

**CAREER DEVELOPMENT PRACTICES AMONG COMMERCIAL
BANKS IN KENYA**

FELIX EUGENE KELLEY

**A Research Project Submitted in Partial Fulfillment of the Requirement
for the Award of a Degree of Master of Business Administration (MBA),
School of Business, University of Nairobi**

2012

DECLARATION

I declare that this research project is my original work and has never been submitted to any other University for assessment or award of a degree.

Signature.....

Date.....

Felix Eugene Kelley

D61/60882/2011

This project has been submitted with my authority as the university supervisor.

Signature.....

Date.....

Mr. George Omondi

University of Nairobi, School of Business.

DEDICATION

I would like to dedicate my MBA Project to my beloved wife Mrs. Bowoulo T. Kelley my children and also to my Mother Matilda F. Roberts who endured two years of my absence away from home (Liberia) while I pursue this significant academic journey. I highly appreciate their courage and support. May God bless us all.

ACKNOWLEDGEMENT

My heartfelt appreciation to the Lord God Almighty for His countless bless in my life. You have blessed me with astuteness, a sound mind and good health indeed, your love is better than everything in this world.

I would like to acknowledge my wonderful parents Mr. Lewis E. Kelley, Matilda Florence Roberts and Satara S. Taylor for their support and encouragement. From my early age you taught me the value of education and you have always believed in me.

Moreover, I will also like to express my sincere thanks to the Government of Liberia, General Auditing commission and fellow friends for their support to this academic work. I also salute my supervisor Mr. George Omondi for the guidance and patience he exercised in making this study a success.

Gratitude goes to the formal Auditor General Mr. John S. Morlu, II, who brought forth the idea that enable us get such an opportunity to study at an ISO certified university (the University of Nairobi). Mr. Morlu's quest for quality career development advancement at the General Auditing Commission demonstrates high degree of leadership. May God bless us all to see more affluent years,

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ABSTRACT

Career development practices are core function of human resource management which develops the short and long term capacity of employees. This research was carry out through key staff of the human resource department by completing a comprehensive questionnaire, and making specific recommendation to improve the efficiency and effectiveness of employees performance as it relates to career development practices among commercial bank in Kenya. This research work took in to consideration all elements of career development practices as a competitive advantage as it relates to human resource management function. The objective of the study was to determine the career development practices among commercial bank in Kenya. The study adopted a cross sectional census design and primary data was collected using questionnaire. Data was collected through a questionnaire from head of Human resources department of each of the 43 commercial bank, and 39 questionnaires were successfully returned. The data was analyzed using frequency, percentages, measure of central tendency (mean) and measure of variation (standard deviation).The study established that there are several career development practices that are evident among commercial banks in Kenya. These practices include: Existence of career growth information for employees, treating career development as a core HR function, practicing career counseling, incorporating career growth into the appraisal process, encouraging employees to pursue higher education as a way of uplifting skills, training program and undertaking of professional programs by employees to assist them achieve career objectives.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

According to Greenhaus, et al. (2000) stated that career development is a continuous process of work life. Career development benefits not only the individual employee, but also the organization. The development of employees for future positions, an organization is assured of a supply of qualified, committed employees to replace the higher-level employ. In addition, a career development practice enables organizations to develop and place employees in positions compatible with their individual career interests, needs, and goals. This promotes employee satisfaction and optimal use of employee abilities. Moreover, career development helps to retain and motivate employees through the career development process; employees are assisted in setting realistic goals and to develop the required skills and abilities for target positions (Hall and Lorgan, 1979).

Career development practices are key strategic considerations for all organizations regardless of size, sector, market or profile. The development of the capacity and capability of the organization's managers has a fundamental impact on efficiency, effectiveness, morale and profitability of an organization. High performing organizations increasingly pay close attention to the validity of their recruitment practices and are becoming equally vigilant about developing their employees' career in order to ensure they achieve optimum performance both in the present and the future Mwanje (2010). Balaji (2004) emphasizes on the practice of providing internal promotions so as to create a feeling that career development offers good career growth opportunity which, in his opinion, will motivate employees to remain in the industry. Basically, motivation

concerns “motives” and “needs” and Beardwell, Holden and Claydon (2004) point out that career advancement is a form of motivation which is increasingly seen by managers as a mechanism for improvement. Other career development practices have been confirmed by Mwenebirinda (1998) who acknowledges that employees’ performance can be enhanced by formal education and training that addresses and identified employees’ weakness. Arthur and Shefrin (2003) define a commercial bank (or business bank) as a type of financial institution and intermediary. It is a bank that provides transactional, savings, and money market accounts and that accepts time deposits. Commercial banks engage in various activities: processing of payments by way of telegraphic transfer, internet banking, or other means, issuing bank draft

1.1.1 Career development practices

Career development practice involves all of the technical and managerial skills employees acquire to develop in achieving their career development. Stones and Freeman (1992) recognized special training program as an attempt to improve employees’ performance on a current job or one related to it. Moreover it is the method used to give new or present employees the skills they need to perform their current job. This practice often focuses on the immediate period to help fit any current deficit in employee’s skills. On the other hand Watts A.G. (1996) stated that Development focus on the long term to help employees prepare for future work demand. This career development practice is a learning opportunity design to help employees grow, however it is not limited to improving performance on a current job. Career development practice also involved professional certification programs of employees by respective international professional body.

Career planning according to Kleinknecht & Hefferin (1982) stated that it is a career development practice which entails a continuous process of self assessment and goal setting of both the employee and employer in meeting the organization objective. This career development practice is an integral part of ongoing professional development. According to Armstrong (2001) career development practices in the workplace help companies attract and retain high performing employees Sullivan & Mainiero, (2007). Research conducted by the Career Innovation Group (CIPD, 2005) found that education advancement is an effective and strategic career development practice. This career development practice entails collage education which will significantly develop employee's technical knowledge and improve employee performance at the work place. According to Stringer & Cheloha, (2003) Career development practice of educational advancement in terms of collage course work for individual employee have been found to be effective career development practice in fostering future leaders within the company who has the relevant skills and experiences that will be required to define and implement company strategies. O'Donnell, (2007). Confirm that career development Practices such as educational advancement, Training and development that contribute to growth and development of employee have been linked to employee commitment to the organization, increased productivity and decreased absenteeism and turnover Grawitch, et al.,(2006).

Career development is a very important aspect of human resource management. According to French (1940), career development practices represent efforts to increase an organization's present and future abilities to meet its goals by providing career plan, Educational advancement, training and development experiences for employees above and beyond the immediate technical requirement of the job. In career development

practice, the employee is responsible for career planning and the organization, and particularly the human resource staff, is responsible for career management. An important feature of career development practice is that the company and the employees are partners, which is, it assumes that employees are responsible for planning their own careers and that companies support them in their endeavor (Firkola, 2005).

1.1.2 Commercial Banks in Kenya

According to the amendment of the Banking act of Kenya (2009) commercial bank are financial institutions that accept deposits from customers and give loan and provide other services such as mobile banking, internet banking, and Automated Teller Machine services among others to the public. However, there are other laws governing commercial banks in Kenya such as the Central Bank of Kenya Financial Act, Banking Act and various prudential guidelines issued by the Central Bank of Kenya periodically. According to the Central Bank Kenya financial sector deepening annual report (2005) currently there are 43 licensed commercial banks and one mortgage finance company. Other activities of commercial bank in Kenya are cheques services, accepting money on term deposit, lending money by overdraft, installment loan, and other financial activities.

1.2 Statement of the problem

Career development is important to any organization since it determines the quality of workforce and the success of the organization. Effective career development practices such as employee growth and development can facilitate healthy organizations (O'Donnell, 2007). Practices that contribute to employee development have also been linked to employee commitment to the organization, increased productivity and decreased absenteeism and turnover (Grawitch, et al) (2006). Career development

policies, best practices and procedures must be established by commercial banks as an important tool for employee motivation and retention policy.

Performance of any organization largely depends on the performance of its employees. Successful organizations are increasingly realizing that there are number of factors that contribute to performance but human resource is clearly the most critical (Mello, 2005). However, career development is one of the primary functions of human resource management that develop and motivate an effective, efficient and professional workforce that will meet the strategic objective of the organization. It is, therefore, logical to believe that there may be a negative impact on motivation, morale, job satisfaction and performance in instances where employees' expectations for career development advancement are not met. Hence career development practices most include training and educational advancement in all the functional discipline within the bank.

Increasing competition among commercial banks in Kenya has led to attempts by each bank to position itself strategically in the market using career development practices as strategy to maintain competitive advantage within the banking sector. Effective career development practices within the commercial banks are essential areas that will increase the capabilities, motivation and overall efficiency of employees. Commercial banks in Kenya should use career development practice such as training, educational advancement, and international certification programs, which will enforce weak supervision and equipped employees with expertise, necessary skills and knowledge that can addressed employee productivity to improve performance of staff in commercial banks in Kenya. Moreover commercial bank in Kenya must use a holistic career development practices which will increase profit margin and reduce cost.

Monis and Sreethara (2011) conducted a comparative study on employee satisfaction with career development practices in Indian firms. The study concluded that having a dynamic career path is a must in order to retain the outstanding and highly performing employees. The amount of career support received by employees is positively correlated to their stated intention to remain with their current employer. Tanzania Institute of Bankers (2003) also conducted a study in the banking industrial in Tanzania that points out training as work oriented and a career development practice that changes attitudes and imparts knowledge. Armstrong (2001) research study show that career development is of great importance to both the individual employee and the organization, This is so because there is interaction between the organization for which he/she works and the development of the organization through the employees career. Lalande and Huston (2004) also carried out a study on developing an accountability framework for career development practices. The study established that there was importance in measuring outcomes from a variety of stakeholder perspectives using quantitative and qualitative methods

There studies so far carried out where those focused on career development in other organizations outside Kenya. Therefore it was significant to conduct the same study in relation to the banking industry in Kenya. This study therefore examined the career development practices among commercial banks in Kenya in order to bridge the research gap.

1.3 Research objective

To determine the career development practices among Commercial Banks in Kenya.

1.4 Value of the study

The findings of this study will be beneficial to a variety of people. The Commercial Banks in Kenya will be able to get a better understanding of the various career development practices adopted among Commercial Banks in Kenya. This will act as a benchmark in issues related to career development.

Human resource management cuts across all industries, the findings of this study will also assist firms in other industries other than banking to be able to understand how career development practices are important to an organization.

Those in the academic realm will also get additional knowledge that will assist in future research. Those willing to conduct research in the area of career development practices will benefit by accessing reference information that will be contained in this study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Career Development

Career development is an area that organizations must now recognize and address if they hope to find and retain employees who will help them meet their constantly shifting business demands. Most companies do not provide enough, if any, training to their current workforce. Many do not even have adequate knowledge of their employee's skills and talents - particularly large organizations. Companies must figure out a way to create an environment that is more adaptive, collaborative, and skill-ready.

Hall (1976) asserts that there are three key players who share responsibility for an employee's career development: the employee, the organization and the manager. Primary responsibility for an employee's career lies with the employee, but managers and the organizations can provide vital assistance. To play their roles successfully each must assume a set of responsibilities in career development. The organization's responsibilities include: providing resources for self-understanding and goal setting; setting and communicating missions, policies, and goals and objectives; providing information on organization's options and career path providing training, education and mobility opportunities; and reinforcing and supporting the manager's role in career development. The manager's responsibilities include: giving clear feedback about what employees should reasonably expect; providing forums for discussions; providing support and opportunities; identifying employee potential; providing growth opportunities consistent with employee and organization goals; communicating the formal and informal realities of the organization; providing exposure for employees; and linking employees to appropriate resources and people. The employee's responsibilities include: self-

assessment; setting goals and plans; expressing expectations; and making use of opportunities, education and training.

2.2 Career Development Practices

Redekopp and Jarvis (2000) suggests that career development practices are function of human resource management that develop the work life and identify competencies required by individual staff to manage their career objective which should be in line with organization objective. Ramakrishna (2002) also stated that banks have career development practices such as career planning which is the individual growth alongside the organizational growth, upholding and educating leadership, ensuring cross-functional participation, providing learning and growth opportunities, leaving space for vertical growth, career mapping and succession planning will result in a world class working environment that motivates and propels people to work better and stay in the organization. O'Donnell (2007) has suggested career development practices in commercial banks such as training, career planning, and succession plan have the potential to improve and sustain organizational performance. These practices include emphasis on employee career planning based on fit with the company's culture, emphasis on behavior, attitude, and necessary technical skills required by the job, compensation contingent on performance, and employee empowerment to foster team work, among others.

2.2.1 Career Planning

According to Edgar Schein (2003) career planning is a career development practice which involved continuous process of discovery in which an individual develops his own occupational concept as a result of skills or abilities, needs, motivations and aspirations

of his own value system. Career planning according to Kleinknecht & Hefferin (1982) stated that it is a career development practice which entails a continuous process of self assessment and goal setting of both the employee and employer in meeting the organization objective. Career planning practice is seen as a very systematic and comprehensive process of targeting career development practice and implementation of strategies, self assessment and analysis of opportunities and evaluates the results. The career planning practice process involves both the organization and the individual responsibility. Thus, the individuals must identify their aspirations and abilities, and through assessment and counseling to understand their needs of training and development; in terms of the technical skills and education advancement needed.

To be viable, on short-term, or to maintain competitive advantage, in the long term, organizations must match employees with appropriate skills in the right positions. The type and skills of the employees are different, depending on the scope of the firm, economic sector, specific technology, consumer characteristics, etc. Peculiarities of organization affect the jobs structure, the types of recruited employees for each job and the development ways on the job. Many employers offer numerous promotion opportunities to certain types of positions (especially those involving unique skills to give value to the organization) and limited opportunities for others (Manolescu, 2003).

2.2.2 Coaching

Libri (2004) defines coaching as a primarily career development for a short-term intervention aimed at performance improvement or developing a particular competence. This career development practice involves the process that enables supervisors providing learning and development to occur on the job as job training which enhance performance

and improvement of the employee. Coaching as a career development practice is a popular capacity-building tool, especially in the area of leadership development. It is often mentioned in proposals and reviews as a key element of good capacity-building career development practice. Yet despite its current status, many people are unclear what coaching really involves, and where and when it works. In order to be able to understand this practice, it is important to understand what a coach actually does; the origin of the concept; when it is appropriate or not appropriate to use coaching (CIPD, 2004).

The concept of coaching applied in sports is now being applied in organizations. The increasing interest in developmental psychology in Europe and the USA over the past 50 years has led to this application career development practice within organizations. Coaching emerged as a career development practice in Organizational psychology as a distinct practice policy that concerned the application of psychological theories, research methods and intervention strategies to workplace issues. In attempting to address issues of culture change at an organizational level, as well as group behavior and dynamics, life coaching and leadership coaching developed. Coaching, particularly management coaching is becoming an increasingly popular career development practice as part of the work psychologists engaging in the field of organizational psychology (Ogara, 2006).

Human Resource managers or heads of departments realize how important it is to address the issue of their employees coaching as a career development practice. As mentioned above, reasons vary from dealing with the economic crisis and redundancy to organizations focus on human capital development. Thus coaching skills practice that can successfully “unwrap the inner game” of employees and provide conditions for further

development of their potentials have become among the most sought after skills of heads, managers and leaders in career development practice. In order to use coaching for career development practice of employees one needs to be familiar with the diversity of career development concepts practice that are underpinned by different motives and values of employees. There are different ways of defining career development. An organizational development perspective focus on coaching as career development practice as a tool for individuals and organizations for managing their careers within and between organizations, whereas in a personal development approach career development practice involves the individual's design of a career path, decision-making style, integration of life roles, values expression, and life-role self concepts (Dilts and Delozier, 2000).

2.2.3 Mentoring

According to Murray (1998) mentoring is a career development practice which entails helping and supporting people to manage their own learning in order to maximize their potential, develop their skills, improve their performance and become the person they want to be in alignment with organization objective. Mentoring has been practiced in different cultures for hundreds of years. But it is only recently that mentoring has been a career development practice rediscovered by the private sector, and now by the civil society sector, as a mechanism for leadership development. The origin of mentoring can be traced back to Greek mythology. When Odysseus left home to fight in the Trojan War, he placed an old, trusted family friend, Mentor, in charge of his household, thereby delegating responsibility for protecting and educating his son Telemachus (Covey, 1992). A mentor therefore conjures up images of a wise and trusted advisor or counsellor. (De Bono, 1985).

Dembkowski and Eldridge, (2003) assert that such roles were commonplace in Africa long before ancient Greek civilization. For example, in ‘ancient Africa’ when a child was born everyone in the village shared the responsibility of teaching him or her. But there was always one person, a non-family member, who would be assigned a special role in bringing up the child.

It is therefore evident that mentoring is not new since it has played an important role in ancient Greek, Roman, Chinese, and Indian and African civilizations. The practice of ‘apprenticeship’ and transferring generational knowledge, so prevalent in craft societies of past centuries, draws heavily on the same concepts. And mentoring continues to be practiced today in very different contexts and cultures. In Africa, for example, young Zulu tribesmen spend time with tribal elders as part of their initiation to manhood, so that the elders can pass on their wisdom and insight. The elders in this case are providing direction and guidance to the younger, more naive Zulu community members (Goleman et al., 2003).

In Asia, Whitmore describes: ‘The Eastern mentoring relationship is more like a dance in the sense that it is an interaction between two actors. I make a movement, they make a movement and we move around. This differs from the traditional Western model where an older person passes on knowledge to a younger one (Hailey, 2006). This echoes a Buddhist notion that every person is simultaneously a teacher and a student an approach that has influenced some contemporary, western mentoring models. Japanese mentoring (the senpai-kohai relationship in particular) also emphasizes the relational aspect of mentoring, rather than viewing it as a particular human resource strategy practice, as

many organizations do in the West. The Japanese view of mentoring is characterized by informality and the organic growth of relationships, and is based on emotional bonds between senior and junior people within an organization (Hale, 2006).

2.2.4 Career Counseling

According to research it has been suggested that careers counseling is a career development practice that consist of a greater number of transitions as a result of the changing nature of work organizations Jackson *et al.*, (1996). One implication of this change is that careers counseling which is a career development practice will be needed at a greater number of points during the course of an adult career as people encounter more frequent employer and job changes Watts, (1996). It is also suggested that, since employers will increasingly withdraw structured career management programs, people need to be more reliant on their own career self-management (Wijers & Meijers, 1996). At the same time, since conventional career paths and fixed occupational structures are supposedly in decline, people may be less aware of how to go about achieving their career goals. Thus it is argued that counseling practices should shift toward a greater focus on helping people deal with the current economic and political instabilities which affect their work (McAuley, 1998).

Career counseling is a career development practice on the other hand that deals with assistance given to employees to assist them through their career choices. The OECD Career Guidance Policy Review (2003) defines it as services and practice intended to assist individuals, of any age and at any point throughout their lives, to make educational, training and occupational choices and to manage their careers” (Aisenson,2004). This

definition includes making information about the labour market and about educational and employment opportunities more accessible by organizing it, systematizing it and having it available when and where people need it. It also includes assisting people to reflect on their aspirations, interests, competencies, personal attributes, qualifications and abilities and to match these with available training and employment opportunities.

According to Hansen (2006) the term career counseling is a practice that is replacing the term vocational guidance in high-income countries. Vocational guidance is focused upon the choice of occupation and is distinguished from educational guidance, which focuses upon choices of courses of study. Career guidance brings the two together and stresses the interaction between learning and work. Hansen further suggests that career guidance activities in high-income countries are categorized into five specialties: Career information which deals with all the information necessary to plan for, obtain and keep employment, whether paid or voluntary. It includes, but is not be limited to, information on occupations, skills, career paths, learning opportunities, labour market trends and conditions, educational programmes and opportunities, educational and training institutions, government and non-government programmes and services, and job opportunities. It is the cornerstone to all of the other career counseling practice services;

Career counseling is also a career development practice in which career education awareness is delivered in educational institutions workplace, and sometimes in community by organizations career counselors. This career development practice help employees understand their motives, their values and how they might contribute to the organization overall strategy objective. It provides them with knowledge of the labour

market; skills to make education training, life and work choices; opportunities to experience community service and work life; and the tools to plan a career; Career counseling practice helps employees clarify their aims and aspirations, understand their own identity, make informed decisions, commit to action, and manage career transitions, both planned and unplanned in line with institutional objective. Employment counseling practice helps employee clarify their immediate employment goals, understand and access job and skill-training opportunities, and learn the skills needed to look for and maintain employment and Job placement which includes arranging for or referring people to job vacancies. This is often both a government and a private marketplace activity; moreover career development practice is done by human resource management career counselor at colleges workplace, and universities for job placement services for current and future employees Arulmani and Arulmani,(2004).

2.2.5 Succession Planning

Companies have been wrestling with ways to identify, develop, and retain their talent for decades. Succession planning is a career development practice suddenly popping up on every company's radar screen. Today's organizations are facing higher demands in a global market with the retirement of the Baby Boomers and the widening talent gap. Career development practice like succession planning is a practice companies relied on to build effective and efficient work force for the future. This practice depend on Training need analysis to determine what training is need for capacity building of employees to up key position in the organization. Companies need to upgrade and redefine their succession planning practice which entails both on and off the training program to ensure

that their process will benefit both the individual and the overall strategy of the company Aberdeen Group, (2006).

Despite the numerous benefits of a formalized succession planning process as career development practices, companies have failed to make it a top priority in order to achieve results. Succession planning is a career development practice companies need to start with as a basics, to create a strong process and then invest in future training that will improve technical skills of employee. Seccession planning serves as a career development practice for “performance culture” in establishing a companywide training program policy. Once these career development practice steps are in place, companies can then leverage technology solutions such as Training needs analysis, Training objective, and evaluation which will help in scenario planning and career profiling tools to reduce turnover, increase productivity and improve organization performance. This is confirmed by a survey conducted in partnership with the Human Capital Institute and interviews with senior executives in the human capital management community Aberdeen Group, (2006).

Meanwhile, lack of assessment tools and lack of succession planning tools and career development practice tools were indicated in the study as examples of technology challenges. These concerns in succession planning represent a broader challenge in human capital management, i.e., getting the trained talent needed and addressing the talent requirements for the future. This practice is Follow-up discussions with customers indicate that additional challenges with succession planning as a career development practice is the lack of support by top management. Succession planning which is a career

development needs to be aligned with the business objectives of the company. CEO and other senior management involvement is a critical step. Succession planning will not become a companywide initiative career development practice if the management is not involved and playing an active role in ensuring a more cohesive succession planning initiative (Aberdeen Group, 2006).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Research design

This was a cross-sectional descriptive census design. This was appropriate since a number of organizations to be studied are firms in the same industry. According to Thisted (2006) a cross sectional census design takes in to consideration the entire population which can maximize the completeness of the data.

3.2 Population

According to the Central Bank of Kenya annual report (2011) there were 43 licensed commercial banks operating in Kenya. All the 43 banks will be studied.

3.3 Data collection

Primary data was collected through a self administered semi structured questionnaire. The questionnaire was divided into two sections. Section A contained questions on the personal information of the selected respondents; section B sought data on career development practices among Commercial Banks in Kenya. Respondents were the heads of human resource units in the Commercial Banks in Kenya.

3.4 Data analysis

The data collected from completed questionnaires was edited for completeness and consistency. The data was coded and checked for any errors and omissions. Responses in the questionnaires were tabulated, coded and processed. The data was applied to determine the importance of the study in relation to each of the bank career development practices. The descriptive statistics used for analysis include frequencies and percentages.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

4.1 Response rate

A total of forty three (43) questionnaires were issued out. The completed questionnaires were edited for completeness and consistency. Of the forty three (43) questionnaires thirty nine (39) was successfully collected. The remaining four (4) were not returned. The returned questionnaires represented a response rate of 90.69% which the study consider adequate for analysis.

4.2 Nature of owner ship of the commercial Banks

The findings indicated that majority of the commercial bank (84.6%) were privately owned commercial bank while only (15.4%) of the banks were partly public and partly private.

4.2.1 Number of employees in the commercial banks

The findings indicated that majority of commercial banks have less than 100 employees. Most of these banks with less than 100 employees are single or two branch commercial banks. Most of them operate a single branch based in Nairobi. 30.8% of the commercial banks indicated that they had between 150-300 employees whereas only 9 commercial banks were found to have more than 300 employees. This included large commercial banks such as Kenya commercial bank, Equity, Cooperative bank and Barclays bank among others.

4.3 Career Development Practices

The study found that the following career development practices are carried out by Commercial bank in Kenya. career development is a core function of human resource management, this finding concur with what is stated in the literature review by Redekopp and Jarvis (2000) which suggests that career development practices are function of human resource management that develop the work life and identify competencies of employees for future position in an organization.

The banks facilitate career development talk for each staff. Accordingly this finding agrees with what is stated in the literature review by Hall (1976) which stated that there are three key players who share responsibility for an employee's career development planning the employee, the organization and the manager, and that employees career development objective must be in alignment with the organization strategic goals and objectives. The findings also agrees with Jarvis (2000) which suggests that career development practices are function of human resource management that develop the work life and identify competencies of employees for future position in an organization.

Career counseling is a component of human resource policy. this finding also correspond with a quoted in the literature review by Career Guidance Policy Review (2003) which defines career counseling policy as services and practices in human resource management which are intended to assist employees in various position and at any point throughout their professional lives to make educational, training and occupational choices in their careers path. Moreover this finding also agrees with the literature by Watts, (1996).

Which suggested that, since employers will increasingly draw up structured career management programs, people need to be more reliant on their own career self-management in line with organization objectives?

Section for discussing career development. This finding agrees with what is stated in the literature review by (Hall) 2000 which states that manager's responsibilities include: giving clear feedback about what employees should reasonably expect; providing forums for discussions; providing support and opportunities; identifying employee potential; providing growth opportunities consistent with employee and organization goals; communicating the formal and informal realities of the organization; providing exposure for employees; and linking employees to appropriate resources and people.

Training programs tailored to career development. This finding concurs with a quote in the literature by Ramakrishna (2002) which stated that banks have career development practices such as career planning which is the individual growth alongside the organizational growth, upholding and educating leadership, ensuring cross-functional participation, providing learning and growth opportunities, leaving space for vertical growth, career mapping and succession planning which will result in a world class working environment that motivates people to work better and stay in the organization.

Upgrading of staff skills through higher education. This finding concur with what is stated in the literature by O'Donnell (2007) which states that career development practices in commercial banks such as training, career planning, and succession plan have the potential to improve and sustain organizational performance. These practices include

emphasis on employee career planning based on fit with the company's culture, emphasis on behavior, attitude, and necessary technical skills

Policy on career growth. This finding agrees with the literature review stated by Aberdeen Group, (2006). Which that this practice depend on training needs analysis to determine what training is need for capacity building of employees to up key position in the organization. Companies need to upgrade and redefine their succession planning practice on growth which entails both on and off the job training program to ensure that their process will benefit both the individual and the overall strategy of the company.

Employees prepare programs to achieve career objectives. This finding concurs with a quote in the literature by Edgar Schein (2003) career planning is a career development practice which involved continuous process of discovery in which an individual develops his own occupational concept as a result of skills or abilities, needs, motivations and aspirations of his own value system.

Promotion base on career development. This finding agrees with a reference in the literature by Balaji (2004) emphasizes on the practice of providing internal promotions so as to create a feeling that career development offers good career growth opportunity which, in his opinion, will motivate employees to remain in the industry.

Staff undertake professional program to realized career objective. This finding concurs with a passage in the literature review by Hailley (2006) which states that every person is a teacher and student, an approach that has influence some contemporary western model in terms of self development in terms of training with is a short term and development which is a long term.

Career planning part of training content allocation this agree with a reference in the literature by Kleinknecht & Hefferin (1982) which stated that it is a career development practice which entails a continuous process of self assessment and goal setting of both the employee and employer in meeting the organization objective. Career planning practice is seen as a very systematic and comprehensive process of targeting career development practice and implementation of strategies, self assessment and analysis of opportunities and evaluates the results. The career planning practice process involves both the organization and the individual responsibility. Thus, the individuals must identify their aspirations and abilities, and through assessment and counseling to understand their needs of training and development; in terms of the technical skills and education advancement needed.

Existence of career monitoring system. This finding agree with a quote in the literature review by Murray (1998) mentoring is a career development practice which entails helping and supporting people to manage their own learning in order to maximize their potential, develop their skills, improve their performance and become the person they want to be in alignment with organization objective. Mentoring has been practiced in different cultures for hundreds of years. But it is only recently that mentoring has been a career development practice rediscovered by the private sector, and now by the civil society sector, as a mechanism for leadership development.

Leave for career development. This finding agree with a quote in the literature review by Watts A.G. (1996) stated that Development focus on the long term to help employees prepare for future work demand. This career development practice is a learning opportunity design to help employees grow, however it is not limited to improving performance on a current job. Career development practice also involved professional

certification programs of employees by respective international professional body and must be given time off.

Career development part of human resource hand book. This findings concurs with a reference in the literature review by Redekopp and Jarvis (2000) suggests that career development practices are function of human resource management policy that develop the work life and identify competencies required by individual staff to manage their career objective which should be in line with organization objective.

Frequent monitoring of staff career development progress. This practice is in line with a finding in the literature review by Murray (1998) mentoring is a career development practice which entails helping and supporting people to manage their own learning in order to maximize their potential, develop their skills, improve their performance and become the person they want to be in alignment with organization objective.

Aligning of career development with bank objective. This finding concur with the literature review by O'Donnell (2007) which state that career development practices in commercial banks such as training, career planning, and succession plan have the potential to improve and sustain organizational performance.

The is a human resource officer responsible for career planning. This finding is in according with a quoted in the literature review by Kleinknecht & Hefferin (1982) stated career development practice which entails a continuous process of self assessment and goal setting of both the employee and employer in meeting the organization objective.

The study also found that some of the human resource career development findings were undecided. For instance; equal opportunity for career development for each staff, Career growth path for each employee, career growth path discussed with each employee for promotion. All these findings were undecided by the respondents. However, the study found some of human resources career development practice findings being disagreed with. For instance; planning career fore cast for each employee and incentive for career development of each staff. All of these findings were disagreed with by the respondents.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary

The study established that majority of the commercial banks operating in Kenya were privately owned. Some of them are multinational corporations with parent companies outside Kenya. These privately owned commercial banks are therefore not dependent on the government in making various decisions facing them including those dealing with career management. There were however a few commercial banks that are jointly owned by the government and the public. These are commercial banks where the government of Kenya has substantial shareholding and it is likely to influence the decisions that are made at various levels in the banks. It was also found out that most of the banks have less than 100 employees an indication that they are likely to be single branch commercial banks.

It was confirmed that some commercial banks in Kenya have in place career development paths for each of their employees. Some of the commercial banks were however found not to have such a plan in place for their employees. This was an indication that there are a number of commercial banks which do not take with seriousness issues related to career planning and development. Among the banks involved in the study, most of them agreed that they discuss employee career paths with their staff. This assists the staff to make correct decisions concerning their career growth objectives. Most of the banks also confirmed that career development practice is a core human resource function that must be given much time and resources.

The study established that most banks have as part of their policy developing of employees to fill future positions that may arise. This was a clear indication that they took career development with a lot of seriousness. There are also a number of banks which do not bother to develop employees for future positions. Established also was the fact that banks facilitate career discussion to enable their staff to gain more insight into career growth and development.

Most of the commercial banks in Kenya were found to have someone who is directly responsible for career development matters. This person handles all staff issues concerning career growth and development. Employees in commercial banks are encouraged to upgrade their skills by pursuing higher education. They are also required to undergo professional training as one way of assisting them to achieve their career goals and aspirations. It was however clear from the study that most of the banks do not forecast for care development for the employees. The employees seem to be doing their own career development forecast. There was evidence from the findings that commercial banks tailor their training programs towards career development of their employees. However, not all of them did this since there are quite a large number of commercial banks who are yet to embrace the practice.

The human resource policy for most commercial banks in Kenya was found to have as part of its content issues to deal with career counseling. Employees are guided on how to make credible decisions concerning their career paths. A good number of commercial banks were also found to have as part of their human resource policy issue to do with career planning. It was also established that career development is largely viewed by

most commercial banks as a sole employee responsibility. The banks however provide leave to the employees so that they can engage in career development activities and family matters.

Equal opportunity for career development seems to be undecided with all the respondent strongly agreed and disagree respectively with the same percentage among commercial banks in Kenya. The findings clearly revealed that equal opportunity is an uncertain career development practices among commercial banks in Kenya. It was also found out that commercial banks do consider with seriousness the career growth and aspirations of employees who are promoted to fill vacant positions within the organization. While majority of the banks did consider the career growth objectives, a large number did not leaving room for wrong job placements.

It was clear from the study that the appraisal process of most commercial banks incorporated various aspects of career development. Employees are also appraised on how much they have achieved in terms of career growth and development. Liaising with educational institutions was also found to be one of the ways of improving career development awareness among employees of commercial banks. Trade unions have also not been left behind on career development issues. It was established that commercial banks also negotiate career development issues with representative trade unions and they factor this into the collective bargaining agreements.

Most of the commercial banks indicated that career development was such an important concept to be left out of their human resource handbook. This therefore implies that most of the banks have issues to deal with career development clearly outlined in their human

resource handbook. The human resource newsletters of most commercial banks were found to be highlighting career development issues. The study also established that the banks also maintain detailed training records for staff to enable them monitor continuously the career development progress for each employee in the bank. The employees are also required to align their career development objectives with company goals.

5.2 Conclusion

There are several career development practices that are evident among commercial banks in Kenya. These practices include: Existence of career growth information for employees, treating career development as a core HR function, practicing career counseling, incorporating career growth into the appraisal process, encouraging employees to pursue higher education as a way of uplifting skills, undertaking of professional programs by employees to assist them achieve career objectives, allowing employees leave for career development and family engagement, having a career monitoring system in place, including career planning as part of human resource policy, negotiating career development with representative trade unions, including career development as part of HR handbook, highlighting career development issues in Hr newsletter, having in place a system of monitoring career development as well aligning individual career objectives with bank goals.

A few practices were found not to be common among commercial banks in Kenya as far as career development is concerned. These include equal opportunity for career development; tailoring training programs towards career development; forecasting for

employees their career development plans and not having in place a policy governing career growth.

5.3 Recommendations

There is evidence from the study that a large number of commercial banks do tailor their training programs to address career development issues that deals with employees immediate deficiency. However there is need for other commercial banks which is in the minority to review their training programs so that they can be able to fully address career development issues among their employees.

Equal opportunity seems to be undecided among commercial banks in Kenya. Equal opportunity is important not only in banks but in all organizations. Commercial banks need to review their human resource policies to ensure that the aspect of equal opportunity is well addressed.

5.4 Limitation of the study

The study experienced some limitations from respondents who could not fill in the questionnaire for fear that information provided will be leaked to their competitors. Moreover, head of human resource department were either away or lock out in meetings. In some banks information could not be share base on policy.

5.5 Recommendation for Further Research

There will be need to conduct a comparative study to compare career development practices among commercial banks in Kenya and Commercial banks in Liberia. This will assist in coming up with similarities and differences.

A study needs to be conducted to establish the reasons why equal opportunity is not prominent among commercial banks in Kenya. The study will help improve the concept of equal opportunity.

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APPENDIX I: INTRODUCTORY LETTER

APPENDIX II: QUESTIONNAIRE

Section 1 Demographic Data

(1) Name of your

bank.....

(2) Kindly indicate how long you have worked for the bank

.....
.....

(3) Ownership of the bank (kindly Tick the appropriate one)

Privately owned []

Owned by government []

Owned partly by government and partly private []

(4) What is the number of staff in your bank

[] below 100 [] 100 – 150 [] 150- 300 [] above 300

SECTION B: CAREER DEVELOPMENT PRACTICE

This section will collect data and information on the company’s career development practices

Using a scale of 1 – 5.

Please indicate the extent to which you agree or disagree with each of the following statements.

1 = **Strongly agree**

4 = **Disagree**

2 = **Agree**

5 = **Strongly disagree**

3 = **Neither agree or disagree**

NO	Statement	1	2	3	4	5
1	The bank has career growth path for each employee.					
2	The bank discusses career plans with staff before decisions are taken on what is appropriate for both parties.					
3	Career development is a core function of the human resource department.					
4	Developing staff for future positions in an organization is a human resource policy.					
5	The bank facilitates career talk for each staff.					
6	The bank has a dedicated officer responsible for career planning for staff.					
7	Career counseling is a fundamental human resource policy in the bank.					
8	The bank dedicates formal sessions for discussing career development of each staff.					
9	Training programs are defined for staff career Development.					
10	Upgrading the skills of employees through higher education is a valuable human resource policy.					

No	statement	1	2	3	4	5
11	The bank has policy that governs career growth for staff.					
12	The bank prepares career forecast for each employee.					
13	The bank requires every employee to prepare career objectives and target.					
14	The bank requires each employee to prepare programs intended to realize their set career objectives (target).					
15	Promotion is based on career development.					
16	The bank requires staff to undertake professional development programs to improve their capacity.					
17	A time frame is set for staff promotion.					
18	Career planning is part of the staff training content.					
19	The bank allocates resources to cater for career need of staff.					
20	The bank gives incentives to staff for career achievement.					
21	The bank has linkage with educational institution for employee career development.					
22	Career growth is part of the performance appraisal program.					
23	The bank has career monitoring system for each staff.					
24	The bank negotiates career related issues with trade unions representatives during collective bargaining.					
25	Career growth is the sole responsibility of the employee.					
26	The bank allows staff leaves for career development activities.					
27	The bank allows staff time off for family engagements.					
28	The bank requires staff to give projections of career interest.					

NO	Statement	1	2	3	4	5
29	The bank gives equal opportunity for career development to all staff.					
30	The bank provides guidance to staff on career related rights and obligation in the staff hand book.					
31	The bank includes career development related issues in staff news letter.					
32	Career development from part of the human resource policy hand book.					
33	Detailed training records are kept for each employee.					
34	All employees' career development progress is monitor frequently for performance improvement.					
35	Career development is aligned with the bank objective.					

Any other relevant comment (please provide details)

APPENDIX III: COMMERCIAL BANKS IN KENYA

COMMERCIAL BANKS IN KENYA	
1	African Banking Corporation Ltd.
2	Bank of Africa Kenya Ltd.
3	Bank of Baroda (K) Ltd.
4	Bank of India
5	Barclays Bank of Kenya Ltd.
6	CFC Stanbic Bank Ltd.
7	Charterhouse Bank Ltd
8	Chase Bank (K) Ltd.
9	Citibank N.A Kenya
10	Commercial Bank of Africa Ltd.
11	Consolidated Bank of Kenya Ltd.
12	Co-operative Bank of Kenya Ltd.
13	Credit Bank Ltd.
14	Development Bank of Kenya Ltd.
15	Diamond Trust Bank Kenya Ltd.
16	Dubai Bank Kenya Ltd.
17	Ecobank Kenya Ltd
18	Equatorial Commercial Bank Ltd.
19	Equity Bank Ltd.
20	Family Bank Limited
21	Fidelity Commercial Bank Ltd
22	Fina Bank Ltd
23	First community Bank Limited
24	Giro Commercial Bank Ltd.
25	Guardian Bank Ltd
26	Gulf African Bank Limited
27	Habib Bank A.G Zurich
28	Habib Bank Ltd.
29	Imperial Bank Ltd
30	I & M Bank Ltd
31	Jamii Bora Bank Limited.
32	Kenya Commercial Bank Ltd
33	K-Rep Bank Ltd
34	Middle East Bank (K) Ltd
35	National Bank of Kenya Ltd
36	NIC Bank Ltd
37	Oriental Commercial Bank Ltd
38	Paramount Universal Bank Ltd
39	Prime Bank Ltd
40	Standard Chartered Bank Kenya Ltd
41	Trans-National Bank Ltd
42	UBA Kenya Bank Limited
43	Victoria Commercial Bank Ltd

Source: [http://www. Centralbank.go.ke](http://www.Centralbank.go.ke)