

**PERCEIVED RELATIONSHIP BETWEEN TRAINING AND  
DEVELOPMENT PRACTICES AND EMPLOYEE PERFORMANCE AT  
KENYA COMMERCIAL BANK IN KENYA**

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## DECLARATION

This research project is my original work and has not been submitted to any college, institution or university other than the University Of Nairobi School Of Business for academic credit.

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This research project has been submitted for examination with my approval as the  
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Florence Muindi

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## **DEDICATION**

This work is dedicated to my mum and dad who have laid a solid foundation of my education and their tireless efforts in seeing me through with love and support throughout the period of study.

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## **ABSTRACT**

Training and development of employees is becoming an optimal answer to complex business challenges, and the management of human resources is taking central role in modern management. Through the process of employee training and development, the management of human resources provides constant knowledge innovation, creates conditions for mutual knowledge and experience exchange and proactive behavior, in this way contributing to competitive advantage and satisfaction of all participants in business procedures. This study was guided by one research objective which was to find out the perceived relationship of training and development on employee performance among employees at the Kenya commercial bank. A descriptive survey design was used. The population of study was all employees currently employed in Kenyan branches by Kenya commercial bank. Simple stratified random sampling was used to collect the data from the different employees. Data was collected using a semi structured questionnaires and was analyzed using means, frequency and standard deviation. Findings of the study revealed that training and development was perceived by the employees at Kenya commercial bank as key in their performance. The programs prepared the bank employees to work together in teams, have given them accuracy in processing their work and knowledge in aspects of quality. Trainings have also enlightened them on what is expected of them in their various departments and this has not only helped in the elimination of job discrepancies but has also helped to minimize risks as well as to ensure harmony and consistency across the entire team. The trainings that are given upon rolling out of new products and services and other technological changes such as adoption of new systems has also helped the bank employees to deal with the changes better. The trainings also helped the employees to tie their personal efforts toward attainment of the entire organization's mission and vision and work hard towards attaining this. The study suggests that frequency of administering the training and development programs should be increased to ensure that employees are well equipped and refreshed always in terms of skills and knowledge of work performance. It also suggests that time for offering these programs should be before employees embark on certain roles so as to give relevance to the programs. More channels for giving feedback should be added to what is currently present and employees should be encouraged to use them. Further research can incorporate training and development studies in other banks in Kenya. The field of human resources practices is very extensive. Other variables other than training and development can be looked at and their impact on employee performance evaluated.

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the study

Productivity and efficiency are key issues in any organization. Human Resource Development is the integrated use of training and development, organization development, and career development to improve individual, group and organizational effectiveness (McLagan, 1989). It is a process of developing or unleashing human expertise through organization development and personnel training and development for the purpose of improving performance. Human Resource Development activities are normally seen as three diverse functions which are training, development and education. The impact of training and development has been given significant attention by senior managers, human resource officers and industrial psychologists. Consistent employee performance in any organization has proven to be an issue of concern in several organizations globally. (Shamsuzzoha&Shumon,Undated). Furthermore, the ultimate aim of every training and development program is to add value to human resource. Any training and development program that would not add value should be abandoned. Organizations should therefore make training and development of their employees a continuous activity.

Arnoff (1971) observes that training and development foster the initiative and creativity of employees and help to prevent manpower obsolescence, which may be due to age, attitude or the inability of a person to adapt him or herself to technological changes. According to Obisi (2001) training is a process through which the skills, talent and knowledge of an employee is enhanced and increased. He argues that training should take

place only when the need and objectives for such training have been identified Scott, Clothier and Spriegel (1977) agree that training is the corner-stone of sound management, for it makes employees more effective and productive. They argue that training is actively and intimately connected with all the personnel and managerial activities. It would be difficult for a new employee to grow on the job and become a manager without adequate training and development.

Therefore, since employees are responsible for almost 99% of the work that is to be done in a particular organization that cut across customer care, production of quality products as well as taking care of short and long-term events of the organization. It therefore necessary to embark on proper training of workers at all levels in order to ensure they reach maximum potential in service delivery. A well trained employee will always keep his/her job longer than the one who has not undertaken any course. This comes to the conclusion that provision of new skills and information is imperative for efficient employee performance.(Zaccarelli 1997). Management sees it easy to inspire high performers to achieve firm targets. (Kinicki and Kreitner, 2007). The employee could be only satisfied when they feel competent to perform their jobs. This is realized through better training programs. Being aware of the role of training practices allows the management to create better working atmosphere that eventually improves the performance of the staff.

### **1.1.1 Concept of Perception**

Perception is the process in which people select, organize and interpret information gathered by their senses in order to understand the world around them (Fluker and Turner, 2000). Perception according to the Chambers dictionary is the act of being aware of a person's environment through physical sensation denoting the person's understanding ability. Perception is compared to reality for most practical purposes and guides human behavior. Through the process of perception, we gain information about properties and elements of the environment that are critical to our survival. Perception does not only create our experience of the world around us but also allows us to act within our environment. Furthermore, Chang (2005) defines employee perception in human resource management as the expression of the beliefs that the employee has about human resource management practices in the organization.

According to McConnell (1994), perceptions to an employee are as vital as reality. The employee believes and acts on what he/she perceives. Employee perceptions are formed by several factors such as organizational roles, communication styles, working conditions and supervisory approaches. These perceptions cannot be disregarded, even when they seem inaccurate, as they are factual to the employees. Additionally, perceptions can be controlled to a great extent through close supervision. The supervisor should be alert of the consequences of perception, and learn the situations that are likely to cause wrong perceptions. The supervisor should have the ability to handle employee perceptions carefully and constantly approach perception as the employees recognize it. Employee perception can make a big difference in the quality of an organization. Positive

perceptions increase the chances of an employee being productive and remaining in one work place for a long time. Negative perception of an organization results to employees seeking jobs at other places (Sola, 1997).

Otara (2011) argues that within organizations, both managers and employees' perception which relates to the way people interpret their experiences, dictates the climate and effectiveness of the work environment. The managers should be able to realize that each employee has different perceptions. People always do that which they perceive serves their values, meaning there is a time difference from when the brain considers the behavior and when the behavior occurs. This processing going on during this time period is what is seen as perception. In organizations, it is very hard to accomplish goals and objectives when employees and employers have very strong differing perceptions on various jobs and tasks.

### **1.1.2 Training and Development Practices**

Training and employee development are activities that are majorly a part of human resource development. Training refers to the technique used to guide employees on the skills and knowledge required to perform their duties. It could mean showing a mechanic how to operate a new machine, a new salesman how to sell firm's products, or a new supervisor how to interview and evaluate employees' performance (Dessler, 2001). Training could also refer to the planned attempt by the organization to facilitate its employees learning of job related knowledge, behavior and skills (Dennis and Griffin, 2005). The goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day to day

activities. Training is viewed as a valuable means of coping with changes brought about by technological advancement, market competition, organizational structuring and most importantly it plays a vital role to improve employee performance.

Development is a continuous, formalized process by the organization focusing on enriching the organization's human resources for the benefit of both employee's and organizations needs (Byars and Rue, 2004). In addition, it involves continuous learning by employees, seeking opportunities, taking risks and looking for ways to benefit the organization productively and in a motivated way. Development is seen as any learning activity directed towards future needs rather than present needs, and which is more concerned with career growth than immediate performance. The focus on development tends to be primarily on the organizations future manpower requirements and on growth needs of individuals in the workplace.

Training and development thus involves a deliberately planned process that is conducted in a systematic manner aimed at improving employees' performance. It is a tool that is used to enhance the individual's performance as well as the success of the company. Bassi and Van (1998) state that investment of an organization in human capital through training and education of its employees is therefore an important element of competitive strategy. Many companies are embracing continuous learning together with other aspects of training and development in order to ensure they have a pool of highly skilled workforce and promote growth of employees. Though used together, the terms training and development are very different in terms of the scope of application of the two

practices in that while training is basically more present-day oriented, development targets on future jobs in an organization.

Training is different from development in that the latter is concerned with only improving job performance but also the growth of the personality as well. Thus, individuals not only mature regarding to their potential capacities but they also become better individuals during development. Development therefore, involves a wide continuous multi-faceted cluster of activities (training activities also included) aimed at getting someone or an organization to another level of performance, often to perform a job or a new role in future (McNamara, 2008).

Development focuses on activities that the organization employing the individual, or that the individual is part of. Development may occur in future and it takes a longer period of time, normally more than one year for it to be felt in an organization. Activities involved in development of employees include mentoring, job enlargement, peer consultations, performance appraisals, transfers and promotions. Mentoring is where an experienced senior employee, helps develop a less experienced employee and most mentoring relationships develop informally as a result of interests shared by both mentor and trainee.

Job enlargement refers to tasks addition to employee but at the same level of skill and responsibility (Derrick, 1985). Challenges and responsibilities are added to employee's current job. Performance appraisals are a measure of employee's general productivity and are important in employee development as they give them information about their



performance problems and ways of improvement. In transfers, the employee gets different job assignments within a different area of an organization while promotions are advancements into positions that have more challenges, responsibilities and more authority than previous job with increased pay.

Development stems from impressive performances over time in an organization. Employee development is one of the key functions of Human Resource Management. It is meant to develop the abilities of an individual employee and organization as a whole. There is a direct link between employee development and employee performance. When employees are more developed, they become more satisfied and committed to the job. The performance is increased and hence organization effectiveness (Champathes, 2006).

### **1.1.3 Employee Performance**

Performance is the accomplishment of particular task measured against predetermined or identified standards of accuracy, completeness, cost and speed. Cooke (2000). In an employment contract, performance is deemed to be the achievement of an assignment laid down under the contract. Efficiency and effectiveness are components of performance as measured by the standards set by the organization. Employee performance is related with quantity of output, timeliness of output, quality of output, attendance on the job, efficiency of the work finished and effectiveness of work completed. Mathis & Jackson (2009). Performance is the achievement of a given duty measured against predetermined principles of accuracy, completeness, cost and speed.

The performance of any organization is dependent on the quality of its workforce. There are some expectations from the employees regarding their performance. When they perform up to the set standards and meet organizational expectations they are assumed to be good performers. The general view is that employee's performance is influenced by such factors as salary, training and development both on the job and off the job; working conditions among others (Obisi 2011). Recruiting and selection of employees with high potential is not a guarantee that they will perform with effectiveness. If they do not have the knowledge of what to do or how to do it then can never perform effectively even if they wanted to. Therefore, organizations need to train and develop employees so as to equip them with the know how of what and how to do things for effective performance. Good performance is vital for the going- concern of any organization. Poor performance may lead to capital losses and eventually the collapse of an organization.

Employee performance is higher when workers are happy and content. The performance of employees is generally rated in terms of output. According to Kennedy et al. (1992), employee performance is measured against performance standards that are set by the organization. When measuring performance, a number of factors are taken into account, for example productivity, efficiency, effectiveness, quality and profitability. Profitability is the earning of profits consistently within a given period of time. Stoner, (1996) describes efficiency as the ability to produce expected results using minimum resources as possible while effectiveness refers to ability of employees to meet desired objectives. Productivity is the ratio of output produced to that of input used. It is also a measure of how much output is produced per unit of employed resources (Lipsey, 1989). Quality,

according to Stoner, (1996) is increasingly achieving better products and services at a progressively more competitive price.

#### **1.1.4 Kenya Commercial Bank (KCB)**

Kenya Commercial Bank as one of the top ten performing banking organizations in Kenya dates back to 1896. Kenya Commercial Bank is the leading bank in Kenya in terms of coverage with 168 branches locally and a global network of 222 branches. It also has approximately 5000 employees (KCB Sustainability Report 2012). Kenya Commercial Bank has a wide bank network in Eastern Africa operating in Kenya, Uganda, Tanzania, Rwanda, Sudan and the latest entrant of Burundi. To achieve its vision as the preferred financial solutions provider in Africa, Kenya Commercial Bank has embarked on training its staff in order to ensure efficiency in service delivery. In this spirit, Kenya Commercial Bank established a training facility called Leadership centre in Karen; Nairobi. The main role of this centre is to upgrade employee skills and invest in international exposure opportunities to give them that valuable insight into global best practices. Kenya Commercial Bank also has a mission statement which is “To drive efficiency whilst growing market share in order to be the preferred solutions provider in Africa with global reach” The bank strives to derive efficiency of its employees through the training and development programs that it offers. The core values of Kenya Commercial Bank include “putting the customer first, working together as a team, being professional in everything we do, willingness to change, caring for the community”. These core values aid the bank in living up to its mission and in the long run will help it to achieve its vision.

## **1.2 Research Problem**

Human resource development is vital in any institution. It enhances employee skill of the job undertaken and also motivates employees as it gives assurance and confidence to employees on the duties undertaken. The role of employee training and development as a way of gaining competitive advantage has been given the needed attention in literature. Although researches in human resource management reveal that hiring the right employees improves firms performance (Schmidt et al. 1986), employee training greatly increases and sustains organizational performances therefore, creating values and building capabilities for sustained organizational performance is the basis for every training. Insightful leaders and organizations recognize that training and development is a valuable tool for personal and professional development and therefore set some sort of an annual training budget.

Kenya Commercial Bank mostly employs graduate trainees who have no prior experience in banking assignments. This phenomenon actually forces the bank to continuously train its workers to acquire the necessary skills required for the job. Kenya Commercial Bank trainee program offers graduates hands-on experience in banking by assigning different roles to them. Various opportunities are available to employees for completion of business driven projects during placement or for them to specialize in particular areas like retail banking, corporate services, marketing, customer service etc. In Kenya Commercial Bank, human resource department is responsible for ensuring learning and development of its employees and thus organizes for the necessary training needed. This is done

through the talent management unit of human resource department. The bank has a training school in Karen known as the Kenya Commercial Bank leadership Centre. The main role of the centre is to upgrade employee skills and invest in international exposure opportunities to give them that valuable insight into global best practices. To realize this, the bank offers internal training courses, and provides funding support for external training or education. By the end of the every year, every employee is expected to have covered a certain number of hours or days on training and development. The average training days / hours are computed based on all staff. The average learner days per staff are 5.97 or an average of 47.76 hours per staff. Kenya Commercial Bank offers both on the job and off the job training for its employees. For on the job training, an employee is taken through various departments in the bank whereby he/she is able to sit with an experienced employee observing what they do in regards to the tasks in question then after some time they are allowed to role play in that department. Kenya Commercial Bank also offers off the job training in which it gives employees class training sessions in the training school at Karen and e-learning courses. Every employee is supposed to identify training requirements he/she might require at the beginning of every year whereby these needs are forwarded to the human resource department for planning on the specific times to allocate the employees training in the training Centre.

There are a few studies in that have been done on training and development but none has focused on Kenya Commercial Bank. Wanyama & Mutsotso (2010) conducted a study in Kenya on the relationship between capacity building and employee productivity on performance of commercial banks and concluded that indeed both the elements of capacity building and employee productivity have a positive correlation to organizational

performance. Also, Musili (2010) studied the perceived effectiveness of training and development on employee performance among in-flight attendants in Kenya airways and her findings revealed that training and development was perceived by the in-flight attendants as key to their performance. Furthermore, Obisi (2011) investigated the effect of employee training and development in Nigeria and found that training adds value to performance of employees in form of efficiency in performing tasks assigned to them. Mohamed (2006) also did a study on training in commercial banks in Kenya but his focus was on the training services that banks outsource and why. So far, no study has been done on the relationship between training and development on performance, particularly at Kenya Commercial Bank. Therefore, there is a knowledge gap which the current study purposes to fill as all of these studies have focused on different organizations. It is therefore imperative to do a research to show the relationship between training and development and employee performance in KCB.

### **1.3 Objective Of The Study**

The objective will be to determine the perceptions of employees on training and development in relation to their performance in Kenya Commercial Bank.

### **1.4 Value Of the Study**

This study will be of great value to Kenya Commercial Bank as it will give insight as to whether employee training and development adds on employee performance and thus enable the organization to take necessary action for improvement of overall

organizational performance. The results will help the bank to know if any improvements can be employed in order to give its employees the right skills needed for their job.

The study will also give employees at Kenya Commercial Bank a chance to give suggestions on the kind of training and development plans that they would love for the bank to implement such that they may be well equipped in terms of skills and knowledge which in the long run will be of benefit to the organization once these ideas are put into action.

Policy makers will be informed on the impact training and development practices have on the employees' performance based on the findings of this study and thus incorporate these activities into the organization's practices and policies in order to administer success of the organization. Scholars and researchers will also benefit from findings of the study as it will offer them a point of reference in their work. The study will also give those who will undertake similar studies an opportunity to build on its literature and also to work on different variables at Kenya Commercial Bank.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

Human resource management has emerged as a set of prescriptions for managing people at work ( Betcherman etal, 1998). Its central claim is that by matching the size and skills of the workforce to the productive requirements of the organization and by raising the quality of individual employee contributions to production, organizations can make significant improvements on their performance. Training and development is a method used to enhance individual productivity as well as a company's success. An organization's investment in human capital through the education and training of its members is therefore a central component of competitive strategy (Bassi & Van, 1998). Learning and development focus on different aspects of employees as argued by Lee (1996). Organizations can adapt different techniques of training according to their requirements. Some techniques involve only acquisition of knowledge, some focus on skill development of staff, others focus on sentimental aspects of employees and their relationship to others. This section would deal with a review of relevant literature on the following topics: What is training and development as HRD activities, and also on the discussion of the various training and development activities.

### **2.2 Theoretical foundation of the study**

This study will be guided by both learning theory and human capital theories. For an organization to efficiently achieve its goals, it has to manage properly the human resource available. According to Armstrong (1996), human resource management in many



organizations is the focus for a wide ranging debate concerning the nature of the contemporary employment relationship. Therefore managing human resource is one of the key elements in the coordination and management of work organizations. In the era of technological change over time, new ways of creating and delivering goods and services are always discovered. But whatever means used, human resource is still required to ensure the interest of both employees and employers is met.

Learning in the workplace is very important as it influences the way training and development is approached. Learning is the process of acquiring knowledge, understanding, skills and values in order to adapt to the environment in which we live. (Gayne 1996). Several theories relating to how people learn exist and each theory relates to different aspects of the learning process. The reinforcement theory emphasizes that people are motivated to perform or avoid certain behaviors because of past outcomes that have resulted from those behaviors. From a training perspective, reinforcement theory suggests that for learners to acquire knowledge, change behavior, or modify skills, the trainer needs to identify what outcomes the learner finds most positive and negative. Trainers then need to link these outcomes to learners acquiring knowledge, skills and changing behavior.

The social learning theory emphasizes that people learn by observing other persons (models) whom they believe are credible and knowledgeable. This theory also recognizes that behavior which is reinforced or rewarded tends to be repeated . Goal theory assumes that behavior results from a person's conscious goals and intentions. Goals influence

behavior by directing energy and attention, sustaining effort over time, and motivating the person to develop strategies for goal attainment. Need theory helps explain value that a person places on a certain outcome. A need is a deficiency that a person is experiencing at any point in time. Need theories suggest that to motivate learning, trainers should identify trainees' needs and communicate how training program content relates to fulfilling these needs (McGraw-Hill 1996).

Another theory guiding this study on training and development is the human capital theory. Schultz, (1961) defined human capital theory as the knowledge and skills obtained by people as capital in the process of vocational and technical education. Human capital theory shows that individuals and the whole society gain economic benefits from investments in people (Sweetland, 1996). The emphasis of human capital theory is how education adds on efficiency and productivity of workers by increasing level of cognitive stock of economically productive human capability which is a product of innate abilities and investment in human beings (Olaniyan and Okemakinde, 2008).

Investing in human capital, just like investing on physical capital is vital in adding to productivity of individuals in terms of labor. This develops the labor force both qualitatively and quantitatively, mainly because a qualified labor force increases productivity and brings investments to entrepreneurship. Becker, (1993) recognized that education and training are the most important components of human capital investment and that the income of a better educated and trained person is normally higher than the average wage rate. Dubra, (2010) further adds that there are three types of training or

education closely related to return rate and human capital which are: education at school, training at work place and other knowledge.

Education at school gives one knowledge in the institution that concentrates its activity on training process and offers education as a product. Training at work place gives new skills and improves gained skills at workplace. Other knowledge includes any other information obtained by the individual to improve their own economic situation. Black and Lynch (1996) citing Bishop (1994) did a study in America on the impact of human capital investments such as employer-provided training and development, and concluded that training and development raises subjective productivity and performance by almost 16%. Furthermore, Black and Lynch (1996) citing Bartel (1989) stated that returns on training and development investments increase productivity by 16%.

### **2.2.1 Training Practices**

The changing technology requires employees to be able to cope with the new ways of service delivery. Cole (2002) stresses that training can achieve high morale, reduction in cost of production, low turnover, change management, improve availability and quality of staff and give a feeling of personal satisfaction and achievement, and broaden opportunities for career progression. Krietner (1995) states that no matter how carefully job applicants are screened, typically a gap remains between what the employees do know and what they should know. An organization which desires to gain the competitive edge in its respective industry, needs among other things, extensive and effective training of its human resources.

Training is therefore a key element for improved organizational performance as it increases the level of individual and organizational competences. Staff training can either be on the job which is carried out at the workplace or off the job which is done away from employees' work place (Mullins, 2007). On the job training techniques include: job instruction, role playing, coaching, apprenticeship etc. Job instruction is a method employed in manual and some clerical jobs, by which trainees systematically acquire routine instruction in key processes from a qualified instructor.

Coaching refers to a form of management training in which a manager through direct discussion and guided activity, helps a colleague to learn to solve a problem, or to do a task better. (Megginson and Boydell, 1979). Furthermore, Radcliffe (2005) describes coaching as management techniques requiring the manager to assist others learn instead of giving them answers. In addition, Myles(2000) states that for coaching, the coach who is the manager does not want to be regarded as provider of solutions but a facilitator who gives way for the team members to achieve the objectives in their careers. Role playing is whereby trainees act out characters assigned to them. Information regarding the situation like work or interpersonal problem is provided to the trainees. For role plays to be effective, trainers need to engage in several activities before, during, and after the role play. Before the role play, it is critical to explain the purpose of the activity to the trainees. This increases chances that they will find the activity meaningful and be motivated to learn. During the activity, trainer needs to monitor the time, degree of intensity, and focus of the group's attention. At the end of the role play, debriefing is

critical which helps trainees understand the experience and discuss their insights with each other.

Apprenticeship is a work study training method with both on the job and classroom training. Apprenticeships can be sponsored by individual companies or by groups of companies cooperating with a union. Majority of apprenticeship programs are in the skilled trades like plumbing, carpentry, electrical work, and brick laying. First, the employer verifies that the trainee has the required knowledge of the operation or process. Next, the trainer demonstrates each step of the process, emphasizing safety issues and key steps. The senior employee provides the apprentice with the opportunity to perform the process until all are satisfied that the apprentice can perform it properly and safely. A major advantage of apprenticeship programs is that learners can earn pay while they learn.

Off the job training methods according to De Cenzo and Robbins (1996) include classroom instructions, lectures/talks, simulation exercises and case study analysis. In class room training, company classrooms educational institutions are used and staff are taught through audio visual aids. It is mainly used in teaching of new concepts and problem solving skills. In case study analysis, an account of a real or fictional situation is given, and students are asked to suggest answers to a number of practical and theoretical issues raised by the account. The method is useful for giving participants an opportunity to experience problem solving in a relevant context.

Lectures or talks is whereby trainers communicate by spoken words what they want the trainees to learn. The communication of learned capabilities is primarily one-way- from trainer to the audience. In fact, McKeachie et al (1990) concluded that the lecture method is only as efficient as other teaching methods as a means of transmitting knowledge. A lecture is one of the least expensive, least time consuming ways to present a large amount of information efficiently in an organized manner. The lecture format is also useful because it is easily employed with large groups of trainees. However, lectures tend to lack participant involvement, feedback and meaningful connection to the work environment- all of which inhibit learning and transfer of training.

According to Gaba, (2004) simulation is a technique, not a technology, to replace or amplify real experiences with guided experiences, often immersive in nature, that evoke or replicate substantial aspects of the real world in a fully interactive fashion. Simulation exercises include interactive exercises in which trainees practice their skills in mock situations based on real work related situations. This represents a real life situation, with trainees decisions resulting in outcomes that mirror what would happen if they were on the job. Simulations are used to teach production and process skills as well as management and interpersonal skills and allow trainees to see the impact of their decisions in an artificial, risk free environment as simulators replicate the physical equipment that employees use on the job.

### **2.2.2 Development practices**

Development includes the use of job experiences, formal education, relationships and assessment of abilities and personality which assist employees to prepare for the future. It involves learning abilities not necessarily related to employees immediate job development. It enables employees to prepare for different positions in the organization and prepares them to move to jobs which may currently not exist. It helps employees to be ready for changes in their current jobs as a result of new customers, work designs,, new technology or new product markets (Noe, 2001). Several activities are involved in employee development and include: Job experience (which involves enlarging current job, job rotation, transfers and promotions), formal education is also used in employee development.

Assessments are done mainly to identify managers with ability to move to higher levels and can also be used with work teams to identify the strengths and weaknesses of each team member. Most of the organizations combine several approaches together and use them simultaneously. Employee development helps people to utilize the knowledge and skills that training and education gives them in both their current and future positions. It embodies concepts like psychological growth, greater maturity and increased confidence (Price, 2005)

Other practices in employee development are peer consultation, mentoring, empowerment and delegation (Tessema et al, 2006). The most effective development strategies involve individualization, learner control and ongoing support. Caudron

(2000:33) states that individualization makes sure that development efforts are directed at the employee's weaknesses. Personality and interest inventories as well as 360 degree feedback provide information about an employee's interests, values, strengths and weaknesses. Instead of requiring employees to attend courses or workshops, companies should offer a menu of developing options. This might include courses offered in the classroom or on the web, mentoring, discussion groups, support networks and job experiences.

David (2000) states that job rotation is the movement of an individual through a schedule of activities designed to give an employee a wide exposure to entire operations within the workplace. It involves providing employees with a series of job assignments in various functional areas of the company or movement among jobs in a single functional area or department. In addition, North (1992) states that it exposes employees to various experiences and a wide variety of skills that enhance cross training and job satisfaction. Myles (2000), sought to investigate relationship between job rotation and human resource development and found that when there is rotation of employees, an organization gets information on how well different employees fit the different jobs as well as profitability of every job.

According to Alberta's publication "skills by design", mentoring, which tends to be long term is a deliberate pairing of a more skilled or experienced person with a lesser skilled person. For example, a mentor might act as a guide, advisor and counselor at various stages in a person's career. According to Fleenor and Jeffrey (2003), one of the more



important ways that employees can develop is to receive ratings of their performance from their co-workers, bosses, peers, subordinates and others. Known as the 360 degree feedback, this activity is widely used by human resources professionals and in leadership development programs. The raters complete a questionnaire that rates a person on a number of different dimensions thus revealing their strengths and weaknesses. Fletcher et al (1998) states that the 360 degree feedback can be a great influence for development and behavior change. However, if it is gotten wrong, there can be costs to both employee and the organization, thus it needs to be professionally managed.

Empowerment describes taking control of a person's own destiny and seeing it as a way of encouraging employees to have their own ideas from which the company can understand the developmental needs and thus come up with ways of developing employees further to enable them function fully (Lisk, 1996). Cole in his book, "Personnel and Human Resource Management" describes delegation as a power sharing process in which a manager transfers part of his/her authority to another more junior person. The amount of power shared depends on factors such as urgency of the situation, the assessment by the senior person of the subordinate's readiness for power and readiness of the senior person to share it in the first place. It can also be used as a developmental tool to give junior managers the chance to practice or apply new skills in a planned way. Where delegation is backed up by mentoring and support of the senior manager, it is likely to prove a powerful development tool.

## **2.3 Employee Performance**

Gareth (2003), defines performance as a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. Aswathappa (2008) states that performance is basically what an employee does or does not do. Further, he adds that employee performance common to most jobs including quality and quantity of output, timeliness of output, presence at work and cooperativeness results in organizational performance. According to Afshan et al (2012), performance is the achievement of specific tasks measured against predetermined standards of accuracy, completeness, cost and speed. Employee performance is manifested in terms of outcomes. Kennedy et al (1992), states that employee performance is measured against performance standards set by an organization.

When measuring performance a number of measures are taken into consideration and include using productivity, efficiency, effectiveness, quality and profitability measures (Ahuja, 1992). It is a responsibility of managers to ensure organizations achieve desired performance levels (Draft, 1988). Thus, managers have to set desired levels of performance at any given time. Organizations ensure their employees contribute to production of high quality goods and services by the process of employee performance management. This process includes activities which ensure organizational goals are met in an efficient and effective manner.

Performance management is a process that consolidates goal setting, performance appraisal and development into a single, common system aiming to ensure that the

employees' performance is supporting the company's strategic aims (Dessler, 2008). It is a strategic and integrated process that brings sustained success to organizations by improving employee performance and developing capabilities of individuals and teams (Armstrong and Stephens, 2006). It includes all practices through which manager sets employee's goals and tasks, develops employee capabilities, evaluates and rewards the individual's effort all within the framework of how employee performance should be contributing to achieving company's goals. Employee performance is measured through the process known as performance appraisal.

There are several different approaches for measuring performance, including ranking employees, rating their work behaviors, rating extent to which employees have desirable traits believed to be necessary for job success like leadership, and directly measuring the results of work performance eg productivity. The appraisal system must give employees specific information about their performance problems and ways in which they can improve their performance. Appraisals should provide a clear understanding of the difference between current performance and expected performance, identify the causes of the performance discrepancy and develop action plans to improve performance.

Managers must be trained to providing performance feedback and must frequently give employees performance feedback. Managers also need to monitor employee's progress in carrying out the action plan. The key targets to be achieved need to be discussed between the employee and manager so that an employee is genuinely able to commit to the challenge. Criteria to be used are usually a source of discontent, even for both parties.

This criteria needs to be achievable and also measurable, with contingency considerations being taken to account in case of unexpected events affecting employees performance.

Clear performance expectations are critical to teamwork success. No matter what the goal is, whether to develop a departmental team, a project team or team work throughout the company, clear expectations support teamwork success. Clear performance expectations should be used to enable employees develop accountable, meaningful, productive, participatory teamwork (Armstrong, 2003). According to Machel'le (2007), appraisals are a basic performance measure and could either be manager appraisals whereby a manager appraises employee performance and delivers the appraisal to the employee or self appraisal in which an employee appraises his/her own performance. Team appraisal involves members of a team and may hold different positions appraising each other's work while assessment centers involve an employee being appraised by professionals and may evaluate simulated or actual work activities (Truelove, 1998).

## **2.4 Relationship between Training and Development and Employee Performance**

The quality and efficiency of employees and their development through training are key factors in determining long-term profitability and continuity in performance of organizations. According to Huselid (1995) retention of quality employees requires investment in the development of their skills, knowledge and abilities. The purpose of doing that is to realize individual and finally organizational productivity. Usually, training is given to new employees only, which is a fundamental error since the ongoing training for existing employees helps them adjust rapidly to changing job requirements.

Employee training and development plays an important role in improving performance and increasing productivity. This leads to organizations being at an advantage in facing competition and staying at the top. Existing literature presents evidence of the effects of training and development on employee performance. Black and Lynch (1996), citing Bishop (1994) indicates that training and development by employer raises productivity and performance measure by almost 16%. This shows that organizations training employees consistently get better outcomes than those which do not offer training. When an organization invests money in training employees, they get a high sense of worth and also feel more loyal to the company. This in turn gives employees more willingness to work harder and longer to ensure improved performance and that the organization becomes a success.

Evans and Lindsay (1999), argued that organizations whose aim is to provide quality goods and services always invest in training and development. They gave an example of a Motorola and Texas Instruments that provide at least 40 hours of training to every employee quarterly. In addition, Neo et al (2000) stated that only 16% of United States employees receive training and development from their employers. However the increased competition in the market place has made several organizations realize the need to embark on training and development to enhance performance and ultimately profitability of the organization. Armstrong (2006) says that training effectively and development minimizes learning costs, improves individual, team and organization's performance in terms of output, quality, speed and overall productivity, improves operational flexibility as it adds to range of skills employees have, attracts high quality

employees by offering them learning and development opportunities, increasing employees competence levels and enhancing their skills thus enables them have more job satisfaction to gain higher rewards and progress within the organization. It also helps employees to manage change by them understanding reasons behind a particular change and giving them knowledge and skills needed to adapt to new situations. All these help in developing a positive culture within the organization that is oriented towards improving performance and provision of high level service to customers. Training and development has proven to give improved performance and related benefits to employees and also to the organizations, by influencing positively employee performance through development of employee skills, knowledge, ability, competencies and behavior (Appiah 2010; Harrison 2000; Guest, 1997).

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

This chapter provides a description of procedures to be use in carrying out the study. It describes the research design, target population, sample size and sampling procedures, data collection instruments and procedures, reliability and validity of instruments that were going to be used as well as the other data processing and presentation methods/data analysis techniques.

### **3.2 Research Design**

This study will be conducted using descriptive survey design. According to Orodho (2005), descriptive survey can be used to describe some aspects of population like opinions, attitudes and beliefs. Best and Kahn (2005), state that surveys gather data at a particular point in time with the intention of describing the nature of existing conditions. The purpose of this survey is to gather detailed information in order to provide an insight on the relationship between staff training and development and employee performance in KCB.

### **3.3 Target Population**

According to (Kothari, 2004), target population was the larger group to which one is hoping to apply findings. The study will target all 2000 KCB employees working in Kenya for the participation in the research study.

### 3.4 Sample Size

Simple random sampling technique will be used. According to Borg and Gall (1989), a sample size of any study should be based on what a researcher considers being statistical and practicable. For this study, a sample of 299 employees will be selected which will consist of 22 senior managers, 52 middle level managers and 225 clerks Random sampling will be used in selecting the number of branches that will be involved in the study. This will allow all members of the population to have an equal chance of being selected. Stratified sampling technique is to be used, the strata in this case being the different seniority levels of the employees

### 3.5 Sample frame

<b>Strata</b>	<b>Target Population</b>	<b>Sample size 15% of the target population</b>
Senior Managers	150	22
Managers	350	52
Clerks	1500	225
Total	2000	299



### **3.6 Data Collection**

A closed questionnaire will be used in data collection for the study. Questionnaires are ideal for survey study as postulated by (Mugenda and Mugenda, 1999) and they are widely used to obtain information about current conditions and practices and to make enquiries about attitude and opinions quickly and in price form. The research questionnaires will be developed to fit the research design and the plan of data analysis so that the data to be collected will facilitate establishing the perceived relationship of training and development and employee performance. The questionnaire will consist of two sections. Section A will have general demographic information about the respondents like age, sex, grade etc. while section B will cover on perception of employees of training and development on their performance.

### **3.7 Data Analysis**

After the collection of questionnaires, they will be checked to ascertain they are complete and accurate. The data will be coded and entered in the computer for analysis. Both descriptive and analytical approaches were used to analyze the data. To ensure ease of analysis, data derived from the questionnaires will be analyzed and interpreted using mean, frequencies and standard deviation. Data presentation will be done by the use of pie charts and bar charts to enhance the understanding of outcomes.

## **CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS**

### **4.1 Introduction**

This chapter presents response rate, analysis of data, findings and also the discussion. The results were presented in form of frequency distribution, percentages, means and standard deviation.

### **4.2 Response Rate**

The study administered 299 questionnaires to the KCB employees of which 173 were completed and returned. This represents a 58% response rate which according to Mugenda and Mugenda (1999), any response rate of 50% and above is adequate for analysis. Out of the 173 returned, 10 had been filled by senior managers, 22 by middle level managers and the remaining 141 by clerks.

### **4.3 Demographic Characteristics of the Respondents**

The demographic characteristics in the questionnaires consisted of the employees' designations, age group, sex, level of education, length of time in service, types of training and development programs undergone and frequency of undergoing training and development

### 4.3.1 Designation of the Respondents

KCB employees hold different positions in the bank as shown in Table 4.3.1 below.

**Table 4.3.1 Designation of the Respondents**

<b>Designation</b>	<b>Percentage</b>
Senior managers	6%
Middle level managers	13%
Clerks	81%
	100%

**Source: Author (2014)**

Table 4.3.1 shows that out of the actual employees, 6% comprised of senior managers, 13% of middle level managers and 81% clerks. Every level of employees is sufficiently represented thus the results will be valid.

### 4.3.2 Gender of the Respondents

Table 4.3.2 shows the categories of the KCB employees in the study where the majority were the males at 59% and the females the minority at 41%. Gender imbalance did not influence the study in any way. Though this was not used for comparison purposes, the researcher sought to get views from both genders.

**Table 4.3.2 Gender of the Respondents**

<b>Gender</b>	<b>Percentage</b>
Male	59%
Female	41%
	100%

**Source: Author (2014)**

### 4.3.3 Age Distribution of the Respondents

Table 4.3.3 shows the age of the respondents who participated in the study where the majority was aged 41-50 years at 41%, 21-30 years at 27%, 31-40 years at 18% and 51 years and above 14%.

**Table 4.3.3 Respondents age**

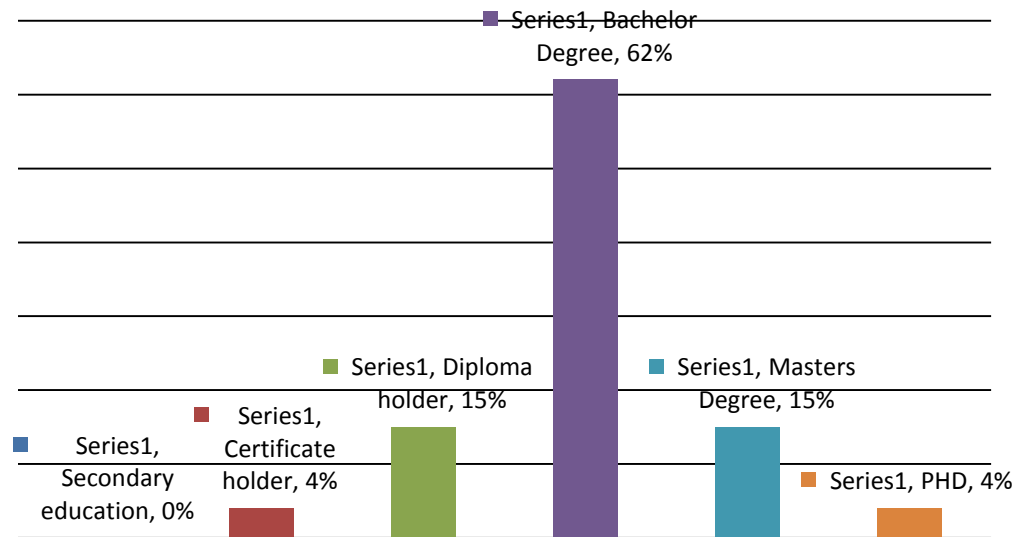
<b>Age</b>	<b>Percentage</b>
Under 21	0%
21-30	27%
31-40	18%
41-50	41%
51 and above	14%
	100%

**Source: Author (2014)**

### 4.3.4 Highest Education Level of the Respondents

Kenya Commercial Bank employs workers with varying education levels as shown below. The results from the Figure 4.3.4 shows the education levels of the majority were bachelor degree holders at 62%. Masters holders at consisted of 15%, diploma holders 15%, certificate holders 4% while there were no secondary education staff. The major difference is due to the changing trend at the Kenya commercial bank whereby it only employs clerks who have at least attained a bachelor's degree.

**Figure 4.3.4 Highest Level of Education**



**Source: Author (2014)**

### **4.3.5 Number of years worked at KCB**

The number of years every employee had worked in KCB were sought and the results recorded in table 4.3.5 below. The results show that the majority at 32% has worked for 11-15 years, 23% have worked for 6-10 years, 18% have worked for 16-12 years and the minority was 1-5 years 14% and more than 21 years at 14%. The researcher sought to ensure that the employees covered all individuals who had been in service in different periods of years but most of the respondents had been in service for long thus understood perceived relationship between training and development to their performance of work.

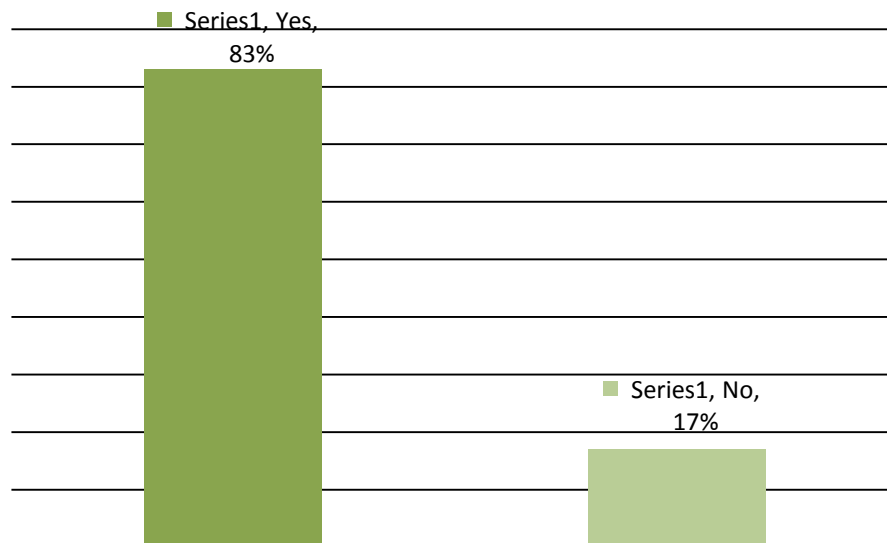
**Table 4.3.5 Years of service at KCB**

<b>Years worked at KCB</b>	<b>Percentage</b>
1-5 years	14%
6-10 years	23%
11-15 years	32%
16-12 years	18%
More than 21 years	14%
	100%

**Source: Author (2014)**

### **4.3.6 Training and Development in the organization**

**Figure 4.3.6 Training and Development in the organization**



**Source: Author (2014)**

The Figure 4.3.6 shows the proportions of the employees who have received training and development in the organization where the majority at 83% has received the training and development and the minority at 17% have not received any form of training and development.

### 4.3.7 Frequency of Training and Development

Table 4.3.7 shows the frequency of training in the organization where the majority at 32% indicated that training is done every six months, 23% indicated quarterly and once a year respectively, 14% indicated every two years and the minority at 8% indicated that no specific training schedule. The results indicate that most training and development at Kenya commercial bank is given every six months.

**Table 4.3.7 Frequency of Training and Development**

<b>Frequency of training</b>	<b>Percentage</b>
Quarterly	23%
Every six months	32%
Once a year	23%
Every two years	14%
No specific schedule	8%
	100%

**Source: Author (2014)**

### 4.3.8 Types of Training and Development Programs

Employees at KCB are offered various training and development programs as shown in the table 4.3.8 below.

**Table 4.3.8 Types of Training and Development Programs**

<b>Training and development practices</b>	<b>Percentage</b>
Role playing	32%
Induction Training	27%
E-learning Courses	41%
Classroom lectures	14%
Simulation training	18%
Job rotation	23%
Job enlargement	36%
Mentoring	64%
Coaching	18%
Empowerment	32%
Peer consultations	18%

**Source: Author (2014)**

Table 4.3.8 shows that training and development practices at KCB have been carried out at various levels where KCB employees at 68% have been involved on role playing, 73% have been involved in the induction training, 59% have participated in E-learning courses and 86% have participated classroom lectures which was the highest. From the results, majority of KCB employees have been involved in simulation training at 82%, in job rotation 77% have been involved, in job enlargement 64% of the employees have



participated, 82% have been involved in coaching, 68% have participated in empowerment and the majority have participated in peer consultation.

Those that have undergone through mentoring were 36% which was the lowest. The majority 86% having gone through classroom lectures is due to the fact that Kenya commercial bank has a training school at Karen which mostly administers training in form of lectures within the classrooms. However, it was noted that only a few of the employees had undergone through mentoring thus it is not a very common practice at the bank. The results indicate that almost all employees had undergone through one or more training and development programs with the highest participation being in classroom lectures (86%), simulation training (82%), coaching (82%) and peer consultations (82%) and there is therefore need to determine the effect that the programs have on the performance at the workplace.

#### **4.4 Perceived relationship between Training and Development and Employee Performance**

Questions were presented on a likert scale for the respondents to indicate the levels to which they perceived training and development offered to have a positive or negative effect to their performance at the bank. The degrees of agreement were rated from strongly agree (5), agree (4), neutral (3), disagree (2) and strongly disagree (1). A mean of the findings was then calculated and the findings recorded in the likert scale. A mean of 4.5+ shows that the employees have a strong positive perception that training and development led to improved performance of work, a mean of between 3.5-4.5 shows that the employees agreed, a mean of 2.5-3.5 indicated that the employees moderately agreed, a

mean of 1.5-2.5 shows employees disagreed to the question at hand while a mean of below 1.5 showed that the employees strongly disagreed on perceiving that training and development leads to improved performance of work.

A standard deviation of 1 indicates that the responses are further spread out, greater than 0.5 and less than 1, indicates that the responses are moderately distributed, while less than 0.5 indicates that they are concentrated around the mean. The standard deviation describes the distribution of the responses in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean. A standard deviation of more than 1 indicates that there is no consensus on the responses obtained.

**Table 4.4 Perceived Relationship between Training and Development and Employee Performance**

<b>Employee performance practices</b>	<b>N</b>	<b>Mean</b>	<b>Std. Deviation</b>
I have attained extensive knowledge in all aspects of quality.	173	4.18	0.795
I have better knowledge about my career progression opportunities	173	3.91	1.306
Growth in customer numbers	173	4.09	0.971
Achieving customer satisfaction	173	3.64	1.255
High speed of processing my work	173	3.50	1.439
Accuracy in processing of work	173	4.59	0.734
Cross selling products and services	173	3.86	1.207
Exercising due diligence so as to prevent frauds and forgeries	173	3.95	1.214

The training and development has assisted me in adjusting with the technological changes like new systems within the bank	173	3.77	1.066
I feel more empowered with regards to new innovation in strategies for service delivery	173	3.82	1.332
The training programs have helped me broaden my knowledge in various departments	173	3.77	1.307
Training and development programs have enabled me understand what is expected of me in my department	173	4.27	1.386
I understand my organization's mission, vision and objectives better	173	3.95	1.327
I am able to deal with workplace changes eg. new systems	173	3.91	1.192
I am able to adapt to new products and services that are introduced	173	3.77	1.510
I have confidence and skill to tackle unexpected events	173	3.91	0.921
I have an improved mindset towards my job	173	4.09	1.109
Demonstration of team work	173	4.09	1.109
Increased integrity and job loyalty	173	4.36	1.049
Effective in management of customer service issues	173	3.55	1.143
Improved communication skills	173	4.23	1.110
Improved interpersonal relationship	173	4.00	1.069
Increased motivation with regards to my job	173	3.86	1.167

**Source: Author (2014)**

From the above table 4.4, it shows that KCB employees strongly agreed that they had attained accuracy in processing work with a mean of 4.59. Most of the employees also agreed that they understood what was expected from them in their departments (4.27)) and had improved communication skills (4.23) from the training and development received. They also agreed to obtaining extensive knowledge about aspects of quality

after training at (4.18) with a St.d (0.795), the employees agreed to have improved mindset towards their job (4.09) and that they had demonstrated teamwork (4.09) after undergoing through the programs. The employees agreed that training and development programs helped them attain skills to grow customer numbers (4.09) and that they had good interpersonal relationship (4.00). They also agreed that they understood the organization's mission and vision better (3.95) and also that they exercise due diligence (3.95).

The employees agreed to having confidence in tackling unexpected events (3.91) and that they could deal with workplace changes (3.91) due to the training and development programs. There was also agreement to having better knowledge about their career progression opportunities (3.91) with a St.d (1.306). The employees agreed that they had skills for cross selling products and services (3.86) and that they had increased motivation towards their job (3.86). The employees agreed to being empowered in dealing with new innovation (3.82) and also that the programs had helped them in adapting to technological changes (3.77), they agreed that the training and development had helped in broadening their knowledge in various departments (3.77). The employees agreed to having ability to adapt to new products and services (3.77) and also to achieving customer satisfaction (3.64). The employees agreed that they were effective in customer service (3.55) and that they also had high speeds in processing work (3.50).

From the analysis, it was seen that employees perceive training and development in Kenya commercial bank to have a positive impact on their work performance. This is so because we see from the results that it has made employees understand what is expected

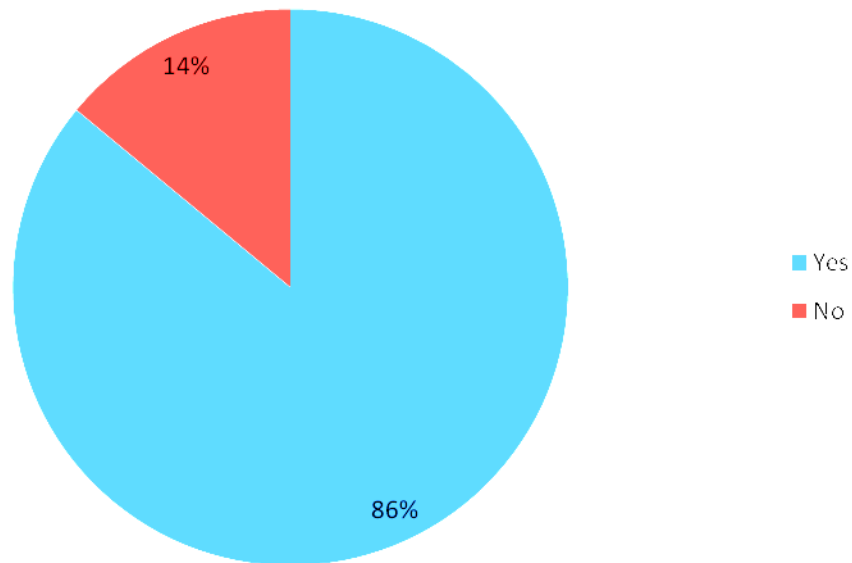
from them in their departments and improved their communication skills. Training and development has given employees extensive knowledge on aspects of quality, an improved mindset towards their job and also a great demonstration of teamwork. In addition, the training and development has enabled the employees gain skills to increase customer numbers, achieve high interpersonal relationship, have a better understanding of the organization's mission and vision, exercising due diligence and also improving their confidence in tackling unexpected events and dealing with workplace changes.

Training and development has enabled KCB employees to have knowledge about their career progression opportunities, gain skills in cross selling products and services, increased their motivation towards work and in achieving customer satisfaction. However, the only area which has not improved in relation to training and development at KCB from the results is employees gaining high speeds of processing customer work.

#### **4.5 Perception on how Training and Development has Improved Job Performance**

The employees were asked to state whether they perceived training and development to have led to improved general job performance and the results were presented in the figure below.

**Figure 4.5 Training and Development on improved job performance**



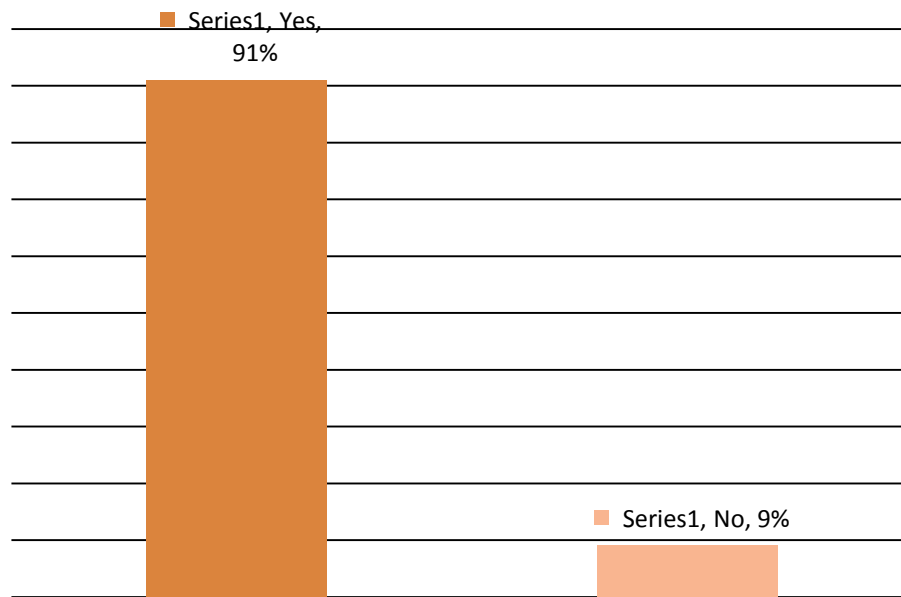
**Source: Author (2014)**

From the figure 4.5, it shows that the majority of KCB employees at 86% felt that had improved performance as a result of the training and development and the minority at 14% indicated that there was no improvement in the job performance. This implies that training and development has greatly improved performance in Kenya commercial bank.

#### **4.6 Perception on how Training and development is a worthwhile investment**

The employees were to state whether or not they perceived training and development to be a worthwhile investment to them and the results were shown in the figure 4.6 below.

**Figure 4.6 Training and development as a worthwhile investment**



**Source: Author (2014)**

Figure 4.6 shows the responses on perceptions on the worthiness of training and development where the majority of the employees at 91% admitted that the programs were worthwhile a minority at 9% indicated that the training and development programs were not worth. This shows that KCB employees believe in the worthiness of the training and development whereby they perceived that the programs offered them skills and knowledge for both their current jobs and also for the future. This therefore implies that the training and development offered at the Kenya commercial bank is very worthy to invest in.

## **4.7 Perception on how Training and development programs improve overall attitudes in the workplace**

The employees were asked to state whether they perceived that the various training and development programs had effected on their overall attitudes in the workplace and the table 4.7 below shows the results.

**Table 4.7 Training and development programs on improvement of overall attitudes in the workplace**

<b>Training and Development on Improved attitudes</b>	<b>Percentage</b>
Yes	87%
No	13%
	100%

**Source: Author (2014)**

The table 4.7 above shows the responses as per the impact experience of the training and development where the majority of employees at 87% indicated that there was an improvement in overall attitudes in workplace and a minority at 13% indicated that there was no improvement in their attitudes at all. This indicates that majority of the employees generally agreed that training and development has helped improved their attitudes within the work environment and this in turn has led to improved performance. Thus, training and development at Kenya commercial bank has resulted in improved attitudes of the employees in regards to the workplace.



## **4.8 Suggestions on improvement of Training and Development programs**

The employees had several suggestions on improvement of training and development programs given at Kenya commercial bank. 75% of the employees wanted the training programs to be given more frequently so that they could be better equipped in terms of skills in performing their roles and duties. 50% of them felt that the timing of the trainings and development need to be changed and that they should always receive trainings before being posted to various departments in the bank and not after they have already started working. This would make the training and development programs more relevant and also give the employees more confidence at their workstations.

20% of the employees suggested that the type of training that is easily and ever available to all employees which is through e-learning should be uploaded regularly such that there are ever new courses to be found as opposed to repeating the same courses which could lead to boredom. 40% of employees also felt that feedback channels with regards to current training and development programs should be availed such that employees could be able to give their opinions on existing programs on the various ways of improving them so as to have greater impact on their performances.

## **4.9 Discussion of Findings**

The study found that the majority of KCB employees have improved performance as a result of the human development training and the minority indicated that there was no

improvement in the job performance. This concurs with the study by Cole (2002) who found that training can achieve high morale, reduction in cost of production, low turnover, change management, improve availability and quality of staff and give a feeling of personal satisfaction and achievement, and broaden opportunities for career progression.

The study also concurs with the findings of Bishop (1994) who did a study in America on the impact of human capital investments such as employer-provided training and development, and concluded that training and development raises subjective productivity and performance by almost 16%. Furthermore, Black and Lynch (1996), citing Bartel (1989) stated that returns on training and development investments increase productivity by 16%.

The study found that majority of KCB employees found the training and development worthwhile and a minority indicated that the training and development programs were not worth. This concurs with the findings of Evans and Lindsay (1999), who argued that organizations whose aim is to provide quality goods and services always invest in training and development. They gave an example of a Motorola and Texas Instruments that provide at least 40 hours of training to every employee quarterly. The results also go hand in hand with the findings of Huselid (1999) that retention of quality employees requires investment in the development of their skills, knowledge and abilities. This is so as to realize individual and finally organizational productivity.

The study established that as per the impact experience of the training and development the majority of employees indicated that there was an improvement in overall attitudes in

workplace while a minority indicated that there was no improvement in attitude. This confirms the study by Armstrong (2006) who argued that training effectively and development minimizes learning costs, improves individual, team and organization's performance in terms of output, quality, speed and overall productivity, improves operational flexibility as it adds to range of skills employees have, attracts high quality employees by offering them learning and development opportunities, increasing employees competence levels and enhancing their skills thus enables them have more job satisfaction to gain higher rewards and progress within the organization.

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

This chapter presents the discussions of the study as presented in the previous chapter to provide an analytical view to the study. The study focus was to determine the perceptions of employees on training and development in relation to their performance in Kenya Commercial Bank. It also presents the recommendations of the study with the conclusion giving areas for further study.

### **5.2 Summary of the findings**

The study administered questionnaires which were completed and returned. Simple stratified random sampling was employed whereby data was collected from the different groups of staff working at Kenya commercial bank. A response rate of 58% was achieved and this was sufficient for making meaningful comparisons and conclusions.

The study sought to establish the various demographic characteristics of the employees in order to ensure that all groups were sufficiently represented. The different positions held by employees at Kenya commercial bank were established and to ensure that data was collected among the different groups a stratified sampling technique was used and the employees separated into senior managers, middle level managers and clerks. Thus, every level of employees was sufficiently represented thus, making the results valid. The gender of employees was also sought and though there were more males than female

employees, gender imbalance did not influence the study in any way. The study sought to get views from both genders though this was not used for comparison purposes. From the data on the highest education level of KCB employees, most of them had attained a university bachelor's degree. This was so as to show the adequacy of the employees on the concept of performance. The high number of bachelor degree holders is due to the practice of Kenya commercial bank of employing clerks who have attained a minimum of a bachelor's degree.

The researcher was also able to obtain data from different employees with regard to the different years of service and was able to get the different perceptions that were held by the bank employees of the different trainings that have been undertaken. The longer one has been in employment the more training and development one has undertaken as most employees agreed to receiving training and development every 6 months. This helped in determining the employees understanding of internal information regarding the banks policies on training and development. Most KCB employees had been in service for long and thus understood the effects of training and development to their performance of work.

From the data collected we see that most of the KCB employees had gone through training and development in the bank and thus making the responses more valid and relevant to the study. Most employees had also gone through most of the training and development programs especially for the classroom lectures which are normally given at the training school in Karen that the bank has invested in. From the results, KCB

employees felt that the trainings and development had improved accuracy in processing work thus greatly reducing reworks and also that the trainings had improved their attitudes towards the job. They believed that the programs had enhanced their skills in growing customer numbers, achieving customer satisfaction, cross selling products and services and also that they had helped broaden their knowledge in various departments. They also believed that it is because of the training that they were able to adjust well to the technological changes happening within the bank. Many KCB employees felt the trainings helped define what was expected of them in the workplace and also that the trainings were of great importance to them and that it had helped them better understand the vision and mission of Kenya commercial bank.

The employees believed that training and development had helped them in better performance of work, enhancement of interpersonal skills, working together as teams. They felt that the trainings helped them in working as teams since they helped the team share a common set of values and hence create coherence and that their team leaders encouraged them to give feedback and propose new ideas of doing things. From the findings the researcher found out that the employees felt that the trainings helped them adapt better to changing technologies and helping define and increase performance in the workplace. The employees believed that the trainings had increased their motivation in the workplace and that they had become well equipped to carry out the tasks presented to them after the different training and development programs had been given to them.

From the findings it is clear that there are numerous benefits of training and development of employees at the Kenya commercial bank with the exception of gaining high speeds of

processing work and thus these practices should be enhanced and given high importance for improved employee performance.

### **5.3 Conclusions**

The research was aimed at finding out the perceived effectiveness of training and development on performance at Kenya commercial bank. Training and development is of importance because it helps to define what is expected of each employee and equipping them to perform that which is expected of them well. Training and development prepares employees to adapt better and faster to the different technological changes that are rapidly occurring. The employees' working duration at Kenya Commercial Bank confirms that they were conversant with the organization human resource training and development policy and as such gave responses relevant to the study. The results show that the study was able to collect responses from all cadres of employees in the organization. Based on the results from data analysis and findings of the research, it can be concluded that the majority of the staff appreciate training that is aimed at improving their skills and effectiveness in job related matters.

It is important that management also encourage free flow of information and feedback from its employees in order to capture areas of shortfall and address issues as they arise this will also help in reducing resistance should new procedures be implemented. Human resource training and development is key in creating competent, passionate and hands-on skills are critical to employee's effectiveness. Showing a genuine interest in your employees and investing time in understanding their needs and aspirations will help send the message that their contribution is valued.

#### **5.4 Recommendations for Policy and Practice**

Based on the findings the study, Kenya commercial bank should make it a policy that each and every employee is sufficiently trained and developed with regards to various roles and duties that they are expected to carry out within the bank. Other programs that are always available to everyone at any time like e-learning courses should be made compulsory to the employees and every employee should be expected to complete a given number of courses within a specified time period. This will help them to improve their skills and add to their knowledge thus will be better equipped in performing their roles at the bank. The bank should continue putting more emphasis to employee training as this develops professionals and it has been shown to have positive results on the individual performance of employees and in the long run great performance of the organization as a whole.

With regards to KCB training and development practices, there is need for managers to include employees in the goal and strategy-setting process with well formulated and training strategy. This helps to ensure that workers understand the goals of the organization, and promotes employee work effectiveness and orientation. Department and region heads should also be encouraged to develop departmental or regional staff development programs specific to the needs of the department or region. In addition, the organization needs to come up with more strategies that will boost employee commitment since there are a small number of employees who do not concur with others that training and human development at the bank is useful for their effectiveness.



Managers need to use routine discussions about terms of employment and feedback sessions to learn which aspects of the job hold the most interest for each employee and which tasks are most challenging. During such discussions, managers can define what “going above and beyond the call of duty” looks like and generate ideas for rewarding such contributions. Proper feedback channels should also be established so that employees are able to give their ideas on improvement on training and development programs offered and thus add on their effectiveness.

### **5.5 Recommendations for Further Research**

The data for this study was collected from varied groups of employees and managers working at Kenya Commercial Bank. Thus, the findings may not generalize to other state corporations; research in other state corporations or ministries might yield different results. In this regard, replicating this study in different settings would be worthwhile to establish the validity and generalizability of the present findings across different contexts.

### **5.6 Limitations of the Study**

A key challenge while undertaking this study was getting all the respondents within a very short time. This was however managed through proper planning and coordination with the various heads of departments and or sections hence ensuring minimizing the time taken in getting back the responses.

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# Appendix 1

## Questionnaire

### SECTION A: DEMOGRAPHIC DATA

1. What is your name?(Optional)\_\_\_\_\_

2. What is your designation?

Senior Manager

Manager

Clerk

3. What is your age? \_\_\_\_\_

Under 21

21-30

31-40

41-50

51 and more

4. What is your gender?

Male

Female

5. What is your highest educational Qualification?

Secondary education

Certificate holder

Diploma holder

Bachelor Degree

Masters Degree

PHD

6. How long have you been working with Kenya Commercial Bank?

1-5 years

6-10 years

11-15 years

16-20 years

More than 21 years

7. Have you had any form of training and development since you joined the organization?

a) Yes ( ) b) No ( )

8. How often do you undergo training and development?

a) Quarterly ( )

b) Every six months ( )

c) Once a year ( )

d) Every two years ( )

e) No specific schedule .....

9. Have you undergone the following training and development practices offered by KCB (Tick appropriately)

YES NO

Role playing		
Induction Training		
E-learning Courses		
Classroom lectures		
Simulation training		
Job rotation		
Job enlargement		
Mentoring		
Coaching		
Empowerment		
Peer consultations		



**SECTION B: EFFECT OF TRAINING AND DEVELOPMENT ON EMPLOYEE PERFORMANCE**

10. The table below shows the responses in likert scale. Based on the training and development programs received, indicate the extent to which you agree with the following: (Strongly Agree SA=5), (Agree, A=4), (Neither Agree nor Disagree, N=3), (Disagree, D=2) and (Strongly Disagree, SD=1)

<b>Employee Performance</b>	SA	A	N	D	SD
I have attained extensive knowledge in all aspects of quality.					
I have better knowledge about my career progression opportunities					
I have strong competencies in regards to growth in customer numbers					
I have strong competencies in regards to achieving customer satisfaction					
I have high speed of processing my work					
I have achieved great accuracy in processing of work					
I have strong competencies in regards to cross selling products and services					
I have attained skills in regards to exercising due diligence so as to prevent frauds and forgeries					
The training and development has assisted me in adjusting with the technological changes like new systems within the bank					
I feel more empowered with regards to new innovation in strategies for service delivery					

The training programs have helped me broaden my knowledge in various departments					
Training and development programs have enabled me understand what is expected of me in my department					
I understand my organization's mission, vision and objectives better					
I am able to deal with workplace changes eg. new systems					
I am able to adapt to new products and services that are introduced					
I have confidence and skill to tackle unexpected events					
I have an improved mindset towards my job after undertaking training and development programs					
I have high demonstration of team work					
I have Increased integrity and job loyalty					
I have attained effectiveness in management of customer service issues					
I have improved communication skills due to the training and development programs undertaken					
I have achieved improved interpersonal relationship at the workplace					
I have increased motivation with regards to my job due to the training and development programs undertaken					

11. Do you think the current training and development programs provided by your organization have improved your job performance?

a) Yes ( ) b) No ( )

12. Do you think that training and development programs offered by your organization have been a worthwhile investment for your rights as a staff?

a) Yes ( ) b) No ( )

13. Do you feel that these training programs have improved your overall attitudes in the workplace?

a) Yes ( ) b) No ( )

14 .Suggest ways for improvement in the training and development programs:

What changes would you like to see implemented or changed in regard to these programs at Kenya commercial bank?

Thank you for your time in filling this questionnaire





