# EMPLOYEE TRAINING AND ORGANIZATIONAL PERFORMANCE IN SELECTED COMMERCIAL BANKS IN MOGADISHU, SOMALIA

BY

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# A THESISSUBMITTED TO THE COLLEGE OF ECONOMICS AND MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTFOR THE AWARD OF MASTERS' DEGREE OF HUMAN RESOURCE MANAGEMENT OF KAMPALA INTERNATIONAL UNIVERSITY

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# DECLARATION

I, ABDIKARIM ABDULLAHI HUSSEIN, do hereby declare that the content of my study herein, to the best of my knowledge, is my original work and has never been presented for a degree of any institution.

Sign

Date

.....

.....

# APPROVAL

I certify that the work submitted by this student will under my supervision and is now ready for the award of masters' degree of Human Resource Management of Kampala international University

Dr. Wandiba Augustine

Supervisor

Sign

Date

.....

# DEDICATION

I dedicate this work to my parents, friends, family members and my wife Shukri Hussein for their moral and financial support and the encouragement that they gave me during the study.

### ACKNOWLEDGEMENTS

I wish to acknowledge and be grateful to Allah for enabling me to reach this point in my academic life and I am so thankful for His unconditional protection.

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# ABSTRACT

The study was to investigate the effect of training on organizational performance in commercial banks in Mogadishu, Somalia. The objectives of the study were as follows: (i) To examine the effect of on-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia. (ii) To establish the effect of the off-the-job training policies on organizational performance in Selected Commercial Banks in Mogadishu, Somalia. Data was derived through questionnaires distributed to selected employees of Banks branches with a target population of 218 staffs were used as the research instruments. Data analysis was done through descriptive statistics. Descriptive statistics included the use of percentages, means and standard deviation and inferential analysis on variables. The findings indicated that on-the-job training significantly affects the organizational performance of commercial banks in Mogadishu, Somalia ( $R^2$  0.343, &sig 0.000), this effect therefore implies that on-the-job training highly contribute to the organizational performance of commercial banks in Mogadishu, Somalia ( $R^2$ ) 0.443, & sig 0.000), the findings revealed that there is a significant effect off-the-job training has on organizational performance of commercial banks in Mogadishu, Somalia. Still the conclusions were that; on-the-job training has a considerably high influence on organizational performance of commercial banks in Mogadishu, Somalia, hence the off-the-job training has a positive significant effect organizational performance of commercial banks in Mogadishu, Somalia, and hence indicating that off-the-job training has a bearing on the organizational performance hence there is need for enhancing off-the-job given the state of the performance though other factors complemented in the study. The study recommended that: Commercial banks should conduct Training Needs Assessment in all departments of management should provide training and workshop opportunities for staff in order to keep them updated and improve their knowledge and skills. Poorly performing staff should also be appraised and reasons for their dismal performance determined instead of condemning them. The institution's management should strive to support every department and all cadres of staff. Morale on the other hand increases performance indirectly by reducing absenteeism, accidents, employee turnover. The study contributed to new knowledge through the following; the following are the employee training techniques used in maintaining the organizational performance of Commercial banks in Mogadishu, Somalia; on-the-job training, and off-the-job training. The following are the measurements of organizational performance; Quality of service, Productivity and Effectiveness of the Commercial banks in Mogadishu, Somalia.

#### **CHAPTER ONE**

# **INTRODUCTION**

### **1.0 Introduction**

This chapter entails the introduction to the study, background to the study, problem statement, purpose of the study and the research objectives. It also gave the research questions, hypothesis, scope and significance of the study, and also operational definitions of key terms.

#### 1.1 Background to the Study

This study comprised of historical perspectives, theoretical perspectives, and conceptual perspective and contextual perspective.

#### **1.1.1 Historical Perspective**

The history of training in business organizations is as long as the entire history of business organizations (Miller, 1996). This is because the knowledge base or skills of the normal employees in the labour market is not sufficient for the specialized tasks within the organizations. However, the academic study of various forms of training did not start until about a century ago, when researchers started a branch of research under the name of "vocational training" (Salas and Cannon Bowers, 2001). The beginning of the twentieth century and especially after World War II saw the widespread of training programs among organizations, involving more and more employees and also expanding in content (Luo, 2000). In the 1910s, only a few large companies such as Westinghouse, General Electric, and International Harvester had factory schools that focused on training technical skills for entry level workers. By the end of 1990, forty percent of the Fortune 500 firms in America had a corporate university or learning center (Meister, 1997).

Many organizations have over the years introduced good manpower training and development strategies in order to enhance better employee performance at work and increase their productivity. However, the efforts of such strategies in most cases have always been jeopardized in most organizations, as a result of some factors that impede against the achievement of their objectives. Some of the impeding factors include recruitment/selection problems, training

procedure and inadequate facilities, government policy, the economy and labour legislation (Nguyen, 2009). Generally, it has been observed that the environment that hosts the organizations is dynamic. The dynamism of the environment has many implications on the organizations: It is the determinant of the product that the organizations will produce; there must be a market before the organizations will produce a product. Thus as the consumers' taste and preference change, there is need for the organizations to also change their product and work process (Byrne, 2011).

In East Africa, most scholars have focused primarily on established commercial institutions as case studies in an attempt to highlight the relationship between staff training and employee performance. Jagero, Komba, & Mlingi (2012) used DHL and FedEx courier companies that operate in Dares Salaam Tanzania as their case study; Wachira (2013) used Barclays Bank Kenya; Otuko, Chege & Douglas (2013) used Mumias Sugar Company Kenya; Neo (2000) East African Breweries Limited. There lacks sufficient empirical evidence regarding the impact of staff training on the international civil servants based in Kenya. More specifically studies focusing on the newly established UNSOA.

New teaching-learning and training methods are arising due to the modern-day revolutionization in the economic, labour and technological world of workforce. These changes demand to put the theory and practice behind, while prioritizing the more global, integrated, flexible and vocational training (Abeeha & Bariha, 2012). For example the introduction of e-banking system has rapidly changed work process in the banking industry, thus the need for constant up date of knowledge by the employees to meet the continuous challenges. As a result most banks in Nigeria in recent years keep retrenching and recruiting new employees.

# **1.1.2.** Theoretical Perspective

The study will be based on two theories and these are; human capital theory and Expectancy Theory. Human capital theory suggests that "training and education raises the performance of workers by imparting useful knowledge and skills, hence raising workers' future income by increasing their lifetime earnings" (Malaolu et al., 2013). Human Capital Development is also seen to be playing the unique role of incorporating the interests of organization and the workforce. This subsequently enhances the achievement of organizational goals (Stone, 2002). The wider literature on human Capital theory shows enormous debate on the effect of employee training on organizational performance.

According to Vroom's (1964) expectancy theory is based on major three factors: expectancy, instrumentality and valence. The theory believes that the link between trying to perform a behavior and his actual performance is called expectancies. This expectancy is similar to self-efficacy mentioned in Social learning theory. Instrumentality means that a belief of performing behavior (e.g., attending a training program) is associated with a particular outcome (e.g., being able to better perform the job). The actual value that a person places on an outcome (e.g., how important it is to perform better on the job) is called *Valence*.

#### **1.1.3.** Conceptual Perspective

Training can be defined as a "systematic process of acquiring knowledge, skills, abilities, and the right attitudes and behaviours to meet job requirements" (Gomez-Mejia, et. al., 2007). Training has been reckoned to help employees do their current jobs or help meet current performance requirements, by focusing on specific skills required for the current need. However, its benefits may extend throughout a person's career and help develop that person for future responsibilities.

Training can be defined as a learning activity which is directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or task (Cole, 2002). The focus of training however is on the job or task to be performed. According to De Cenzo & Robbins (1996), "training is basically a learning experience, which seeks a relatively permanent change in an individual's skills, knowledge, attitudes or social behavior. This means that, there is the need to improving employee's skills and knowledge so that he or she becomes efficient to work on

both present and future jobs and tasks. For the purpose of this study, training was measured as on-the-job training and off-the-job training.

Organizational performance the term performance has been defined in various ways. Performance refers to those behaviors that have been evaluated or measured as to their contribution to organizational goals (Cook and Hunsaker, 2001). Behaviour modification which according to Armstrong (2011) must be the outcome of training program contribute to organizational performance. In the same light, Gareth (2003) defines organizational performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. To buttress, Jones et al. (2003) also suggests that these two overriding issues of efficiency and effectiveness are employed in the measurement of performance in every organization, where efficiency measures how well resources are used to achieve goals, while effectiveness connote the measure of the appropriateness of the goals that managers have selected for the organizational to pursue, and of the degree to which the organizational achieve these goals. Therefore, employee efficiency and effectiveness simply link organizational performance. For the purpose of this study, organizational performance as: quality of service, productivity and effectiveness.

# **1.1.4 Contextual Perspective**

An internationally recognized government of Somalia was formed in 2012 after a political disorder 1991 9 (maryam, 2016). Most of companies in Somalia die before completing one year. In Somalia, Bank sector is among of the fastest growing sector contributing to the country economy. In 2013 the banks industry grew by 28% ranking itself in high growing sector. Banks sector contributes about 2.8% to the country's GDP. Employee training in various organizations in Somalia is a challenge just as how it is in other parts of the world. As also pointed out by another researcher that employee training has become a point of concern in Somalia's banks Industry as is the case with many other countries. Employees are believed to exploit the market training are shortage of skillful workers in this industry.

First Salaam Somali Bank was established in October 2009. It is the first international bank to operate in Somalia since 1991. SSB established new branches in the last 3years. The bank expanded well when to compare 2012. In 2014, the institution also began providing automatic teller machine (ATM) services at a location in Mogadishu. The devices operate in English, and

were at their launch billed as the first of their kind in Somalia. However, the separate Salaam Bank institution headquartered in Bosaso already provided ATM services for several years prior.

Second Dahabshiil bank was founded in 1995 by Mohamed Said Duale, a Somali entrepreneur based in Burao, the capital city of Togdheer province in the modern-day Somaliland. Dahabshiil is the largest of the Somali money transfer operators (MTOs), having captured most of the market vacated by Al-Barakaat.

Finally Premier Bank Premier Bank is a privately owned Sharia compliant commercial bank incorporated in Somalia in 2013 and licensed by the Central Bank of Somalia in 2014. It is the first bank in Somalia to allow MasterCard credit cards and partner with Visa.

The banks is committed to helping customers attain their financial satisfaction and goals, and in doing so, the bank offers a broad array of products that are more flexible, customer oriented, cost effective and services driven by latest technologies; these include :Deposits Accounts ( Current, savings and fixed Deposit accounts) denominated in both local and foreign currencies)Cash deposits and withdrawals (Cheque clearance in local and foreign currencies)Trade Finance & Treasury Products ( Letters of Credit, Documentary collections and Guarantees)Remittances (Swift, standing orders, salary processing and banker's cheques)Other Services (Custodial services, cash movements and business advisory services)Micro Finance Consumer Finance foreign Currency Exchange Merchant Acquiring for Credit and Debit Cards Cash management solution and Corporate Social Responsibility the bank believes in empowering the community in which it operates, and that's why opportunity Bank take an initiative to sponsor activities that bring the community together.

The overall purpose of establishing this bank is to fill the commercial banking gap that exists in Somalia. There is no doubt that setting up this company is going to be highly beneficial to the many communities Somalia, not only in terms of services delivery but also in the economic regeneration of this young nation.

By the nature of services provided in banks, there is need of employee training in service delivery thus need to conduct research on the effect of employee training on organizational performance in selected commercial banks in Mogadishu, Somalia.

#### **1.2. Statement of the Problem**

Employee training and development is recognized as important part in the attainment of organizational goals and objectives (Storey, 1999). In order to sustain effective performance, it's important to enhance the contribution of employees to the aims and goals of an organization (Armstrong, 1999). Training and development activities have implications for attempts to motivate and involve the employees with an aim of improving organizational performance (Storey, 1999). Most employees in the commercial banks are developed through regular training session on-the-job training and off-the-job training. As indicated in (employee performance report, 2018). However the acute poor performance experienced by commercial banks in Mogadishu is the result of poor employee training and has been identified as the main cause of the low quality services provided by the commercial banks. Indeed, in some cases these problems are so challenging that commercial banks are unable to address them at all, which in turn threatens their survival, growth and competitiveness (Swanepoel,2000). In other cases, it is the inappropriate handling of these obstacles that causes commercial banks to encounter low quality services (Cole,2002). However, if the situation is not addressed, then the commercial banks' contribution to the Somali economy is likely to be affected, and the need to examine the effect of employee training on the organizational performance provides a strong motivation for carrying out this research in detail to fill this gap in the literature and thereby establish the basis to understanding of some aspects of on-the-job and off-the-job training of employees in general and training in particular in the commercial banks in Mogadishu, Somalia.

### **1.3.** Purpose of the study

The purpose of the study is to investigate the effects of employee training on the organizational performance in Selected Commercial Banks in Mogadishu, Somalia.

# **1.4 Objectives of the study**

- 1. To examine the effect of the on-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia.
- To establish the effect of the off-the-job training policies on organizational performance in Selected Commercial Banks in Mogadishu, Somalia.

# **1.5 Research Questions**

- 1. Is there significant effect off the on-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia?
- 2. Is there significant effect of the off-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia?

# **1.6 Research Hypotheses**

 $H_{01}$ : There is no significant effect of the on-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia.

 $H_{02}$ : There is no significant effect of the off-the-training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia.

# 1.7 Scope of the Study

# **1.7.1 Geographical Scope**

This study was conducted in selected commercial banks in Mogadishu, Somalia.

# **1.7.3 Content Scope**

This study was examining factors influencing employee training in commercial bank in Mogadishu, Somalia, the indicators of organizational performance selected commercial banks in Mogadishu, Somalia and the relationship between employee training and organizational performance in selected commercial banks in Mogadishu, Somalia.

# 1.7.4 Time Scope

The study covered information from 04/April/2018 to 15/Feb/ 2019. This time period was chosen because it was during these mentioned years that the company experienced poor organizational performance due to increased staff training.

# **1.8 Significance of this study**

The study will help the top management in taking strategic decision that affects training and development for the overall growth of the industry; Members of Staff of the banks to be used as

case study was had adequate knowledge as to the importance of training and why it is necessary that they are trained from time to time. The study helped the Human Resource Department in proper planning and execution of training and development programmers. Future researchers will also find this work very useful as reference materials for further studies.

It will also enabled the organization structure their training programs to make them more effective in terms of helping to improve the efficiency of the workforce and lead to better performance.

It ensures the existence of a pool of skilled workforce who could be utilized for national development. Labour is a major input to the success of the organization. If labour is efficient it helped improve the performance of the organization. As organizations perform better, they abled to increase output and contribute more to the economy. With better organizational performance, firms compete to develop quality products which enable the economy to remain vibrant.

# **1.9 Operational Definitions of Key Terms**

Banking is a financial institution that accepts deposits from the public and creates credit

**Organizational performance** is defined as whether a person executes their job duties and responsibilities well. Many companies assess their employee's performance on an annual or quarterly basis in order to define certain areas that need improvement.

**Employee:** refers to any person currently employed, or on leave of absence. The term does not Include applicants for employment.

**Training** is the planned and systematic modification of behaviour through learning events activities and programs which results in the participants achieving the level of Knowledge, skills, competencies and abilities to carry out their work effectively.

**On-the-Job training** this refers to the methods of training in which a person learns a job by actually doing/performing it.

**Off-the-Job training** these methods requires trainees to leave their workplace and concentrate their entire time towards the training objectives.

### **CHAPTER TWO**

# **REVIEW OF RELATED LITERATURE**

# **2.0 Introduction**

This chapter is arranged in four subsections, theoretical review, conceptual review and framework, empirical review of related literature, and research gaps and these will be reviewed in line with the research objectives.

### 2.1 Theoretical Review

The study based on two theories and these are; Theory of human capital and the Expectancy theory.

#### 2.1.1 Theory of human capital

This study was based on Theory of human capital by becker,(1964) which states that education or training raises the productivity of workers by imparting useful knowledge and skills, hence raising workers' future income by increasing their lifetime earnings" (Malaolu et al., 2013). Human Capital Development is also seen to be playing the unique role of incorporating the interests of organization and the workforce. This subsequently enhances the achievement of organizational goals (Stone, 2002). The wider literature on human Capital theory shows enormous debate on the effect of employee training on organizational performance.

Bohlander et al. (2001) define human capital as "knowledge, skills, and capabilities of individuals that have economic value to an organization." The Organization for Economic Cooperation and Development describes human capital as "the knowledge, skills, competencies, and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being." Dess and Pickens (1999) also define human capital as "capabilities, knowledge, skills, and experience, all of them embodied in and inseparable from the individual." This paper focuses on human capital as the knowledge, skills, competencies, experience and attributes that individuals have which contribute to the achievement of organizational goals and enhance individual value in the market place. Thus, human capital development is any activity which increases the quality of the employee. Training is a primary mechanism by which human

capital is developed. Marimuthu et al. (2009) describe it as the knowledge and training required and undergone by an employee that increases the individual's capabilities in performing activities of economic values.

The term human capital can trace its roots to the early 1960s, when Schultz (1961) proposed that HC consisted of the 'knowledge, skills and abilities of the people employed in an organisation'. While concise, Shultz's initial definition of HC is somewhat limited in that it does not take into

More than a decade later, Becker (1993, p3) defined HC as the 'knowledge, information, ideas, skills, and health of individuals'. Becker's definition, like Schultz's original classification, is somewhat limited. However, Becker's definition is interesting as it adds an extra dimension in terms of the 'health of individuals'. Indeed, the health and well-being of individuals is an important factor in contemporary research which relates to the contextual development of HC within organizations. Bontis et al (1999, p391) defines HC as 'the human factor in the organization; the combined intelligence, skills and expertise that gives the organization its distinctive character. The human elements of the organization are those that are capable of learning, changing, innovating and providing the creative thrust which if properly motivated can ensure the long-term survival of the organization'.

Moreover, the definition emphasizes the role of motivation in leveraging these capacities. The definition acknowledges the importance of 'distinctive character'. Finally, it alludes to the outcome of business sustainability, referring to the 'long-term survival of the organization'. More recent definitions of HC include that of Thomas et al (2013, p3), who define HC as the 'people, their performance and their potential in the organization'. The inclusion of the term 'potential' is important as it indicates that employees can develop their skill and abilities over time. This definition is in line with the definition of Dess and Picken (1999, p8), who suggest that HC consists of 'the individual's capabilities, knowledge, skills and experience of the company's employees and managers, as they are relevant to the task at hand, as well as the capacity to add to this reservoir of knowledge, skills, and experience through individual learning'. Dess and Picken's definition of HC is much more expansive than others and crucially highlights that individuals can 'add' to their knowledge base through learning.

The theory of human capital was proposed by Schultz (1961) and developed by the Nobel prizewinning economist Gary S. Becker in his seminal work on the economics of employer provided training (1962, 1964). Human capital theory advocates that education or training imparts useful knowledge and skills to workers which in turn increase their productivity and incomes (Becker, 1964). Becker distinguishes between specific human capital and general human capital. Specific human capital includes expertise acquired through education and training which is specific to a particular firm (firm-specific or context-specific skills). General human capital (general skills), on the other hand, is knowledge gained through education and training which is valuable across board (e.g., reading and writing). Becker views human capital as similar to "physical means of production", e.g., factories and machines: one can invest in human capital (via education, training, medical treatment) and one's outputs depend partly on the rate of return on the human capital one owns. Thus, human capital is a means of production, into which additional investment yields additional output.

#### **2.1.2 Expectancy Theory**

According to Vroom's (1964), the expectancy theory based on these assumptions has three key elements: expectancy, instrumentality, and valence. A person is motivated to the degree that he or she believes that (a) effort will lead to acceptable performance (expectancy), Expectancy is a person's estimate of the probability that job-related effort will result in a given level of performance. Expectancy is based on probabilities and ranges from 0 to 1. If an employee sees no chance that effort will lead to the desired performance level, the expectancy is 0. On the other hand, if the employee is completely certain that the task will be completed, the expectancy has a value of 1. Generally, employee estimates of expectancy lie somewhere between these two extremes. (b) Performance will be rewarded (instrumentality), Instrumentality is an individual's estimate of the probability that a given level of achieved task performance will lead to various work outcomes. As with expectancy, instrumentality ranges from 0 to 1. For example, if an employee sees that a good performance rating will always result in a salary increase, the instrumentality has a value of 1. If there is no perceived relationship between a good performance rating and a salary increase, then the instrumentality is 0. And (c) the value of the rewards is highly positive (valence). Valence is the strength of an employee's preference for a particular reward. Thus, salary increases, promotion, peer acceptance, recognition by

supervisors, or any other reward might have more or less value to individual employees. Unlike expectancy and instrumentality, valences can be either positive or negative. If an employee has a strong preference for attaining a reward, valence is positive. At the other extreme, valence is negative.

The expectancy theory of Victor Vroom belongs to the category of process theories since, as Klitzner and Anderson (1977) state, motivation is seen as a multiplication of three factors. This theory integrates many of the elements of the needs, equity and reinforcement theories (Gordon et al., 1990). 'Expectancy theory holds that people are motivated to behave in ways that produce desired combinations of expected outcomes' (Kreitner and Kinicki, 1998). Vroom's Expectancy Theory tries to explain the motivated behavior as goal oriented. He argues that people tend to act in a hedonistic way (Vroom, 1964) preferring the actions that will bring the highest subjective utility. Essentially, the expectancy theory argues that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual (Robbins, 1993). As a consequence, behavior could be oriented towards anticipated and individualized goals. Vroom's theory states that the 'choices made by a person among alternative courses of actions are lawfully related to psychological events occurring contemporaneously with the behavior' (Vroom, 1964). So, people choose among alternatives in a conscious manner and the choices are systematically related to psychological processes, particularly perception and the formation of beliefs and attitudes (Pinder, 1984).

# **2.2 Conceptual Framework**

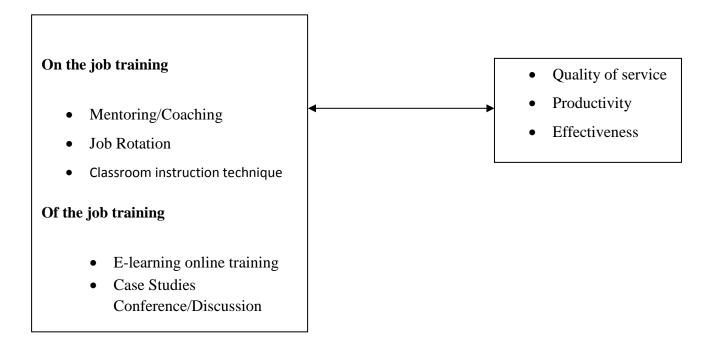
The conceptual framework below shows the relationship between the different variables in the study. The independent variable is perceived as the employee training and dependent variable is organizational performance

Independent variable

Dependent variable

# **Employee training**

# **Organizational Performance**



**Source:** Adopted and modified from the structure of Holton& Bates, (1996), through secondary research finding by the author).

**Figure: 2.1.** Conceptual framework of the effect of Employee training on organizational performance in selected commercial banks in Mogadishu, Somalia

# **2.3 Conceptual review**

Almost all organizations have recognized the importance of training to the development of their organizations. The birth of new technologies has made certain jobs and skills redundant. As a result there is an increasing emphasis on the need for a skilled and highly trained workforce. Many of the jobs and skills that have been replaced by machines, equipment and other technological devices are as a result of their unskilled nature, thus this emphasizes the need for

labor to attain more education and skills to be able to secure employment in the future. For a training program to be successful there is the need for the organization to identify the training needs of the organization(Cole, 2002).

The organization can measure if the training has been successful or not if the trainees do not learn what they are supposed to learn, thus do not perform better than they used to. However, if trainees return empty from the course designed for them without any substantial contribution, it could also mean that even though the organization might have done all that is necessary to ensure a successful training program, the wrong candidates might have been selected for the training program.

Organizational performance The term performance has been defined in various ways. Performance refers to those behaviors that have been evaluated or measured as to their contribution to organizational goals (Cook and Hunsaker, 2001). Behaviour modification which according to Armstrong (2011) must be the outcome of training program contribute to organizational performance. In the same light, Gareth (2003) defines organizational performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. To buttress, Jones et al. (2003) also suggests that these two overriding issues of efficiency and effectiveness are employed in the measurement of performance in every organization, where efficiency measures how well resources are used to achieve goals, while effectiveness connote the measure of the appropriateness of the goals that managers have selected for the organizational to pursue, and of the degree to which the organizational achieve these goals. Therefore, employee efficiency and effectiveness simply link organizational performance.

#### **2.4 Related Literature**

#### 2.4.1 Effect of the on-the-job training on organization performance

Adamu (2008) asserts that on-the-job training is designed to impart knowledge of job by working under an experienced worker. The trainer or the experienced worker teaches and advices the trainee on specific methods and techniques of doing the job. In some cases, the trainee is expected to learn by watching the master. The trainee is learning and at the same time working, although the trainee's output will not be much. The procedure is usually unsystematic and most times, it is by trial and error. Baum and Devine (2007) opine that it is better for the organizations to give their employees on the job training because it is cost effective and time saving. Besides, it helps their employees learn in a practical way.

Schuler and Huber (1993) argue that on the job training occurs where an employee is taught a new job under the direction of supervision of an experienced worker or trainer. The trainee is expected to learn the job by observing the experienced employee and by working with the actual materials, personnel, and machines that comprise the job. The experienced employee/trainer is expected to provide a favourable role model and to take time from regular job responsibilities to provide job-related instruction and guidance. According to Beardwell and Holden (1994) on–the job training is probably the most common approach to training and can range from relatively unsophisticated "observe and copy" methods to highly structured courses built into workshop or office practice.

# 2.4.1.1 Apprenticeships

Cherrington (1995) refers to apprenticeship training as process of having a new worker, called apprentice, work alongside and under the direction of a skilled technician. This refers to training provided through working under a journey man or master in a craft. The apprentice works alongside a person skilled in the craft and taught by that person (Anthony et al, 1993).

#### 2.4.1.2 Internship

Internship provides training similar to apprenticeship training. However, internship typically refers to occupations that require a higher level or formal education then that require by the skilled trades (Cherrighton, 1995). As stated by Schuler and Huber (1993), internships are often part of an agreement between schools and colleges and local organizations. Internship programmers, jointly sponsored by colleges, universities, and a variety of organizations, offer students the chance to general world experience while finding out how they will perform in work organizations (Sherman and Bohlander, 1992)

# 2.4.1.3 Job Rotation

As indicated by Cherrington (1995), job rotations are learning techniques that are usually reserved for managerial and technical occupations. Movement from one position to another

provides managers with exposure to number of different job functions and a broad grasp of the overall purpose of an organization. Job rotation programmers are used to train and expose employees to a variety of jobs and decision-making situations. Although job rotation provides employee exposure, the extent of training and long-run benefits it provides may be over-stated (Schuler and Huber, 1993).

#### 2.4.1.4 Classroom instruction technique

This method is usually designed for the purpose of passing on knowledge in an off-the-job location such as training centres, schools, professional institutions. The emphasis is on developing an understanding of general principles, background knowledge and general awareness of comparative ideas (Adamu, 2008).

The techniques used in this method include: Case study role-playing, in-basket and lectures. Workshops, seminars, conferences and symposiums also belong to this category of training. Sometimes, an examination is conducted at the end of the training and a certificate of participation issued.

# 2.4.1.5 Mentoring/Coaching

To Anthony et al (1993), mentoring is a technique that assigns a guide or knowledgeable person high up in the organization to help a new employee "learn the ropes" of the organization and to provide other advice. In line with that, Beardwell and Holdern (1994), state that, this is another version of the system whereby a senior or experienced employee takes charge of the training and development of a new employee. Schuler and Huber (1993) say mentoring, as a method of training, is regular part of the supervisor's job. It includes day-to-day coaching, counseling, and mentoring of workers on how to do the job and how to get along in the organisation. The effectiveness of coaching, counseling and monitoring as a technique for training and development depends in part on whether the supervisor creates feelings mutual confidence, provides opportunities for growth tom employees and effectively delegates' tasks. Mentoring programmes, in which an established employee guides the development of a less-experienced worker or 'protégé' can increase employees' skills, achievement, and understanding of the organisation.

#### 2.4.1.6 Job Instruction Training

Schuler and Huber (1993) assert that job instruction training was developed to provide a guide for giving on-the-job skill training to white and blue-collar employees as well as technicians. It provides such systematic technique which rather makes it flexible form both off-the-job and on the-job programmes. It has been most popular method of training for blue-collar and white-collar employees since it was first describe by the war manpower board during World War II. Before the actual learning occurs, job-instruction training requires a careful analysis of the job to be performed, an assessment of what the trainees knows about the job, and a training schedule. Training begins with introductory explanation of the purpose of the job and a step-by-step demonstration by the trainer of the operations. After the trainer has demonstrated the job enough times for the trainee to comprehend the steps, the trainee is given the opportunity to try it alone (Cherrington, 1995).

# 2.4.2Effect off-the-job Training on organizational performance

Off-the-job training is also appropriate when complex skills need to be mastered or when there is the need to focus on specific interpersonal skills that might not be apparent in normal work environment (Schuler and Huber, 1993). Similarly, Cherrington (1995) state that most off-thejob training programmes are viewed as supplementary rather than as central to learning of the job. Off-the-job training generally focuses more on long-term development and general education than on the skills and information needed to perform a specific job. Beardwell and Holden (1994), argue that off-the-job training is sometimes necessary to get people away from the work environment to a place where the frustrations and bustle of work are eliminated. This enables the trainee to study theoretical information or new and innovative ideas.

# 2.4.2.1 Vestibule Training

According to Cherrington (1995), vestibule training is similar to on-the-job training except that it occurs in separate training area equipped like the actual production area. The training that occurs in a vestibule is usually some form of job-instruction training. In vestibule training, however, the emphasis is on learning as opposed to the emphasis on production in job-instruction training. Vestibule training is typically used for teaching specific job skills. In being consistent with the above, Decenzo and Robbins (2002), state that vestibule training helps employees learn their job

on the equipment they will be using, but the training is conducted away from the actual work floor. Vestibule training allows employees to get full feel for doing task without "real-world" pressures. Additionally, it minimizes the problem of transferring learning to the job, since vestibule training uses the same equipment the trainee will use on the job. Sherman and Bohlander (1992) argue that vestibule trainees are given instructions on the operations of equipment like that found in operating departments. The emphasis is on instruction rather than production.

### 2.4.2.2 Lecture

The lecture is an efficient means of transmitting large amount of factual information to a relatively large number of people at the same time. It is the traditional method of teaching and is used in many training programmes. A skilled Lecturer can organize material and present it in a clear and understanding way. If the trainees are ready to receive it, a well prepared lecture may succeed in transferring conceptual knowledge. However, a lecture does not allow active participation by the learners. It provides no practice, no feedback, no knowledge of results, and it may inhibit the transfer of learning (Cherrington, 1995). Anthony et al (1993) state that lecture method is very useful for large groups. It requires a training leader who is dynamic and who can organize and present materials in an effective fashion. For best use it should be supplement with additional types of training techniques.

According to Decenzo and Robbins (2002), the lecture approach is well adopted to conveying specific information, rules, procedures, or methods. The use of audio visual can often make a formal classroom presentation more interesting while increasing retention and offering a vehicle for clarifying more difficult points.

# 2.4.2.3 Case Studies

Cherrington (1995) declares that case studies are used extensively in many business classes. They are designed to promote trainee discovery of underlying principles. Most cases do not have single correct solution. Instead a trainee is expected to analyse the problem and consider alternative solutions. Even though trainees may not agree on the best solutions, a fair agreement about the relevant issue should exist. The success of the case method as a training technique depends largely on the skill of the discussion leader. Effective case discussions require skilled trainers when to focus the group discussion on particular topics and when to allow free floating ideas and exploration into alternative issues.

The case studies analysis approach to management development was popularized at the Harvard Graduate School of Business. Taken from the actual experiences of organisations, these cases represent attempts to describe, as accurately as possible, real problems that managers faced. Trainees study the case to determine problems, analyse causes, develop alternative solutions, select what they believe to be the best solution and implement those solutions (Dcenzo and Robbins, 2002). Sherman and Bohlander (1992) argue that case study is particular useful in classroom learning situations. These documented examples, which may have been developed from actual experiences within their organisations, can help trainees to learn how to gather and interpret facts, to become conscious of the many variables on which a management decision may be based and in general, to improve their decision-making skills.

### 2.4.2.4 E-Learning: On-line training

E-learning is the use of the internet or an organizational intranet to conduct training on-line. As more and more employees use computers and have access to internet portals, their employers look for training opportunities on-line that will be beneficial to the employee. Computer-supported simulations within organizational training can replicate the psychological and behavioural requirements of a task, in addition to providing some amount of physical resemblance to the trainee's work environment (Mathis and Jackson, 2004).

# 2.4.2.5 Simulation/Role-Playing

Decenzo and Robbins (2002) training in an artificial environment that closely mirrors actual working conditions can be considered a simulation. Simulation activities include case exercise, experiential exercise, complex computer modeling and vestibule training. Training and development technique that presents participants with situations that are similar to actual job condition is used for both managers and non managers (Schuler and Huber, 1993). In accordance with the above, Anthony et al (1993), expressed that this technique gives participants actual practice in applying concepts in an artificial situation. An opportunity to solve a problem is provided, and the participants actually act out the solution. Cherrington (1995), argue that a simulation refers to creating an artificial environment that approximates that actual job

conditions as much as possible. In this regard, simulation is very similar to vestibule training. Simulation has been used extensively for learning technical and motor skills. The essence of role-playing is to create a realistic situation as in the case of discussion method, and then have trainees assume the parts of specific personalities in situation.

# 2.4.2.6 Conference/Discussion

A method of individualized instruction frequently used where the training involves primarily the communication of ideas, procedures, and standards in the conference or discussion method. This method allows for considerable flexibility in the amount of employee participation (Bohlander and Sherman, 1992). Again, Anthony et al (1993) argue that all training programmes, particularly outside programmes, utilize this technique. It has the advantage o being spontaneous and allows the participant to become involved in exploring concepts and in seeking clarification. Cherrington (1995) states that conference and group discussions, used extensively for making decisions, can also be used as a form of training because they provide forums where individuals are able to learn from one another. Many studies have shown that individual are much more inclined to change their attitudes if they participate in a group discussion and at a group consensus regarding a topic than if they listen to lecture. An example of group discussion that can be an effective means of training is one in which supervisors discuss the performance evaluation procedure and develop common criteria for evaluation performance.

#### 2.4.2.7 Self-Study

A considerable amount of training and development consist of independent learning by people trying to train themselves. The most frequent kinds of self-study activities are reading books and professional magazines; take special courses through a local university and attending professional meetings (Cherrington, 1995). The tremendous increase in new technology has increased the need for employees to train themselves using owners' manuals and other handbooks. For individuals who are highly motivated, individual study and special training are excellent ways to increase job knowledge and skills.

Anthony et al (1993) assert that self study learning techniques use programmed test and exercises to guide student through a step-by-step series of learning experiences. It is learner-centered method of instruction and seldom, if ever, requires the service of an instructor at the time the

training occurs. The technique presents subject matter in small steps, which require them to respond and immediately inform them of appropriateness of their responses.

### 2.4.2.8 Sensitivity Training

As stated by Decenzo and Robbins (2002), sensitivity training in "encounter group" becomes quite popular during the 1950s as a method of changing behaviour through group processes. Often referred to as laboratory training, it influences the participants through unstructured group interaction. Members are brought together in a free and open environment in which participants discuss themselves and their interactive process, loosely facilitated by a professional behaviour scientist. This professional then creates the opportunity for the participant to express their ideas, beliefs, and attitudes. In the same instance, this type of training consists of unstructured group discussion in which the participants talk about their personal feelings and reactions towards each other. The length of a laboratory training session may vary from as little as a couple of hours to as much as two or three weeks of all day sessions. The training is designed to create greater selfawareness and increased sensitivity to the attitudes and emotions of others and to group processes (Cherrington, 1995). In the same way, Schuler and Huber (1993), stated that individuals in an unstructured group exchange thought and feelings on the "here and now" rather than the "there and then". The experience of being in sensitivity group often gives individuals insight into how and why they and others feel and act the way they do.

# 2.5. The relationship of Employee training and organizational performance

Several authors like Levey (2001) concludes that organizational performance is the result of three factors working together: skill, effort and the nature of work conditions. Skills include knowledge, abilities and competencies the employee brings to the job; effort is the degree of motivation the employee puts forth toward getting the job done; and the nature of work conditions is the degree of accommodation of these conditions in facilitating the employee's productivity.

Accordingly, by integrating the concepts of psychological distress, job satisfaction, and morale into a broader model of employee well-being, it may be possible for occupational stress researchers and practitioners to demonstrate a strong link between employees" levels of well-being and organizational performance (Wright & Cropanzano, 2000). This link may best be

achieved, however, by focusing on a broad range of organizational performance indicators, including discretionary behaviors such as contextual performance, as well as behaviors that are directly related to the cost of human resources (e.g sickness, absence, turnover, medical expenses, and legal compensation claims for stress-related injury). In this way, researchers and practitioners demonstrate that occupational stress plays an important role in determining the overall success of employees and work organizations (George & Brief, 2002).

According to Rebecca (2010), employees don't perform in a vacuum. There are a variety of factors; personal, company-based and external that affects their performance and adds that identifying these factors can help improve recruitment, retention and organizational results. The workplace is a very important factor to the performance of employees: Some people are highly sensitive to the environment and also climate (Deena, 2009).

Asif (2009) indicates that qualification and job fitness are responsible for organizational performance levels. Employees must be qualified to perform a job in order to meet expectations. The best fit for a job is identified by skills, knowledge and attitude towards the work. Deena (2009) points out that if an employee is in the wrong job for any of these reasons, results will suffer. Knowledge and skills play a big role. To Levey (2001), an employee to work and function well in an organization, the employee should have adequate knowledge and skills. The employee must have proper attitude with the skills necessary to be efficient in work.

One other factor that affects organizational performance is technical training. According to Levey (2001), employees can bring skills to a position but there are likely to be internal, company- or industry-specific activities that will require additional training. For instance, if a process requires a new software package it's unrealistic to expect employees to just figure it out; they should receive adequate training. Rubina et al (2008) argue that proper technical training does not only improve organizational performance but also improves their efficiency. Through knowing how to use and handle specific tasks at work, makes employees accomplish the tasks much easier and efficiently. On the other hand, having no proper technical training hinders employees" performance in that they will need spend more time and consult experts which would even mean more costs to the organization.

Asif (2009) further attributes good organizational performance to clear goals and expectations. When everyone understands the targets and expected outcomes, it is easier to take steps to get there and measure performance along the way. Organizations without clear goals are more likely to spend time on tasks that do not impact results. In addition, Rebecca (2010) argues that if organisations are to achieve clear goals and directions, support from superiors is very necessary. Superiors have to understand the needs of the employees for the employee to work efficiently. Sometimes frequent fault finding of the employees work may also lead to deficiency in work. Organizational performance is also lost if there is no proper guidance or planning in an organization. Michie (2002) relates this situation to a tourist who has no guide. He notes that it would not be long before such a tourist loses his track or direction and so would be the case of an organization which has no good supervisor-employee relationship.

Rebecca (2010) writes that poor morale exists when there is significant whining, complaining and people just don't want to come to work. On the positive end, the workplace is energized by a sense of purpose and teams that genuinely want to work together. Deena (2009) relates this with ethics: Work ethics is very important for the performance of an employee. Good morals and ethics can help a person to improve their performance. Otherwise, it can lead to poor performance and can also de-motivate the other employees

# **2.6 Empirical literature review**

Training has been an important variable in increasing organizational productivity. Most of researches including Colombo and Stanca (2008), Sepulveda (2005) and Konings & Vanormelingen, (2009), showed that training is a fundamental and effectual instrument in successful accomplishment of the firm's goals and objectives, resulting in higher productivity. Training design refers to the degree to which the training has been designed and delivered in

such a way that provides trainees the ability to transfer learning back to the job (Holton, 2000). despite the significance of both the training needs analysis, which influences the development, application and evaluation of training and the plan development and implementation stage where the training characteristics are established and put into practice is also very important(Frazis,2000).

Nassazi (2013) training as planned and orderly behavior through knowledge events, activities and programs that lead to the achievement of the participants, knowledge, skills and competencies and capacity levels to do their job effectively. Training increase workers' productivity also improves the services of the worker and brings optimistic change in the organization. Training plans not only develops workers also aid an organization to make best use of its resource for the benefit of humanity to gain a competitive advantage. Therefore, it looks obligatory by the firm to plan for such training programs for its employee to improve their abilities and competencies needed in the workplace (Elnaga & Imran, 2013). Trainings at the exertion are mostly duty or work adjusted. Foundations which organize training must be capable of accomplishing complicated job performance (Amin, et al, 2013). For improving the organization it's required that a highly skillful and knowledgeable employee is very necessary for organization (Shaheen, et al., 2013).

Training not simply develops employee capabilities but the ability to hone thinking and creativity in order to make the best choice at the right time and in new productive way (Elnaga & Imran, 2013). Training is a variety of action which is planned, systematic and it consequences in improved level of skill, knowledge and capability that are needed to perform work effectively (Sultana, et al., 2012). Training is the work of a growth in knowledge and skills of the employee to perform the function of practice. The key result of training is learning. A trainee learns new behavior, refined skills and useful knowledge through the training that will help him get best performance (Amin, et al., 2013).

Holton further argues that part of transfer design is the degree to which training instructions match job requirements. It is observed that investigation directed at building a contingency model of transfer-oriented training intervention design would provide information important for developing training environments more conducive to positive transfer in terms of productivity effectiveness. Identification of training needs, design and implementation of training programmers, transfer of training, and evaluation of program's benefits are critical activities to the success of the undertaking (Krishnaveni & Sripirabaa, 2008) in addition to studying general training variables such as types of training, selection of trainees, selection criteria, evaluation instruments etc. The success of training depends on the correct implementation of all steps of the

process; previous analysis of training needs development and implementation of an adequate training plan and evaluation (Mirabet, 1997).

Organization's compensation system has foremost impact on transfer of training. When organization analyze the importance of training and reward their newly trained employees, then the workforce will be motivated towards passing on those skills. According to Expectancy Theory, Employee motivation increases when meaningful rewards are given to those employees who effectively transfer training (Vroom, 1964). One way to improve employee performance is to efficiently transfer the skills and knowledge acquired during training to the actual job (Blau, 1986). Employees ranking high on job involvement are more motivated to learn and transfer skills to the actual work setting (Noe and Schmitt, 1986)

Training impacts positively on employee's performance by generating benefits to both the employees and the organization they work for through the development of skills, knowledge, abilities, competencies and behavior. Training plays a significant role in the development of organizations, enhancing performance as well as increasing productivity, and ultimately putting companies in the best position to face competition and stay at the top. In a study in America on the impact of human capital investments such as employer-provided training and development, Black and Lynch (1996) citing Bartel (1989) stated that "returns on training and development investments increase productivity by 16-19%". This further reinforces the role of training on employees. Based on the attributes that are developed the employees implement them on their tasks and thus the company is able to improve thus generate the profits for the firm. Also because the attributes are imparted and developed through the systematic and planned training program, it becomes a part of the employees thus they are able to implement them on every task thus the increased profit leading to sustainable profitability. The review has revealed the importance and purpose of training in organizations and how it contributes to employee performance. The essence of training needs, how and why training needs should be assessed has also been explained. The bases for which employees should be chosen or selected for training, the types of training have been duly identified namely job training, orientation training and career development training.

### 2.7 Research Gap

The studies found that the higher average levels of labour performance in firms in continental will closely related to the greater skills and knowledge of their workforces. Within commercial bank, lower skills levels in the bank found to have a negative effect directly on labour performance (Keep, Mayhew and Corney, 2002). Higher training expenditure per employee was also associated with higher technological complexity and originality. Perhaps, some of the most influential work in this area will focus on the investment in skills and training and the association between skills and productivity. A clear connection between higher skills and higher productivity has been identified particularly at the intermediate skills level.

Several studies have highlighted the performance benefits associated with increasing training activity, the type of training provided and the depth. Dearden and Van Reenen (2000) analyzed the impact of training on performance for a variety of measures including value added output, profit. They found connections between more training and higher labour productivity across a number of sectors. Hence providing a content gap that this study covered. The gaps in the literature review was filled during field data collection, which is guided by the purpose and the objectives of the current study

#### **CHAPTER THREE**

### METHODOLOGY

#### **3.1 Introduction**

This chapter entails the research design, target population, sample size, sampling procedure, sources of data, data collection instruments, validity and reliability of the instruments, ethical considerations and finally, the anticipated limitations of the study.

#### 3.2 Research design

Mugenda and Mugenda (2003) define a research design as a plan for collecting and utilizing data so that the desired information can be obtained with sufficient precision or so that hypothesis or research questions can be tested properly. For this study, a descriptive survey design was employed. The choice of the descriptive survey design is informed by the nature of the study. The descriptive survey design is touted as the most ideal for studies relating to attitudes, behavior, and characteristics. Both qualitative and quantitative research approaches will be used Mugenda and Mugenda (2003). The approaches enabled to collect and analyze both quantitative and qualitative data chosen so as to test the effect of independent variable (employee training) and the dependent variable (Organization performance)

### **3.3** The population of the study

The study was conducted among employees that include staff, administration and operations managers. The study population of 480 employees from all the commercial banks of Salaam Bank (200) Dahabshiil bank (160) and premier bank (120). From the above population of respondents, the researcher was consulted the human resource managers who will help him obtain a number of permanent employees. The researcher obtained a number of 480 permanent employees in the study divisions.

Source: Departments of HRM.

### 3.4 Sample size using solvent's formula

The sample size of the study was consisted of 218 respondents of the target population.

This is so because the nature of data to be generated required different techniques for better understanding of the research problem under investigation. Besides, the approach is also commonly known for achieving higher degree of validity and reliability as well as eliminating biases as per Amin (2008).

The Slovene's formula (2012) will be used to determine the minimum sample size.

$$n = \frac{N}{1 + Ne^2}....(3.1)$$

$$n = \frac{480}{1 + 480(0.05)^2}$$

$$n=218 \text{ respondents}$$

n = sample size

N = the population size

e = level of significance, fixed at 0.05

Category	Target Population	Sample size	
Salaam bank	200	85	
Dahabshil bank	160	70	
Premier bank	120	63	
Total	480	218	

#### Table 3.1: Target population and Sample size

#### Source: Primary Data (2018)

The research also employed a stratified random sampling in selecting respondents. The research applied proportionate stratification that is based on the stratum's share of the total population to come up with the sample in each stratum.

#### 3.6 Data types and collection methods

### 3.6.1 Primary source of data

To obtain primary data from respondents, the researcher was employed self-scoring questionnaire. The self-scoring questionnaire was used to ascertain the respondent's perceptions. The questions were sampled worked to avoid obscure meaning and to encourage independence in making the response. The respondents were been employees in the selected commercial banks in Mogadishu, Somalia.

### **3.6.2 Research instruments**

The study was used self-administered questionnaire as data collection instruments. Questionnaire; in this case self-administered questionnaire was designed to be used by people who can read and write and these set of questions at the same time acted as response schedule. Close ended questionnaires was used because they enabled the researcher to obtain full information concerning the study variables without biasness.

### 3.7 Data testing (Validity and Reliability)

#### **3.7.1 Validity of the Instrument**

The research instruments that the researcher used was questionnaires. Questionnaires was been cross examined for approval by the supervisor to ensure that the information they would generate is appropriate and reliable. The researcher was carried out a pre-test of the questionnaire before using it in the research. Content validity was established using expert judgment method provided by Amin (2005) who suggested that content validity can be calculated by finding the content validity index (CVI) which should not be less than 0.7. The content validity (CV) method will be calculated by using the formula below:

$$CVI = \frac{Number of Items declared valid}{Total Number of Items}$$

$$CVI = \frac{30}{37} = 0.81$$
(3.2)

If the content validity index (CVI) of the instrument is greater than 0.7, the instrument is irrefutably valid as well as ready for data collection.

# 3.7.2. Reliability of the Instruments

To ensure reliability, the instruments was tested using Cronbach's Alpha reliability coefficient which ranges in value from 0 to 1. The commonly accepted rule of thumb of this approach is that an alpha ( $\alpha$ ) of 0.7 indicates acceptable reliability, and 0.8 or higher indicates good reliability (Mohsen &Dennick, 2011). Therefore the higher the score the more reliable generated scale is. However, to test for reliability Cronbach's alpha was computed using SPSS (statistical package for social sciences).And the following result will be obtained

Reliability Statistics	
Cronbach's Alpha	N of Items
0.796	20

The research instrument was declared reliable If the Cronbach's Alpha value is above 0.7 which is the minimum Cronbach's Alpha value required to declare an instrument reliable.

### 3.8 Data Analysis

### 3.8.1 Descriptive Data Analysis

The data to be gathered was analyzed and presented using descriptive statistics. Primary data was captured and processed using Statistical Package for Social Sciences (SPSS), windows and Microsoft Excel. SPSS is a well-used computer package in research to calculate effectiveness of study and programmers by performing a variety of statistical analyses and procedures (Taylor 1997). After the questionnaires are returned, the researcher was edited all questionnaires to ensure legibility and accuracy. Basing on the 5 points scale suggested by Likert (1932) i.e. Strongly agree (5); Agree (4); Not sure (3); Disagree (2); and Strongly disagree (1), the following mean range was used to arrive at the mean of individual indicators and interpretation:

# A. Employee training

Mean Range	Response mode	Interpretation
4.2 - 5.0	Strongly agree	Very Satisfactory
3.4 - 4.2	Agree	Satisfactory
2.6 - 3.4	Not sure	Fairly Satisfactory
1.8 - 2.6	Disagree	Unsatisfactory
1.0 - 1.8	Strongly disagree	Very Unsatisfactory

# **B.** organization performance

Mean Range	Response mode	Interpretation	
4.2 - 5.0	Strongly agree	Very High	
3.4 - 4.2	Agree	High	
2.6 - 3.4	Not sure	Moderate	
1.8 - 2.6	Disagree	Low	
1.0 - 1.8	Strongly disagree	Very Low	

# **3.8.2 Inferential Data Analysis**

This study was involved to analyzing the effect of employee training on organizational performance. To examine the effect of independent on dependent variables, at 0.05 level of significance regression analysis was used and this helped to measure the degree and direction of relationship between the variables. The p-value was used to test the hypothesis, if the p-value is greater than the significant level of 0.05), the researcher was rejected the alternative hypothesis 'Hi' and was accepted the null hypothesis 'Ho'. Then the researcher was concluded that there is positive and significant effect of employee training on organizational performance, at the 0.05 significant levels.

### 3.10 Ethical consideration

### Consent

Consent involves the procedure by which an individual may choose whether or not to participate in a study. The researcher will ensure that participants have a complete understanding of the purpose and methods to be use in the study, the risks involved, and the demands placed upon them as a participant. The participants were informed that they have the right to withdraw from the study at any time

### Confidentiality

The researcher explained to the respondents that information provided about this research study will be kept confidential and for academic purposes only. This was ensured by not inquiring the respondents to write their names but the researcher will use code numbers to describe the respondents.

### Deception

Research deception involves an intentional misrepresentation of facts related to the purpose, nature, or consequences of an investigation. In this context, the researcher was fully informing participants about important aspects of the study to avoid omissions and commissions as part or all of the information not to be withheld

### **CHAPTER FOUR**

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### **4.0 Introduction**

Under this chapter data collected from the field was presented, analyzed and interpreted. Data analysis and interpretation were based on the research objectives. Below are the data presentations and analysis of research findings;

### 4.1 Response Rate

Response rate also known as completion rate or return rate in research refers to the number of people who answered the questionnaires divided by the number of people in the sample. It is usually expressed in the form of a percentage. A low response rate can give rise to sampling bias if the non-response is unequal among the participants regarding the outcome. In this study, the sample size was 218 respondents but the study managed to access 218 respondents.

### 4.2 Respondents' Background Information

The objective of this study was to show the background information of respondents as to gender, age, level of education, and Area of education.

### 4.2.1 Distribution of Respondents by Gender

Catego	ory	Frequency	Percent	Valid Percent	<b>Cumulative Percent</b>
	Male	152	69.7	69.7	72.0
Valid	Female	66	30.3	30.3	100.0
	Total	218	100.0	100.0	

# Table 4.2: Gender of the Respondents

Source: Primary Data, 2018

The sex distribution of respondents as presented in Table 5 and Figure 6 shows that 152respondents representing 69.7% of the respondents are males while 66 representing 30.3% are females. This implies that commercial banks employ more males than females. This could

have an adverse effect on the organization's objective of employee training, because men are primarily responsible for the welfare of the family and they could lobby more to go for training to improve their financial conditions.

# 4.2.2 Distribution of Respondents by Age

Catego	ory of age	Frequency	Percent	Valid Percent	<b>Cumulative Percent</b>
	20-29	88	41.7	41.7	41.7
	30-39	82	38.8	38.8	70.5
Valid	40-49	28	13.3	13.3	93.8
	Above 50	13	6.2	6.2	100.0
	Total	218	100.0	100.0	

Source: Primary Data, 2018

The age distribution of respondents as presented in Table 4 and Figure 5 shows that 88 out of the 211 respondents are in the age bracket of 20-29, representing 41.7%, 82 representing 38.8% are in the age of 30-39, while 28 representing 13.3% are in the age range of 40-49 and 13 respondents representing only 6.2% of the respondents are aged above 50. This implies that 58% of the respondents are over 30 years of age.

# 4.2.3 Distribution of Respondents by Level of Education

# Table 4.4: Education Level of the respondents

Category of Education		Frequ	Percent	Valid Percent	Cumulative Percent
Level		ency			
	Secondary	5	2.4	2.4	2.4
	Certificate	10	4.7	4.7	7.6
	Diploma	50	23.7	23.7	31.3
Valid	Bachelor's degree	105	49.8	49.8	81.1
	Master's Degree	30	14.2	14.2	95.3
	Others	11	5.2	5.2	100.0
	Total	218	100.0	100.0	

Source: Primary Data, 2018

According to Table 4.3, results show that majority of the respondents had attained bachelors' degree (49.8%), followed by Diploma holders (23.7%), the third group (16.9%) had attained masters' degree, followed by secondary leavers and certificates holders with (4.7%) and (2.4%) respectively, while only very few respondents were regarded as others (5.2%) who could be having professional certificates and PhD. However, this implied that majority of respondents in this sample had gone far with education, where they could read and interpret the questions.

# 4.2.4 Distribution of Respondents by job position

Category of job position	Frequency	Percent	Valid Percent	Cumulative Percent
Administration	56	25.6	25.6	25.6
Manager	75	34.4	34.4	60
Staff	87	40	40	100
Total	218	100	100	

 Table 4.5: Job position of the respondents

Source: Primary Data, 2018

With respect to position held; results in Table 4.6 indicate that majority of the respondents were staff (40.0%) and these were 87 respondents, 34.4% were managers and these were 75 respondents, and lastly 25.6% administration and these were 56 respondents.

# 4.2.4 Distribution of Respondents by working experience

# Table 4.6: Working experience of the respondents

Category of working experience	Frequency	Percent	Valid Percent	Cumulative Percent
Less one year	45	20.6	20.6	20.6
1-4	66	30.3	30.3	50.9
5-9	48	22	22	72.9
10 above	59	27.1	27.1	100
Total	218	100	100	

Source: Primary Data, 2018

In terms of respondents' working of period in commercial banks, the results in Table 4.7 indicate that majority of the respondents (66) representing 30.1% had worked for a period between 1-4 years, followed by those who worked between 10 above years (59) representing 27.1%, 22% had worked for a period between 5-9 years.

Finally 45 respondents representing 20.6% had worked for less than 1 year. This indicated that majority of these respondents had enough experience in their commercial banks, and therefore they could provide the researcher with the information required.

### 4.3 Descriptive Statistics of Employee Training,

The independent variable in this study was employee training, this variable (IV) was broken into three constructs and these were; training design (with five questions), training policies (with five questions), and training delivery style (with four questions). Each of these questions was based on a five point Liker scale whereby respondents were asked to rate the employee training by indicating the extent to which they agree or disagree with each question.

# 4.3.1 Descriptive Statistics of on-the-job training, off-the-job training

Table 4.7: Descrip	ptive Statistics of (	on-the-iob training.	off-the-job training
		Jos	on the Jos the second

On-the-job training	Mean	Std. Deviation	Interpretations
Job rotation			
I am generally able to use what I learn in on-the-job training in my job	3.82	1.092	Good
Job rotation is carried out so regularly	3.79	1.088	Good
I believe this training will help me do my current job better.	4.42	1.118	Very good
Overall, the on-the-job training I receive is applicable to my job	3.23	1.013	Fair
Overall, I am satisfied with the amount of training I receive on the job	3.5	1.076	Good
Job mentoring			
Individual skills/abilities are applied on the job	2.6	1.035	Poor
I received advice on my job from my superiors	2.15	1.019	Poor
I have developed a positive attitude for performing tasks through my supervisor's support	3.8	1.092	Good
Average Mean	3.41		
Off-the-job Training			
E-learning online training			
I have learning goals designed to enhance my current work assignment and to prepare me for future positions	3.25	1.073	Fair
I deliberately seek out learning opportunities rather than waiting to be sent to training.	3.15	1.072	Fair
I receive self-paced e-learning training	3.52	1.082	Good
Case study			
The way the trainer(s) taught the material made me feel more confident I could apply it in my job.	3.58	1.082	Good
When I leave this training, I can't wait to get back to work to try what I learned	2.45	1.031	Poor
External training courses were successful in achieving their aims	3.45	1.078	Good
Content of training courses is delivered through role playing method	3.24	1.013	Fair
Courses aiming at solving work problems are developed	3.86	1.093	Good
Average Mean	3.69		
Overall Mean	3.55		

Source: Primary Data, 2018

Results in table 4.1 indicated that employee training was rated good and this was indicated by the overall mean of 3.55, implying that the commercial banks in Mogadishu, Somalia. Fairly conduct an effective employee training. Results further indicated that the extent of employee training differs on different items and in different perspectives; for example, regarding on-the-job training, the respondents rated this construct as satisfactory (average mean=3.41), implying that on-the-job training as a component of employee training helps the commercial banks to operate with clients on the on-the-job training and agreed framework. Responses still indicated that I am generally able to use what I learn in on-the-job training in my job (mean=3.82), When I do a good job, I receive the recognition for it that I should receive. (mean=3.79), I believe this training will help me do my current job better. (mean=4.42),Overall, the on-the-job training I receive is applicable to my job (mean=3.23).Overall, I am satisfied with the amount of training I receive on the job (mean=3.5). Individual skills/abilities are applied on the job (mean=2.6).I received advice on my job from my superiors (mean=2.15).I have developed a positive attitude for performing tasks through my supervisor's support (mean=3.8).

Concerning off-the-job training; this construct was rated good and this was indicated by the average mean of 3.69, hence implying that off-the-job training in commercial banks in Mogadishu, Somalia provide high degree of convenience to clients. Still the results indicated that I have learning goals designed to enhance my current work assignment and to prepare me for future positions (Mean=3.25), I deliberately seek out learning opportunities rather than waiting to be sent to training. (mean=3.15), I receive self-paced e-learning training(mean=3.52), The way the trainer(s) taught the material made me feel more confident I could apply it in my job. (Mean=3.58), When I leave this training, I can't wait to get back to work to try what I learned better (Mean=2.45), External training courses were successful in achieving their aims (Mean=3.45). ), Content of training courses is delivered through role playing method (Mean=3.24). ), Courses aiming at solving work problems are developed (Mean=3.86).

# 4.4 Descriptive Statistics of Organizational Performance

Organizational performance is the dependent variable in this study and measured with performance which was not broken. The questions was based on a five point Likert scale and respondents were asked to rate performance by indicating the extent to which they agree or disagree with each question, their responses were analyzed using SPSS and summarized using means and standard deviations as indicated in tables below:

Quality service	Mean	Std. Deviation	Interpretation
I am give clear and achievable	3.8	1 000	Good
target monthly targets		1.090	
Performance measures are mutually			Good
agreed on & discussed by both the	3.55	1.072	
employee & supervisor.			
Performance is regularly tracked	3.65		Good
and measured.		.928	
Performance goals are behavioral,	3.71		Good
result-oriented and achievable.	5.71	.776	
Effectiveness			
Performance is measured in terms			Good
of the resources used in getting the	3.54	1.078	
work done			
When performance my duties, I am			Fair
always conscious of the cost	3.31	1.072	
involved			
Employees minimize errors when	3.62		Good
performing their duties		1.0789	
Average Mean	3.56		

 Table 4.8: Descriptive Statistics of Organizational Performance

Source: Primary Data, 2018

Results in table 4.3 indicated that organization performance was rated very good and this was indicated by the average mean of 3.59, which implies that the organizational performance in the commercial banks in Mogadishu, Somalia always perform the way required by their clients in Mogadishu, Somalia.

With respect to performance, results indicated that this was also rated every good and this was indicated by the average (mean of 2.76), hence implying that the employees in commercial banks always try to meet the organization's targets. I am give clear and achievable target monthly targets (Mean=3.80), Performance measures are mutually agreed on & discussed by both the employee & supervisor (Mean=3.55), Performance is regularly tracked and measured. (Mean=3.65), Performance goals are behavioral, result-oriented and achievable.(Mean=3.71), Performance is measured in terms of the resources used in getting the work done (Mean=3.54), When performance my duties, I am always conscious of the cost involved(Mean=3.31), Employees minimize errors when performing their duties (Mean=3.62).

# 4.4 Objective One: the effect of on-the-job training on organizational performance

 Table 4.9: The effect of on-the-job training on organizational performance

Mode l	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.585ª	.343	.340	.25697

# Model Summary

a. Predictors: (Constant), on-the-job training Source:Primary Data, 2018

Model		Sum of	Df	Mean	F	Sig.
		Squares		Square		
	Regression	7.43	34 1	7.434	112.582	$.000^{b}$
1	Residual	14.26	53 209	.066		
	Total	21.69	210			
a. Dep	endent Varia	ble: organization	nal performanc	ce		
b. Prec	lictors: (Cons	stant), on-the-jol	b training			
	× ×	// J	0			
			Coefficients	3		
Mode	l	Unstand	ardized	Standardized	Т	Sig.
		Coeffic	cients	Coefficients		
		В	Std. Error	Beta		
1	(Constant)	2.602	.164		15.863	.000
1	Design	.396	.037	.585	10.610	.000
a. Dep	endent Varia	ble: organization	nal performanc	e		

### ANOVA<sup>a</sup>

Source: Primary Data, 2018

Regression analysis results in the Model Summary table indicated that the on-the-job training accounted for 34.3% on organizational performance of commercial banks in Mogadishu, Somalia and this was indicated by r-squared of 0.343 implying that on-the-job training design significantly contributes on the organizational performance of commercial banks in Mogadishu, Somalia at 34.3%.

The ANOVA table indicated that on-the-job training significantly affects the organizational performance and this was indicated by the F-value=112.58and Sig-value=.000, since the sig. value (0.000) was less than 0.05 and which is the maximum level of significance required to declare a significant effect. This implies that on-the-job training highly affects the organizational performance of commercial banks in Mogadishu, Somalia.

The coefficients table indicated that considering the standard error, on-the-job training significantly affects the organizational performance of small scale businesses ( $\beta$ =0.585, Sig=0.000).

# **Testing for hypothesis**

The hypothesis was rejected since the significant value was found to be less than 0.05 (Sig=0. 000).

The result of coefficients table indicated that there is no a significant relationship between on-the-job training on organizational performance of commercial banks in Mogadishu, Somalia.

# 4.5 Objective two: the effect of off-the-job training on organizational performance

# Table 4.10 : The effect of off-the-job training on organizational performance

	Model Summary								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate					
1	.666 <sup>a</sup>	.443	.441	.23648					
a. Predic	a. Predictors: (Constant), Off-the-job training								

Source: Primary Data, 2018

ANOVA <sup>a</sup>									
Model		Sum of	Df	Mean Square	F	Sig.			
		Squares							
	Regression	9.617	1	9.617	171.960	$.000^{b}$			
1	Residual	12.080	208	.056					
	Total	21.697	209						
a. Dep	a. Dependent Variable: organizational performance								
b. Prec	b. Predictors: (Constant), Off-the-job training								
Source	• Primary Da	ta 2018							

Source: Primary Data, 2018

	Coefficients <sup>a</sup>									
Model		Unstandardized		Standardized	t	Sig.				
		Coeffi	Coefficients							
		В	Std. Error	Beta						
1	(Constant)	2.834	.115		24.556	.000				
I	Policies	.350	.027	.666	13.113	.000				
a. Dep	a. Dependent Variable: organizational performance									

Source: Primary Data, 2018

Regression analysis results in the Model Summary table revealed that Off-the-job training accounted for 44.3% on organizational performance commercial banks in Mogadishu, Somalia and this was indicated by r-squared of 0.443 implying that Off-the-job training contribute to the organizational performance commercial banks in Mogadishu, Somalia.

The ANOVA table indicated that Off-the-job training significantly affects the organizational performance and this was indicated by the F-value=171.960 and Sig-value=.000, since the sig. value (0.000) was less than 0.05 and which is the maximum level of significance required to declare a significant effect. This implies that Off-the-job training highly contributes to organizational performance commercial banks in Mogadishu, Somalia

The coefficients table indicated that considering the standard error, Off-the-job training significantly influence the organizational performance commercial banks in Mogadishu, Somalia ( $\beta$ =0.666, Sig=0.000).

# **Testing for hypothesis**

The hypothesis was rejected since the significant value was found to be less than 0.05 (Sig=0. 000).

### **CHAPTER FIVE**

### DISCUSSION, CONCLUSION AND RECOMMENDATIONS

#### **5.0 Introduction**

This chapter contains discussion of the findings, conclusion, and recommendations. The major findings of this study are based on Employee training and organizational performance in Selected Commercial Banks in Mogadishu, Somalia basing on the variables under study. The conclusion is made and further recommendations are provided, and suggested areas that need further research following the study objectives.

#### 5.1 DISCUSSIONS OF THE FINDINGS

This study aimed at examining the effect of on Employee training and organizational performance in Selected Commercial Banks in Mogadishu, Somalia. Three specific objectives guided this study and these were; (i) To examine the effect of on-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia. (ii) To establish the effect of off-the-job training on organizational performance in Selected Commercial Banks in Mogadishu, Somalia.

#### 5.1.1 Objective One: the effect of on-the-job training on organizational performance

The findings indicated that on-the-job training significantly affects the organizational performance in commercial banks in Mogadishu Somalia. It was evident that there was no specific training process that was being used by the organization due to lack of management support to trainings. It was evident that employees did not have adequate technical know-how of their jobs due to poor training from top management. It was evident that employees were not comfortable with office conditions due to poor working environment and monotony of work. The office layout and arrangement did not motivate them to work effectively. Inadequate space and congestion of the office were aspects that demotivated them. It was evident that employees were not satisfied with the organizational training and development. The management was not doing enough to promote the practice within the system. Resistance to new changes was due to lack of training to existing staff.

Jagero, Kombo and Mlingi (2012) that employees who receive regular training are more likely to accept change and come up with new ideas. They continue that employees who learn new skills through training make good candidates for promotions because they have shown their ability to learn, retain and use information.

The study also showed that training enhances performance in innovation. Otuko, Chege and Douglas (2013) posit that employee training is a critical competitive tool that impacts skills in employees for developing innovative products and creating value in a unique way that competitors cannot easily copy.

the study showed that training enhances better performance among employee. This supports the findings by Amin et al. (2013) that training leads to important performance benefits for individuals, teams, organizations and society. They suggest that these benefits range from individual and team performance to the economic prosperity of a nation. Shaheen, Naqvi, and Khan (2013) further note that training enhances knowledge and information about a certain field and also adds advantage to networking for efficiency and performance of employees.

Furthermore, orientation conducted by supervisor is also cost - effective in terms of time and the financial and material resources involved as compared to that conducted by an outsider According to Graham & Bannet (1995), on-the-job training is preferred because it is less costly than off-the-job training. It uses normal equipment in normal surrounding. Learning will take place on the equipment which will actually be used when the trainee is proficient, there is no transfer of learning problems and the trainee is in the production environment from the beginning, he or she does not have to adjust to it afterwards.

### 5.1.2 Objective two: the effect of the off-the-job training on organizational performance

The findings revealed that there is a significant effect off-the-job training has on organizational performance of commercial banks in Mogadishu Somalia, this also implied that high off-the-job training improves the level of organizational performance of commercial banks in Mogadishu Somalia and poor off-the-job training reduces it. The study established that did not provide continuous trainings to staff despite the benefits associated with performance. Evans and Lindsay (1999) also stated that, Motorola & Texas Instruments provide at least 40 hours of training to every employee quarterly and this has significantly impacted on the employee performance.

Companies committed to investment in their human resource generate long term and sustainable profitability for the company.

In a study in America on the impact of human capital investments such as employer-provided training and development, Black and Lynch (1996) citing Bartel (1989) stated that "returns on training and development investments increase productivity by 16-19%". This further reinforces the role of training on employees. Based on the attributes that are developed the employees implement them on their tasks and thus the company is able to improve thus generate the profits for the firm. Also because the attributes are imparted and developed through the systematic and planned training program, it becomes a part of the employees thus they are able to implement them on every task thus the increased profit leading to sustainable profitability.

The review has revealed the importance and purpose of training in organizations, and how it contributes to employee performance. The essence of training needs, how and why training needs should be assessed has also been explained. The bases for which employees should be chosen or selected for training, the types of training have been duly identified namely job training, orientation training and career development training.

The study showed that training enhances employee enthusiasm. Shaheen et al. (2013) note that to increase the employee's performance, it is crucial to inspire the employees by means of satisfying the space in between skills necessary and the owned or operated by means of staff through delivering applicable training. The inspiration through training creates the enthusiasm which transforms the employees to well organize and well-mannered, that ultimately affects the performance of organization (Saleem, Shahid & Naseem, 2011).

### **5.2 Conclusions**

The purpose of this study was to examine the effect of employee training constructs (design, policies, delivery) on organization performance of selected commercial banks in Mogadishu, Somalia. Based on the findings of this study, the following conclusions were derived regarding the relationship between employee training and the organization performance of selected commercial banks in Mogadishu, Somalia.

#### 5.2.1 Objective One: the effect of training on organizational performance

According to the findings training design has a significant effect on organization performance of selected commercial banks in Mogadishu, Somalia. Concerning the effect of on-the-job-training and employee task requirement, the study concludes that there is a significant and direct relationship between on-the-job-training programmers maintained by the firm and employee performance as this will enhance employee task efficiency and thus increased employee satisfaction.

### 5.2.2 Objective two: the effect of off-the-job training on organizational performance

According to the findings off-the-job training has a positive significant effect on organization performance of selected commercial banks in Mogadishu, Somalia. Hence conclude that off-the-job training has a high bearing on organizational performance of the commercial banks.

#### **5.3 Recommendation**

### 5.3.1 Objective One: the effect of on-the-job training on organizational performance

Organizations should embrace on-the-job-training programmers in order to enhance employee efficiency and performance and thus add profitability in the organization. These values may include job satisfaction, challenging work, a sense of accomplishment and growth, sufficient financial compensation and other rewards and recognition the individual consider necessary and important hence if employees are properly motivated, they will make customers happy by giving them first hand services and hence improve on service delivery. Therefore organizations with proper laid down employee on-the-job-training programs will enhance employee performance and thus increase the levels of task performance.

Commercial banks should conduct Training Needs Assessment in all departments at least once a year in order to determine skills and knowledge gaps among its employees. This should be made possible by ensuring that all departmental supervisors are well trained on Training Needs Assessment procedures and evaluation of training programs. Identification of training needs should be done more professionally in conjunction with the line manager as well as the individuals involved together with the HR personnel.

Everyone involved should agree exactly to what the trainees are lacking, for instance what skill is needed, and what attitudes need to be changed toward work performance. The needs identified

should emanate from commercial banks strategic plan, which also cover departmental/sectional/teams and individual plans. Commercial banks should see learning, training and development as well as training's objectives, plan, implementation and evaluation as a continuous process for organizational development and survival.

#### 5.3.2 Objective two: the effect of the off-the-job training on organizational performance

Commercial banks should help in career planning for staff. Organizational career planning involves matching an individual's career aspirations with the opportunities available in the organization. Commercial banks could develop its employees through formal education which will give employees the opportunity to attend short courses offered by consultants or an executive MBA and university programs which normally involve lectures by experts, business games and simulations, adventure learning and meetings with customers.

The commercial banks Management should provide training and workshop opportunities for staff in order to keep them updated and improve their knowledge and skills. Training needs should be considered on the basis of overall company objectives. The goals of the company should determine what training programs are to be organized for staff. Staff should be motivated to add value to themselves and to their lives.

Motivation generally seeks to boost employees' morale to work hard and thus increase productivity. It is against this fact that the researcher wishes to recommend that in instituting proper training and development programs, commercial banks should initiate a policy for motivation attached to training. Motivation include both extrinsic, such as more pay, allowance, fringe benefits, and intrinsic such as recognition, appreciation, acceptance by fellow workers, opportunities for promotion, career development and consultation for important matters.

Morale on the other hand increases performance indirectly by reducing absenteeism, accidents, employee turnover and grievances. This means that the workforce can never develop in an organization where there is low morale and lack of motivation because motivation and morale leads to job satisfaction, which in turn leads to development. The Government should ensure that remuneration of staff is commensurate to their job tasks and levels of training. It should adopt a reward system which corresponds to the cost of living and the economic situation. This would help reduce the mass exodus of the health staff to other countries which offer more attractive pay

packages. Promotions should be based on level of competencies and job performance and not length of service as currently practiced.

#### 5.4 Limitations of the study

Getting accurate information from the respondents was one of the major challenges since some of the respondents were threatened that the information may be used against them by the researcher. The challenge was minimized by assuring the respondents of confidentiality of the information they gave. The respondents of the study were usually very busy and therefore they required a lot of time in order to fill in the questionnaires. The challenge was overcome by giving the respondents the questionnaires at the right time. Most of the respondents were unwilling to give the information due to negative perception of the study. The challenge was minimized by giving incentives and clear information given about the study in order to get positive response and accurate information. Inadequate financial resources affected the results of the study. Accommodation and stationary costs delayed the exercise but early preparation and support from well-wishers and development partners made the study a reality.

#### **5.5 Contribution to knowledge**

The following are the employee training techniques used in maintaining the organizational performance of Commercial banks in Mogadishu, Somalia; on-the-job training and off-the-job training. The following are the measurements of organizational performance of Commercial banks in Mogadishu, Somalia; Quality of service, Productivity and Effectiveness. One of the most prominent findings from this study is the fact that it has provided evidence to support the fact that employee training can improve the state of organizational performance of Commercial banks in Mogadishu, Somalia. Another important revelation that can be attributed to this study is that it is now clear that employee training is of low nature, little is done through employee training to improve organizational performance of Commercial banks in Mogadishu, Somalia.

### 5.6 Suggestion for Future Research

The research only covered Commercial banks staffs, but did not include all Commercial banks branches countrywide. A similar research can be conducted in other branches so as to have an overall picture on effects of Employee training on organizational performance in the Commercial banks in Mogadishu, Somalia.

A comparative study can be done in the future to compare training and its effects on organizational performance in the Commercial banks in Mogadishu, Somalia.

A study can also be done focusing on Commercial banks department's staff on how they handle staff training and its effects on organizational performance

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### **APPENDICES**

### **APPENDIX A: QUESTIONNAIRE**

Dear Respondents,

As part of post graduate degree study requirement, I, ABDIKARIM ABDULALHI HUSSEIN, student of Kampala International University (KIU), am carrying out a research on **Employee training and organizational performance in Selected Commercial Banks in Mogadishu, Somalia.** I therefore kindly ask for your cooperation in this study by answering the questions in this questionnaire which will help me to get the information needed. This research is purely for academic purposes and the information obtained from you will be treated with at most confidentiality.

Please, take a few minutes of your time and answer the questions in the spaces provided.

### **Tick where necessary**

### SECTION A: BACKGROUND INFORMATION

#### Provide a tick where appropriate.

1. Gender:	Male		Female	
2. Age Brack	et:			
	20-29years		30-39 years	
	40-49years		50 and above	
3. Your Highe	est Level of educati	on:		
Se	condaryCertificate			
Dij	ploma		Bachelor's De	gree
Ma	aster's Degree		Others	

3. Area of education:

Business	procurement	
Economics	HRM	
IT Engineering	Others	

# **SECTION B:**

1. Please tick the appropriate box depending on your level of agreement or disagreement as arranged in the 5 Likert Scale:

1	2	3	4	5
Strongly Disagree	Disagree	Not Sure	Agree	Strongly Agree

	Effect of on the job Training On Organizational Performance	1	2	3	4	5
	Job rotation					
1	I am generally able to use what I learn in on-the-job training in my job					
2	Job rotation is carried out so regularly					
3	I believe this training will help me do my current job better.					
4	Overall, the on-the-job training I receive is applicable to my job					
5	Overall, I am satisfied with the amount of training I receive on the job					
	Job mentoring					
1	Individual skills/abilities are applied on the job					
2	I received advice on my job from my superiors					
3	I have developed a positive attitude for performing tasks through my supervisor's support					

	Effect of the off job Training Delivery Style On Organizational Performance	1	2	3	4	5
	E-learning online training					
1	I have learning goals designed to enhance my current work assignment and to prepare me for future positions					
2	I deliberately seek out learning opportunities rather than waiting to be sent to training.					
3	I receive self-paced e-learning training					
	Case study					
1	The way the trainer(s) taught the material made me feel more confident I could apply it in my job.					
2	When I leave this training, I can't wait to get back to work to try what I learned					
3	External training courses were successful in achieving their aims					
4	Content of training courses is delivered through role playing method					
5	Courses aiming at solving work problems are developed					

	Organizational Performance			
1	Quality service			
2	I am give clear and achievable target monthly targets			
3	Performance measures are mutually agreed on & discussed by both the employee & supervisor.			
4	Performance is regularly tracked and measured.			
5	Performance goals are behavioral, result-oriented and achievable.			
	Effectiveness			
1	Performance is measured in terms of the resources used in getting the work done			
2	When performance my duties, I am always conscious of the cost involved			
3	Employees minimize errors when performing their duties			