training providers or used outside training organizations or both?
 - e. How is the training program evaluated?
7. Does training influence employee performance? How do you measure training effect on employee performance?