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SCHOOL OF GRADUATE STUDIES

**The Effect of Human Resource Development Practice on
Organizational Performance: The Case of Bunna Bank S.C WAAD
District branches**

By
Natnael Yeshitila

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ADDIS ABABA, ETHIOPIA

THE EFFECT OF HUMAN RESOURCE DEVELOPMENT PRACTICE ON ORGANIZATIONAL PERFORMANCE:
(THE CASE OF BUNNA BANK S.C WAAD DISTRICT BRANCHES ADDIS ABABA, ETHIOPIA)

BY

NATNAEL YESHITILA
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TEWODROS MEKONNEN (PH.D.)

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BUSINESS

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NATNAE YESHITILA

APPROVED BY BOARD OF EXAMINERS

DEAN, GRADUATE STUDIES

Tewodros Mekonnen (PhD)

ADVISOR

Taye Amogne (PhD)


EXTERNAL EXAMINER

INTERNAL EXAMINER

SIGNATURE & DATE

 02/05/2025

SIGNATURE & DATE

 02/05/2025

SIGNATURE & DATE

SIGNATURE & DATE

DECLARATION

I, Natnael Yeshitila, declare that this thesis is my original work, prepared under the guidance of Tewodros Mekonnen (Ph.D.) All source of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Natnael Yeshitila

Name

Signature

St. Mary 's university college, Addis Ababa

January, 2024

Endorsement

This thesis has been submitted to St. Mary's university college, school of graduate studies for examination with my approval as a university advisor.

Tewodros Mekonnen (Ph.D.)

Advisor

St. Mary's university college, Addis Ababa



02/05/2025

Signature and Date

January, 2024

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Acronyms and Abbreviation

ANOVA	Analysis of Variance
HRDP	Human Resource Development
OP	Organizational Performance
PAS	Performance Appraisal System
SD	Standard Deviation
SPSS	Statistical Package for the Social Science
TD	Training and Development
WAAD	West Addis Ababa District
ANOVA	Analysis of Variance

ABSTRACT

The objective of this study was to determine the influence of HRD practice on organizational performance in Bunna bank WAAD. This cross-sectional survey study was empirical, used explanatory research approach and both primary and secondary data are utilized. The primary data were collected by distributing questionnaires to 224 employees of the Bank. The collected data were entered and analyzed using SPSS version 22.0 to analyze the frequencies, descriptive statistics, and Pearson correlation and regression analysis. The study has shown significant relationships among the variables under study. The findings of the study showed that the availability of human resource development planning, training and development, performance appraisal system and compensation, has a strong, positive and significant relationship with organizational performance. Therefore, human resource development of an organization could be seen as a strategy to improve the desired competencies of employees in order to promote organizational performance. The study therefore, recommends the banks should implement proper policy that encourage HRD practice program to enable organizational success.

Keywords: Human Resource development planning, Training and Developing, Performance Appraisal, compensation, Organizational Performance,

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Since the dawn of time, human resources and their management have been crucial. Nonetheless, the concept of HRM as a field changes in the 20th century. Thite and Kavanagh (2009) state that HRM is a (1) scientific and professional field, (2) assistance to management, (3) disputes over politics and the economy between workers and management, and (4) growing employee participation as a result of social, organizational, and industrial developments psychology.

Thite and Kavanagh (2009) assert that the Second World War's labor mobilization and utilization greatly improved the personnel function due to the realization of the close relationship between employee productivity and motivation (both intrinsic and extrinsic) from social and psychological factors, such as the firm's profitability and the recognition of work achievements and norms. They claim that in order to improve hiring and selection practices, including job descriptions and employee responsibilities, workers were classified by taking into account occupational categories. This allowed for the creation of appropriate compensation plans, performance reviews of individual employees, and the provision of grounds for termination.

According to Abdullah, Che Ros, and Kumar (2007), HRD is the combined use of training and development, organizational development, and career development to enhance individual workers and organizational success. It aims to add value to the achievement of an organization's goals and objectives. An organizational performance (OP) is an indicator which measures how well an enterprise achieves its objectives Hamon (2003), Organizational performance is concerned with product or service quality, product or service innovation, employee attraction, employee-retention, customer satisfaction, management and employee relation (Delaney & Huselid, 1996). Organizational performance can be increased by committing the values of people first by giving them proper compensation, promotion, training, fringe benefits etc. Also, employees require different benefit packages to be given to provide their skill.

Numerous studies have been conducted recently on the impact of HRD on organizational performance, and the results show that HRD and performance are positively correlated (Rizov &

Croucher, 2008). But putting into practice efficient HRD practices to improve performance has proven to be one of the biggest managerial problems Bhatti & Qureshi (2007). Researchers have focused on successful HRD practice as a result of the performance emphasis. Because of it is difficult for rivals to imitate, Luthans et al (2010). Highlighted a resource-based approach to HRD practices of optimal utilization of human resources as a key to obtaining competitive advantage. This resource-based approach has resulted in considerable attention being given to HRD and organizational performance. Although, the impact of the RBV philosophy on human resource management research was very important, the bottom line for HRD is to improve organizational performance (Swanson, 1995). The usual line of work in this case is to investigate the relationship between HRD and commitment, which in turn is positively related to organizational performance (Bates, 1999). However, the investigation of HRD and Organizational commitment as an outcome of training and development is still in early stages (Bartlett, 2001). It is against this background that it becomes pertinent to discuss HRD and organizational performance

1.1.1. Background of Bunna bank S.C

Bunna bank is an organization that engaged in the banking industry. The bank was established in 2009 with more than 14000 shareholders by the license from national bank of Ethiopia. Since then it has been playing significant role in the development of the country and private banking sector. bunna bank has more than 436 branches stretched across the country; 34.1 billion asset value, 5.1 billion total capitals from that over 3.3 paid up capital. Bunna bank has a strong correspondent relationship with foreign banks. Bunna bank combines a wide capital base with more than 2900 employees. Bunna bank strongly believes that winning the public by striving for excellence in ethical manner and exercising highest level of professionalism.

Bunna bank envisions is to become one of the top 3 financial service provider in Ethiopia by the year 2030, and its mission indicates to deliver platform based financial service by collaborating with partners elevating the value for key stakeholders and earning public trust. Its values include winning, respect, responsibility, collaboration, innovation. To see its vision wear body and its mission to be achieve and to make sure the core values to be changed in to reality as well as to exercise the best organizational culture and perform well, developing an effective HRD practice is a must. (Bunnabanksc.com, 2024)

1.2. Statement of problem

In today's changing global context, both individual and collective skills are the most important assets for organizations and determine their productivity competitiveness and ability to adapt and to be proactive when faced with an uncertain environment. The contribution of human resource development to the performance of financial institutions is a dynamic issue which should be frequently due to ever changing in the requirements of the corporate world from their employees as the world is now a global village.

Human resource development involves in a long run investment in human resources that should in a firm's growth and productivity (Mankiw et al, 1992). Effective human capital is a key component to improve productivity. Hence, their quest for important source of efficiency, and competitive advantage associated with improved corporate directs them to develop their human resources.

Banks should continuously ensure the effectiveness, competency, dynamism and motivation of human capital at a very high level. Human resource development process has several objectives. Basically, competencies through learning and development programs. However, performance appraisal system is very much necessary to assess the degree of development of an employee, as well as to assess the contribution level towards accomplishment of the tasks assigned. One of the objectives of the HRD is to rise up their employees for future jobs and to chalk out an appropriate career path also for them.

Studies on human resource development and performance were not a new research area. In fact, various researches have conducted a research internationally on the relationship between human resource development and performance, but the results of findings are still debatable among them. They have utilized different proxies for human resource development, and their methodology and conclusions are also controversial about the relationship between human resource development and performance of financial institution. Like, (Aartchahal ,2013; Aliyu et al ,2014; Ayanda et al ,2014; Christian ,2016; Daniel ,2014 ; Engetou ,2017 ; Hossain ,2014; Muhammed et.al ,2013;) conducted studies on the impact of human resource development on the performance of financial institution . Those studies use training and development as a proxy

of human resource development by using cross sectional data and descriptive statistics. All these studies conclude that training and development have positive effect on financial performance. On the other hand, Becker, 1993 found that human capital has a negative effect on the ratio between the assets flow and value arguing that training which is one part of human resource development leads to an increase in turnover and it serves as a way of losing talented people to other rival companies.

In Ethiopia, various studies such as by Brhane (2016), Mulu (2016), Selam (2016) and Worku (2016) were conducted to analyze the relationship between human resource development and financial performance. All of those studies use only training and/or compensation as a proxy of human resource development and cannot show the time effect of human resource development.

According to the bunna bank annual report 2022/23 Human resource development is one of the Bank's key concerns. The Bank firmly believes that well trained, competent and motivated staff is critical for the sustainable growth and profitability of the Bank. To this end, the Bank has been investing in human capital to improve and strengthen its employees' capabilities and professional expertise through various capacity development programs. Accordingly, 224 types of training (both local & abroad) on various courses were delivered to 10,133 employees of the Bank during the reporting period. As shown in the annual report the bank HRD practice only take one proxy (training and development) to achieve its HRD goal.

To fill this gap and to further examine the process through which HRD policies impact organizational performance, it is important to conduct analysis in information-based company in developing country context. Thus, the purpose of this paper is to Examine how HRD practices influences organizational performance and for a better understanding of the relationship between these two variables, to take into account that Training and developing, Performance Appraisal system and compensation influence organizational performance in Bunna bank.

1.3. Objectives of the Study

1.3.1. General Objective

The general objective of this study is to assess the effect of human resource development practice on organizational performance in Bunna bank

1.3.2. Specific Objective

The specific objectives of the study are:

- To analyze the effect of Human Resource Development Planning on organizational performance?
- To examine the effect of training and developing practices on organizational performance.
- To examine the Performance Appraisal system and organizational performance.
- To examine the influence of compensation on organizational performance.

1.4. Research Questions

1. What is effect of Human Resource development planning on organizational Performance at bunna bank S.C?
2. What is the effect of training and developing on organizational performance at bunna bank S.C?
3. What is the effect of performance appraisal system on organizational performance at bunna bank S.C?
4. What is the effect of compensation on organizational performance at bunna bank S.C?

1.5. Significance of the Study

This study has a significant to give feedback to, employers, other stakeholders and researchers about the human resource development practice that could increase the organizational performance. Hence, findings of this research were helpful for top managers to examine the success of HRD practices which are currently implemented by their organization and to identify HRD outcomes of them. As well as, managers of Banks can make necessary changes of currently used HRD practices. It also a great experience and educational journey for myself about HRD in general and its related topics.

It also is important to serve as a base for other researchers who conduct studies on the same or related topic. Finally, Findings of this study can be used to enable the researcher to be exposed with the real environment for exercising his research preparation knowledge and with research skills for further research work.

The study on HRD practices at Bunna Bank provides valuable insights that can be beneficial for other banks in the region. As one of the leading financial institution, Bunna Bank's approach to

developing its human capital can serve as a model for best practices in the banking sector and also if need improvement will be a learning material for other banks.

1.6. Scope of the Study

Conceptual Scope

HRD focus on areas that may bring effectiveness and efficiency to the organization. Trying to address all in one is almost impossible. Therefore, conceptually this research was focus only four HRD practices that are believed to be most influential on Bunna bank performance (Human resource development planning, training and development, Performance Appraisal and compensation).

Geographical Scope

The study was conducted in bunna bank because bunna bank have a vision of becoming one of the top 3 financial service provider by the time 2030. This vision of the bank cannot be achieved without proper HRD practice. Therefore, the HRD of the bank should be assessed if best to be an example for other banks if not to be improved so that the bank able to achieve its vision by the time 2030.

Bunna bank is one of the largest private bank in Ethiopia by having more than 436 branches and it covers almost all over the country. And due to time and cost shortage the study take place only on branches found in Addis Ababa, even Addis Ababa branches divided by four districts and this research focus on branches found in West Addis Ababa District. The study take a sample of 15 branches geographically located in West Addis Ababa District namely, Ehil berenda , piassa, 18 mazoria, mehal ehil berenda , Merab Merkato , goma tera , mesalemiya ,torhayloch, Addisu gebya, Mexico, Habte giorgis, mehal merkato,teklhaimanot,sebategna,Lideta.

Methodological Scope

The research design was follow quantitative and qualitative approach and used a descriptive way of statistical explanation using statistical data and used correlation to show relationships among dependent and independent variables as well used regression to show the significance level.

1.7. Definitions of Key Terms

1. **Human resource development practices:** are programs which are designed to be strategically oriented to organizational process for managing the development of human resources to contribute to the overall success of the organization (Werner & DeSimone, 2006)
2. **Training:** is a process that provides employees with skills, information and understanding of the organization and its goals (Shaw, 2011).
3. **Performance appraisal:** evaluating an employee's current and/or past performance relative to his or her performance standards (Dessler, 2008).
4. **Organizational performance:** is the actual results or output of an organization as measured against that organization's intended outputs (Tomal & Jones 2015)
5. **Reward and recognition:** monetary and other benefit methods organizations use to make employees feel respected and valued. (Adopted from Kahn 1990)
6. **Human resource development planning:** it is 'the process for ensuring that the human resource requirements of an organization are identified, and plans are made for satisfying those requirements. (Gregory W, 2009)

1.8. Organization of the Research

The rest of the thesis is organized as follows chapter two literature review informing the reader of what is already known in this area of study. Chapter three discusses the methodology employed in the study, including, research design, sample size and sampling technique, data source and collection method, procedure of data collection and method of data analysis. Chapter four is about data Result and discussion. Finally, chapter five contains summary, conclusions and recommendations that have the summery of findings, conclusion and recommendation part of the final paper.

CHAPTER TWO

LITERATURE REVIEW

2. Theoretical literature review

2.1 Human Resource Development Practices

According to McLagan and Suhadolnik (1989), HRD is the coordinated use of career development, organizational development, and training and development to enhance both individual and organizational performance. Human resource development practices are programs created with an organizational process in mind, strategically aimed at controlling the development of human resources to support the organization's overall performance (Werner & DeSimone, 2006). According to Yuvaraj and Mulugeta (2013), HRD interventions, which include training, career development, performance assessment and management, and organizational growth, continually enhance employees' potential and performance. HRD practices were characterized by Rao (1987) as training and development, performance evaluation, incentives, career development, organizational growth, feedback and counseling, potential development, employee participation, and job rotation. Therefore, for the purpose of this study the following human resource development practices are considered: training and development, performance appraisal and reward and recognition.

2.2.1 The Human Resource Development System's Objectives

The HRD systems are the result of combining the four HRD individuals, employee-boss, teams, and organizations with the four HRD agent's employee, immediate boss, HR department, and organizations (Michael, 2006). He claims that improving resource capability is the core goal of the HRD system, which is in line with the theory that an organization's human capital is a key source of competitive advantage. Therefore, the key is to make sure that there are enough qualified individuals on hand to handle both current and future demands. This is accomplished by creating a thorough and well-organized framework for human development. Additionally, Armstrong has stated that the particular goals of HRD are to foster the development of intellectual capital and to advance team, organizational, and individual learning through the creation of learning culture an atmosphere where information is properly handled and where people are encouraged to learn and grow. The majority of theorists contend that the main goal of

the HRD system is to help each employee grow by offering training and development opportunities. By doing so, the system will improve organizational effectiveness, work processes, and individual employee growth. In fact, helping people—individuals, groups, and organizations—was HRD's primary goal. But before a person can advance inside a team or an organization, they must first get ingrained in them. Armstrong emphasized that organizational transformation is always centered on human growth and always entails altering the person.

2.2.2 Human resource planning

Human resource planning determines the human resources required by the organization to achieve its strategic goals. As defined by Gregory W 2009), it is ‘the process for ensuring that the human resource requirements of an organization are identified, and plans are made for satisfying those requirements. Human resource planning is based on the belief that people are an organization’s most important strategic resource. It is generally concerned with matching resources to business needs in the longer term, although it will sometimes address shorter-term requirements. It addresses human resource needs both in quantitative and in qualitative term. Human resource planning should be an integral part of business planning. The strategic planning process defines projected changes in the types of activities carried out by the organization and the scale of those activities. It identifies the core competences the organization needs to achieve its goals and therefore its skill and behavioral requirements (Michael Armstrong, 1992, 2000, 2006) Modern human resource planning concerns the forecasting of the organization’s human resource needs for the future and the planning required to meet those needs. It requires not only the establishment of objectives, but also the development and implementation of certain programs, such as staffing and training, to make sure people are present with the proper traits and skills when they are needed.

Human resource planning also involves the collection of data, which can be used to evaluate program effectiveness and give notice when revision is needed. One of the objectives of planning is to facilitate organizational effectiveness, so it must be integrated with the organization’s business objectives. Strategic Human resource planning continues to receive increased attention due to such factors as the development of new technology, changes in economic conditions, globalization, and a changing workforce. (American Journal of Business Education October

2009) Successful Strategic Human Resource Planning stresses the importance of identifying and gathering strategic information for the planning course of an organization, and the need for involving key managers and employees in the process.

2.2.3 Training and development

According to Briscoe (1995) Training and development are often used to close the gap between current performances and expected future performance. Training and development falls under HRD function which has been argued to be an important function of HRM (Weil & Woodall 2005). Among the functions activities of this function is the Identification of the needs for training and development and selecting methods and programs suitable for these needs, plan how to implement them and finally evaluating their outcome results (Eldridge et al, 2003). Guest (1987) argues that policies are necessary to ensure that employee performance is evaluated, which in turn ensures that the appropriate training and development take place. With the help of the performance appraisal reports and findings, the organization can be able to identify development needs. However, individuals themselves can help to indicate the areas requiring improvement as a result of the issues raised in the performance appraisal process and their career path needs.

There are two main theoretical approaches towards employee training and development, namely, the human capital approach and the technology-based approach. According to Luo (2000), the human capital approach regards training as an investment in human capital. Thus, training is provided only when the benefit from productivity gains is greater than the cost of training. On the other hand, the technology-based approach regards training as a skill formation process. According to this approach, the expanded training in the contemporary period is driven by the rapidly changing technologies and work reorganization. Thus, training is provided because it satisfies the functional needs of an organization and equally contributes to human capital accumulation or skill formation.

Neelam et al. (2014) define training and development as the organized learning experiences that educate workers how to do their current and future jobs. These two processes, training and development are frequently intertwined; training can be used as a proactive strategy to build competencies and expertise to avert issues, as well as an efficient means of addressing any gaps

in staff performance or skills; development can be used to generate solutions for workplace problems, either before or after they become apparent problems (Kennedy, 2009). Training and development have emerged as the most significant factor in the business world today because training boosts worker productivity and effectiveness (Raja, Furqan and mohammed 2011) Training is the systematic reorganization of behavior, attitude, and abilities by education, teaching, and organized practice. The primary goal of training is to enhance an organization's human capital in order to help it accomplish its short- and long-term goals. Instead of being done for the sake of training, training and development are done to meet specific requirements. According to Gunu et al. (2013), training and development are therefore need-based in that they are carried out to close knowledge gaps inside an organization.

2.2.4 Performance Appraisal

Performance appraisal means evaluating an employee's current and/or past performance relative to his or her performance standards (Dessler, 2008). The performance appraisal process contains three steps: define the job, appraise performance, and provide feedback. Defining the job means making sure that the supervisor and the subordinate agree on his or her duties and job standards. Appraising performance means comparing the subordinate's actual performance to the standards that have been set. Third, performance appraisal usually requires one or more feedback sessions. Here the supervisor and subordinate discuss the subordinate's performance and progress and make plans for any development required (Dessler, 2008)

It is an important part of HRD, which enables organizations to understand where their employee stands, what is expected from them, what they actually do, where they lack capacity and how they can be updated (Boswell, 2002). PA is a review and an assessment of an employee's performance of assigned duties and responsibilities. PA serves several purposes in the organizations for instance; it provides tools for acknowledging good performance, identifying areas in need of improvement and providing guidelines to justify management decisions (Akuoko & Baffoe, 2012). Therefore, PA is more than simple checklist actions whether activities are performed or not that organizations sought to review their effectiveness and make further management decisions.

2.2.5 Compensation

Compensation is concerned with the strategies, policies and processes required to ensure that the value of people and the contribution they make to achieving organizational, departmental and team goals is recognized and rewarded. It is about the design, implementation and maintenance of reward systems (interrelated reward processes, practices and procedures) that aim to satisfy the needs of both the organization and its stakeholders and to operate fairly, equitably and consistently (Armstrong, 2010). According to expectancy theory employees are expecting equal compensation with the effort they are giving and also expected to receive rewards for what they contribute. The concept of internal and external fairness of reward are highly valued by organizations and its employee, not only employee expect higher payment or better benefit, but also, they seek autonomy, personal growth, work life balance and others as a package of reward. According to Patel and Cardon (2010) compensation is vital for contemporary organization as it contributes to attract and retain high skilled workers with superior salaries and it encourages a desired stakeholder behavior regarding recognition and legitimacy. Addition to the above to Patel & Cardon (2010) said having the right compensation and reward system related to the market in same business will motivate employees and maintaining internal fairness is also the case. Not only financial compensation has impact on the success of any organization but also the non-financial part of total compensation has undeniable influence on the perception of employees about their organization and that directly affect the performance of organization. The ultimate beneficiary of this race for excellence is the organization. Previous researches have exposed the link between rewarding hard-work and Improvements in employees' performances (Longenecker et al, 2013). Although system of rewards depends on other factors like experience, seniority, and qualification, the dominating factor remains performance. This is why good performances are always equated to better rewards (Alvesson, 2005). Finally, every detail of the rewards program must be properly communicated to employees, for the program to be successful. This is because an individual can only be motivated to work if he/she understands what is required of him/her (Marx et al, 2013). Rewards programs are varied and are aimed at both individual and team performance: variable pay, bonuses, profit sharing, and stock option.

2.2.6 Organizational Performance

Organizational performance (OP) is an indicator which measures how well an enterprise achieves their objectives (Hamon, 2003). Organizational performance is concerned with product or service quality, product or service innovation, employee attraction, employee retention, customer satisfaction, management/ employee relation and employee relation (Delaney & Huselid, 1996). Organizational performance involves analyzing a company's performance against its objectives and goals.

In other words, organizational performance comprises real results or outputs compared with intended outputs. The term has a similar meaning to organizational effectiveness. However, "organizational effectiveness" covers a broader area. An organization is an organized group of individuals with a specific purpose "performance" is the process or action of performing a function or task. We perceive it regarding how successfully the person carries out that function. When we put the two words together, i.e., organizational performance, what do they mean? According to (Louise James), a Senior Manager at Pitcher Partners: "Organization performance relates to how successfully organized group of people with a particular purpose perform a function. "The analysis of company's performance focuses on three main outcomes.

First, shareholder value performance; second, financial performance; and third, market performance. Many types of professionals, including strategic planners, focus on organizational performance. Tomal and Jones (2015) define organizational performance as the actual results or output of an organization as measured against that organization's intended outputs. Dyer and Reeves (1995) proposed HR outcomes (turnover, absenteeism, job satisfaction), organizational outcomes (productivity, quality, service), financial accounting outcomes (ROA, profitability), and capital market outcomes, (stock price, growth, returns) as the four possible measurement for organizational performance. Several research findings in performance management are advocating an emphasis on both financial and non-financial dimensions such as competitiveness, service quality, customer satisfaction, organizational flexibility, resource utilization, and technology (Harris & Mongiello, 2001. Harris and Mongiello (2001) argue that, even though a hotel is thought of in a service context, in reality it encompasses three different types of industrial activity (rooms, beverage, and food) that exhibit different business orientations. These

three orientations call for a diverse set of performance indicators. Fitzgerald et al. (1991) emphasized the importance for performance measures to direct attention to such non-financial factors as service quality and customer satisfaction. Based on the literature, the following non-financial measures was used in the study, service quality and customer satisfaction.

2.2.7 Service Quality

Parasuraman et al.'s, (1988) develop a gap analysis model to measure the influence of service quality based on the integrated view of consumer-company relationship. This model provides five generic dimensions of service quality, namely tangible, reliability, responsiveness, assurance and empathy. For example, if customers view that the implementation of quality dimensions in executing daily job strongly fulfill their needs and expectations, this situation may lead to induced positive customer behavior

2.2.8 Customer Satisfaction

Customer satisfaction has been one of the top tools for a successful business. Customer satisfaction is defined as an overall evaluation based on the total purchase and consumption experience with the good or service over time (Fornell, Johnson, Anderson, Cha & Bryant 1996). With marketing, customer satisfaction also comes along with it which means it ascertains the expectation of the customer on how the goods and services are being facilitated by the companies. Actionable information on how to make customers further satisfied is therefore, a crucial outcome (Oliver 1999.) At a glance, customer satisfaction is a crucial component of a business strategy as well as customer retention and product repurchase. To maximize the customer satisfaction companies should sell ideas and methods after the completion with all the necessary documents. As for example, customers will buy a car after taking closer look at it such as how is the engine, what is its model, how many kilometers it has been traveling, and is there any cracks or not. Therefore, they do not feel disappointed after purchasing it. Otherwise, if the company uses only their sell and build method customers might expect that the car is exactly the same as what they see in the pictures or during the exhibition and later on the company might receive complaint if anything is wrong. Customer satisfaction is a barometer that predicts the future customer behavior (Hill, Roche & Allen 2007).

Customers often look for a value in the total service which requires internal collaboration among the department that is responsible for different elements of the offering, such as the core product (goods or services) delivering the product, product documentation, etc. Moreover, from profitability and productivity perspectives only activities that produce value for customers should be carried out. Hence, firms have to get to know their customers much better than has normally been. However, the company should be able to build trust with the customer so it is easy to get the feedback from the customer. This is how customer-oriented product or service could be developed (Hill, Brierley & MacDougall 2003.)

2.2.9 Productivity

Productivity is an overall measure of the ability to produce a good or service. More specifically, productivity is the measure of how specified resources are managed to accomplish timely objectives as stated in terms of quantity and quality. Productivity may also be defined as an index that measures output (goods and services) relative to the input (labor, materials, energy, etc., used to produce the output). As such, it can be expressed as:
$$\text{Productivity} = \frac{\text{Output}}{\text{Input}}$$
Hence, there are two major ways to increase productivity: increase the numerator (output) or decrease the denominator (input). Of course, a similar effect would be seen if both input and output increased, but output increased faster than input; or if input and output decreased, but input decreased faster than output. Organizations have many options for use of this formula, labor productivity, machine productivity, capital productivity, energy productivity, and so on. A productivity ratio may be computed for a single operation, a department, a facility, an organization, or even an entire country.

2.3. Models that link HRD and organization performance

The HRD - performance linkage model which is a diverging model from the HRM-performance linkage models of Becker and Huselid (1998) and Wright et al. (2003) whose core philosophy suggests that HR practices have a direct impact on employee skills and motivation, which are subsequently translated into improved operating performance that has a direct impact on financial performance. The HRD -performance linkage models based on the resource-based view(RBV) which states that increasing employees' abilities and motivation, through HRD will ultimately improve organizational performance (Lopez et al., 2005). The central element of the

RBV of human resources is the positive relationship between HRD and organizational performance (Mayo, 2000; Mabey & Ramirez, 2005). The RBV perspective advocates that the potential for competitive advantage of an organization is based on its ability to exploit the inimitable characteristics of its pool of human resources and capabilities.

Resourcing → Development → Skills → Attitudes → Behavior → Performance

2.4. Human resource development contributions to organizational performance

Several practitioners and academic have advanced theories and concept in their quest to investigate and establish a synergy between human resource development and organizational performance. Prior research in human resource development has established an association between human resource development and organizational performance (Rao, 1987; Ruona & Gibson, 2004. Alagaraja et al. (2015) identified five important approaches for examining the linkage of human resource development and organizational performance and effectiveness: best-fit model, best-fit approach, best-practice model, combination of best-fit approach and best-practice model and stake holders' perception based. Similarly, several other authors have conceptualized and empirically established positive relationship between single or interrelated sets of human resource development practices and organizational performance (Colbert et al., 2014; Jiang and Liu, 2015. Nilsson and Ellstrom (2012) emphasized that, developing human resource development policies in firms provides a gateway for the work force to enhance their competencies which improves firm performance.

2.4.1. Human resources planning (HRP) and organizational performance

HR is a critical component of company performance and goal achievement. Because of the quick changes and challenges that businesses face, there is a greater demand for HR strategic planning to assist them in meeting these challenges. HRP is the process of examining and identifying the organization's human resource requirements (Bhatia 2007). HR programs such as planning, record-keeping, recruiting, selection, training, employee relations, and remuneration are typical activities. According to Bahatia 2007, the HRM process entails planning to attract, develop, and retain people Bahatia continues on defining HRP as "a systematic forecasting process related to future demand and supply of staff, as well as the dissemination of their talents within the organization's strategic objectives." HRP, according to Werner and DeSimone (2006), will assist

firms in predicting how changes would affect their strategy and HR demands. Given the fast changes in external market requirements, planning a company's staff needs is very vital. As a result, the quantitative and qualitative needs of an organization's HR strategy must be evaluated against what is currently available and what may be accessible in the future (Bhatia, 2007).HRP is vital in determining performance and results in standards, thus it must be compared to the standard so HR managers can see how their department and the organization are progressing toward their objectives. As a result, HR managers must demonstrate a return on investment for the company through strategic actions (Sloan 2010). Councils can use effective workforce planning to identify and plan how to handle the issues and objectives of their current and future workforce. It also provides a solid foundation for creating a successful workforce strategy. In addition, workforce planning necessitates the creation of strategies to meet these needs, which involves determining future actions to recruit and retain the appropriate quantity and type of people (Sloan, 2010).

HR personnel should consult the approved workforce planning strategy when preparing for investment in HR development and performance to learn more about planned workforce growth and whether staff career development possibilities are limited. As a result, the company should explore measures focused on retaining employees, particularly if it is experiencing poor growth. Staff performance appraisals are conducted in a practical environment related to the organization's theme plan, which serves as the scientific foundation for the organization's everyday operations.

H O 1: HRD has a positive effect on OP.

2.4.2. Training and developing Contribution to Organizational Performance

Training is a process that provides employees with skills, information and understanding of the organization and its goals (Shaw, 2011). Employee training refers to programs that provide workers with information, new skills, or professional development opportunities (Olaire & Adesoji, 2013). Employee training is one of the vital tools that help to enhance effective organizational performance and at the same time helps to promote the stability index of the organization. It is very important for the organization to exert extra efforts and invest much in employee training if it wants to achieve its objectives in the most economical way. When employees are recruited into the organization, they may not come with all the required skill set to

discharge fully their roles in the organization. Training addresses gaps or discrepancies between an ideal and an optimal stage of development. Mansoor, Shah, and Tayyaba (2015) did a survey on impact of training and development on organization performance the relationship of training and development and organization performance was found to be positively mediated by the intention of employees to quit the organizations. Janes (2018) conducted a study impact of employee training on organizational performance, a case study of drilling companies in Geita the study results found that employee training has a significant effect on the performance of drilling companies

H.O 2: T&D has a positive effect on OP

2.4.3. Performance appraisal and organizational performance

Performance management helps an organization understand the effectiveness of the people who work in it. Performance management system can benefit both the organizations and its Employees. It provides individual feedback and helps in collecting organizational data which can be used for HR planning and program evaluation. Performance management is the part of Human resource practices so the extensive review of the literature reveals that adopting wide range of HRM practices is the key to achieving outstanding performance (Hoque, 1999). Delaney and Huselid (1996) found that progressive HRM practices, including selectivity in staffing, training, and compensation were positively related to perceived organizational performance.

The author measured perceived organizational performance in terms of product quality, customer satisfaction, and new product development while perceived market performance as growth in sales, Profitability and market share. The study of Cunha (2002) showed that Performance management has a positive and significant impact on organizational performance. Moreover, competitive advantage may be strengthened through performance management practices that enhance worker motivation. Performance appraisal system has become a generally banner for a variety of most of activities through which the organization seeks to assess employee and develop their competence, enhance performance and disturbed performance-based rewards it sometimes becomes a part of a broader approach to strategic human resource management known as a performance management system.

H O 3: performance appraisal has a positive effect on OP

2.4.4. Compensation System and Organizational Performance

Rewarding employees is associated with the motivation of the workforce of organization for better performance. The effectiveness of skilled employees is likely to be limited if they are not motivated to perform. One of the means that organizations can use to enhance employee motivation and performance is to provide performance related compensation (Delaney and Huselid, 1996). A reward and compensation system are based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive that there is a strong link between their performance and the reward they receive (Fey and Bjorkman, 2001;) A study based on data from the US National Organizational Study, conducted by Kalleberg and Moody (1994), also found that profit sharing is positively correlated with product quality, product development, profit, customer satisfaction, and growth in sales. Several studies on reward systems and work/organization performance have conducted, for example in Pakistan cement industry (Quresh, Zaman and Shah, 4 2010), Nigerian manufacturing industry (Sajuyigbe, Bosede and Adeyemi, 2013), Bangladesh commercial banks (Aktar, Sachu & Ali, 2012) and Malaysian universities (Jalaini et al., 2013). These studies indicated in today's environment, employees including bank employees are motivated by both intrinsic (internal) and extrinsic (external) rewards for greater work/ organization performance and that none of the two sets of reward systems should be overlooked by managers when motivating employees for higher performance.

H O 34: Compensation has a positive effect on Organizational Performance

2.5. Empirical Literature Review

Nzomo (2011) determined the extent to which HRD systems directly enhance operational performance. The authors propose that different firm strategies require different attitudes, roles and behaviors of employees, which can be elicited from employees via different HRD practices. Paauwe, Guest, & Wright (2013) tested the relationship between human capital enhancing HRD system and operational performance and found significant results. Past research has found that performance-oriented and employee skills developing practice have a positive effect on firm performance. Empirical evidence points to the effectiveness of incentive systems that tie individual and group rewards to organizational performance. According to expectancy theory (Mutahaba, 2011), when pay is tied to some measure of individual or group performance, employees are more likely to work harder to increase the individual's, group's, or the organization's performance, and an increase in the performance in any of these areas will lead to an overall improvement in firm's performance.

Studies have sought to isolate whether high skills are contributory factor behind successful and higher performing firms (Tamkin, 2005). These studies have identified a significant association between a highly skilled workforce and organizational performance, most commonly measured by the level of labor productivity. For example, Haskel and Hawkes (2003) have shown that the top performers in UK manufacturing are hired workers with, on average, an extra qualification level compared to the lower performers. These studies also found that higher skill levels support innovation and more sophisticated production processes and were associated with the production of higher quality products (Penny, 2005). Haskel, Hawkes and Pereira (2003) showed that more productive UK firms hired more skilled workers. Their finding showed that skills were positively related to total factor productivity (TFP) and the skill gap between the top- and bottom performing firms explained some 8% of the productivity gap. Similarly, Lynch and Black (1995) found in the US, that an extra year of education raised productivity by between 4.9 and 8.5% in the manufacturing sector and between 5.9 and 12.7% in the services sector.

Bartlett (2001) observed a positive relationship between training and organizational commitment and recommended that human resource development professionals adapt new research methods

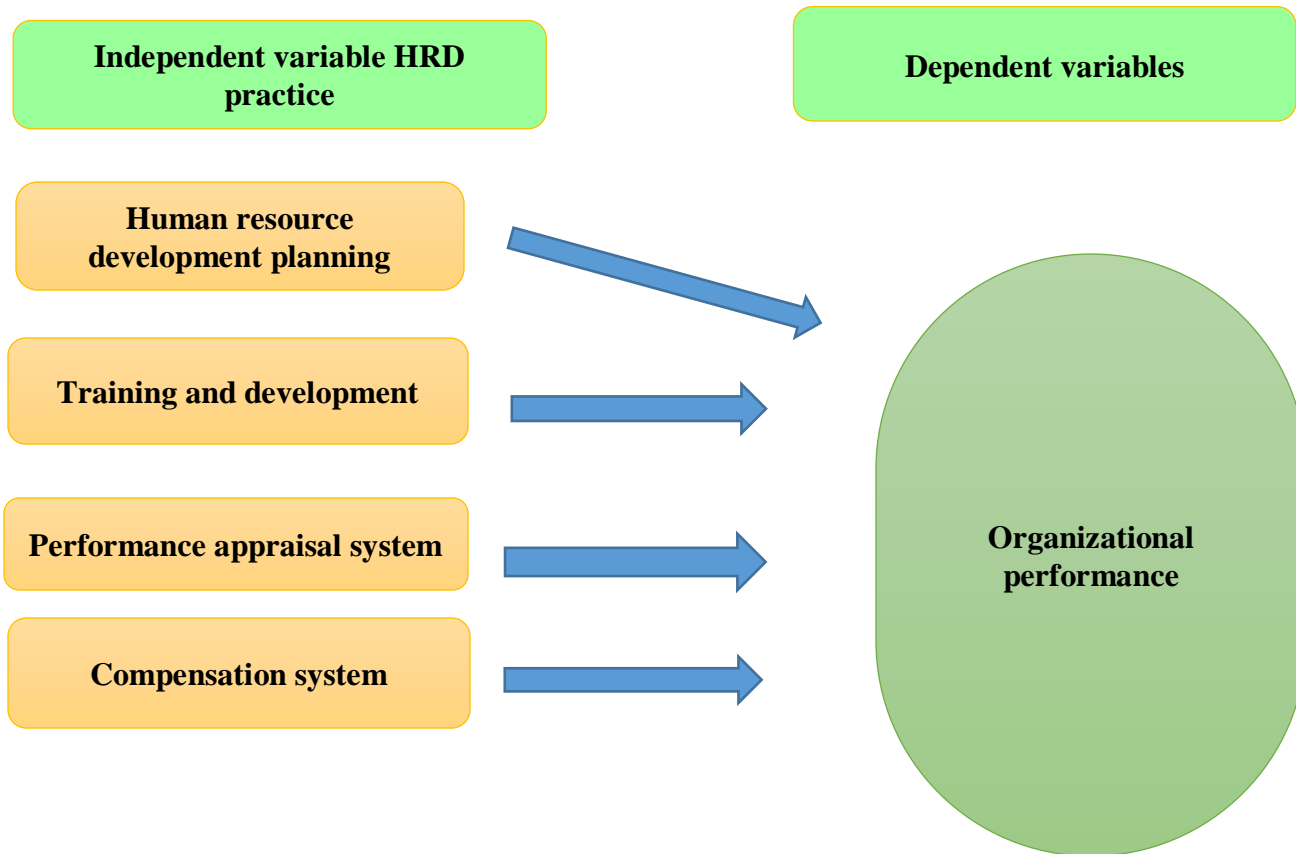
to demonstrate to organizational decision makers that training and development contributes to desired workplace attitudes which may in turn influence behaviors such as absenteeism and turnover. Lee and Bruvold (2003) stated that comprehensive training activities are positively associated with productivity; reduced staff intention to leave and organizational effectiveness. Raghuram (1994) argues that staffing and training lie at the heart of the processes aimed at developing the necessary skills for maintaining competitive advantage and organizational performance. Although it is true that the source of competitive advantage refers to the human resources themselves and not to the policies employed to attract, utilize and retain them, recruitment and selection may be considered to be a good starting point for building a pool of superior employee resources and capabilities. Individual and team training and development may be employed to add new skills to the existing employee resources and capabilities.

Naftal and Busienei (2015) conducted a study on the effect of human resource management practices on performance of public universities in Kenya. This study sought to establish the relationship between strategic human resources management practices and performance of public universities in Kenya. Data was collected using semi-structured questionnaire and was subsequently analyzed using SPSS. Research findings suggested that strategic human resource management practices have a significant effect on the performance of public universities in Kenya. Further, findings revealed that reward management, training and development and resourcing practices respectively influenced the performance of public universities

2.6. Conceptual Framework

Conceptual Framework the conceptual framework indicated below show both independent and dependent variables proposed by the study. Mugenda (2003), define a variable as measurable characteristic that assume different values among the subjects. They define a dependent variable as one that depends upon other variables or is as a consequence of other variables. An independent variable is defined as one that is antecedent to the dependent variable. The dependent variable, “organizational performance of “Bunna bank” is the subject of this study and is the one that is influenced by the independent variables (Training and Developing, performance appraisal and compensation system HRD practices). The following conceptual framework was developed from reviewing different literature and articles

Figure 1 Conceptual Framework Source: developed from reviewing different literature and articles



Source: Developed from reviewing different literature and article

CHAPTER THREE

RESEARCH METHODOLOGY

The purpose of this section is to provide a description of the research design, population and sampling technique, types of data and instruments of data collection, procedure of data collection and method of data analysis and Ethical consideration.

3.1. Research Approach

The researcher uses qualitative method of research approach for data collection as it is helpful to extract multitude of data. Quantitative data is usually gathered using questionnaires (Saunders et al. 2009, p.154). After data collection, the data can be analyzed, compared and interpreted so as to address the research questions.

3.2. Research Design

The research design survey uses both explanatory and descriptive study type. The reason behind using descriptive study design is because the researcher is interested in describing the existing situation under study. This study uses descriptive analysis that describes the human resource development practice dimensions that lead to organizational productivity. This study also uses explanatory study design, to explaining, understanding, predicting and controlling the relationship between variables.

3.3. Target Population and Sampling Design

Due to the small size of the target population of the study, a sampling technique was not applied for this study. A Census study was used to develop the population of the research under discussion. The logic behind using census was that the researcher uses purposive sampling and thinks the sizes of the population of a given organization convenient. The focus area of this study is west Addis Ababa district which has 513 employees working under 60 branches. From this branches and staff, the study included 15 grade 2 branches with higher employee numbers; therefore, the total population size of this research was 224 of the 15 branch employees as stated in table 3.1 bellow.

Purposive sampling was employed to selectively identify participants based on specific criteria relevant to the research objectives. Subsequently, census method was applied to include all individuals within the selected branch, thereby achieving comprehensive data collection. This combination of techniques allows for a focused investigation while ensuring that the findings are

representative of the entire population of interest. It is because of that the study is intended to see the effect of HRD practices on organizational performance it concerns all employees equally. Therefore, the samples were distributed for 15 branches employee.

Table 1. Sample size of each branch

No.	Name of Sample grade 2 Branches	Current Employees Population
1.	Ehil Berenda	16
2.	Piassa	15
3.	18 mazoria	16
4.	Goma tera	15
5.	Mehal Ehil Berenda	15
6.	Habte girorgis	15
7.	Mesalemiya	14
8.	Mexico	16
9.	Teklhaimanot	15
10.	Mehal Merkato	14
11.	Sebategna	15
12.	Lideta	14
13.	Torhayloch	14
14.	Addisu gebya	16
15	Merab merkato ,	14
Total		224

Source: Branches' employee file(2024)

3.4. Sources of Data

According to William, et al., (2010), there are two types of data, primary and secondary. The primary data are those which are gathered for the first time and a fresh and thus collected for the case at hand (Kothari, 2004). Secondary data is defined as Data that have been previously collected for some purpose other than the one at hand. For the purpose of this study in order to obtain relevant information primary data was used.

3.4.1 Primary Data

For the sake of finding the real effect of human resource development practice on Bunna bank's performance, collection of quality primary data is unnegotiable and mandatory. Therefore, the primary data were collected through well-structured questionnaires. Questionnaire is prepared in a way addressed all important points to measure the research questions and covered all parts as well as it was clear or use direct way which not initiate participants for hesitations

3.5. Data Collection Tools and Methods

3.5.1 Questionnaire Survey

The research was used self-administered questionnaire to collect data from the existing employees of WAAD of the Bank to collect information about human resource development practice and organizational performance in bunna Banks. This questionnaire was prepared in the form of Likert scale to collect the required data in relation to practice of Human resource development planning, Training and Development, Performance Appraise and compensation system from the sample respondents. Such data collection instruments were developed in order to gather large data and avoid pressure on the respondents (Creswell, 2003).

3.6. Reliability and validity test

3.6.1. Reliability

According to Sekaran and Bougie (2016) reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the goodness of a measure. In conducting the reliability test using SPSS version 20.0, According to Sekaran and Bougie (2016) reliability less than 0.60 are considered to be poor, those in the 0.70 range, acceptable, and those over 0.80 good.

Table 2 Reliability test

	Cranach's Alpha if
HRDP	0.720
TD	0.714
PA	0.738
CO	0.707
OP	0.711

Source: Own computation (2024)

3.6.2. Validity test

Is concerned with whether the findings are really about what they appear to be about (Anol 2012). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Anol, 2012). Therefore, to come up with a valid conclusion, the researcher developed an appropriate research design aligned to the identified research problems, the research questions were have posed and the objective to be achieved. Internally, the literature review was conducted and thoroughly examined to make sure that the content of measuring is relevant to the study. Expert's opinions were taken. Externally, as stated on the methodology, questionnaire were used to collect the primary data. Therefore, to assure validity of the instrument the researcher give a chance for professionals on the area to review the questionnaire and finally it was validated by the advisor with some adjustment

3.7. Methods of Data analysis

Data obtained through questionnaire were analyzed by using statistical package for the social science software (SPSS) thorough computer. The purpose of the study, which is aiming in examining the effect of human resource development practice (training and developing, Performance Appraisal system and compensation) on organizational performance, the application of statistical techniques is a necessary requirement. Hence, the study data were analyzed using Statistical Package for the Social Science (SPSS) to analyze the frequencies, descriptive statistics, correlation and regression analysis.

3.8. Ethical Considerations of the Study

In this study, ethical issues were taken into consideration. The respondents was assured that the response they give as used with complete confidentiality of the research and the participants was informed about the purpose of the questioner by the researcher. The researcher also take individual responsibility for the conduct of the research by adhering to the time schedule agreed upon with the research advisor and department. The researcher was open and honest when communicating with the respondent.

During the study strict compliance was ensured with regard to the guidelines stressing the need to define the objective of study and the advantage expected from participants, the rights of participants and how these were protected and kept confidential and getting the informed consent of participant during the process of interviews.

CHAPTER FOUR

RESULT AND DISCUSSION

Introduction

This chapter presents an analysis of data collected and discusses the findings on the relationship between Human Resource Development practices and organizational performance in the case of Bunna Bank.

4. Response Rate and Respondents

The survey was conducted in 10 days' time. From the total 224 questionnaires distributed 210 were returned from which 9 were not correctly filled and rejected. Therefore, 201 were effectively used for analysis that shows response rate of 90 %. Table below shows the overall response rate.

Table 3 Overall Response Rate

Sample	Number	percent
Number of questionnaires distributed	224	100%
Returned questionnaires	210	94%
Incomplete questionnaires	9	4%
Total useable questionnaires	201	90%

Source: Own data survey (2024)

4.1. Demographic Information of the Respondents

Table below shows the general characteristics of the respondents of gender, age, educational level and current job position. The data collected from the respondents was analyzed as follows.

Table 4 Socio-Demographic profile of the respondent

		Frequency	Percentage
Gender	Male	96	9.5%
	Female	105	52.2%
Age	Below 25	19	9.5%
	26 - 35	149	74.1%
	36 - 45	33	16.4%
Educational background	Diploma	9	4.5%
	First degree	127	63.2%
	Masters and above	65	32.3%
Job position	Junior CSO	42	20.9%
	Senior CSO	60	29.9%
	Cashier	50	24.9%
	Assistant manager	34	16.9%
	Branch manager	15	7.5%

Source: Own computation(2024)

As shown table above 96 (47.8 %) of respondents are male and 105 (52.2%) of the respondents are female. The data shows majority of the respondents are female.

As shown in table 4.2 Respondents below 25 years 19 (9.5%), Respondents between the ages of 26-35 years were represented by 149 (74.1%) of the age distribution of the sample size. Respondents between 36-45 represents 33 (16. 4%).The data shows majority of the respondents are young and younger. This is necessary in the development of an effective HRD program.

As shown in the above table 4. 2 On the basis of educational level, the majority of the respondents are first degree holders 127 (63.2%) whereas 65 (32.3%) of Respondents masters and above graduated and 9 (4.5%) of the respondents are college diploma holders. This implies that most of employees give high concern for their education and career development.

As shown in the above table 4.2 60 (29.9%) of respondents are senior CSO, 42 (20.9%) of respondents are Junior CSO, 34 (16.9%) of respondents are Assistant manager, 15 (7.5 %) of respondents are Branch manager and 50 (24.9%) were Cashier.

4.2. Descriptive Analysis of Variables of the Study

The table outlines the results of a survey evaluating **Human Resource Planning (HRP)** in a specific organization (Bunna Bank). Each statement measures different aspects of HR planning, rated across five levels: Strongly Disagree (SD), Disagree (D), Neutral (N), Agree (A), and Strongly Agree (SA). Below is a discussion based on the data.

Table 5 Human resources planning variable result

Human Resource Planning	Strongly disagree		Disagree		Neutral		Agree		Strongly Agree	
	No	%	No	%	No	%	No	%	No	%
Bunna bank possesses sound human resource planning	1	0.5	15	7.5	50	24.9	123	61.2	12	6
The company has set up effective mechanism to prepare the human resource plan	1	0.5	12	6	47	23.4	116	57.7	25	12.4
The company significantly use HR plan to make HR related decision	-	-	47	23.4	79	39.3	74	36.8	1	0.5
The company is committed to provide all financial support necessary for implantation of HR plan	1	0.5	26	12.9	21	10.4	141	70.1	12	6
There is a comprehensive and adequate monitoring and evaluation mechanism for HR plan implementation	4	2	71	35.3	28	13.9	94	46.8	4	2
Standard Deviation of HRP	0.57865		Maximum 5							
Mean of HRP	3.4003		Minimum 1							

Source: Own computation (2024)

As we can see the first question was about Sound Human Resource Planning, majority (61.2%) Agree and 6% strongly Agree) believe the bank possesses sound HR planning. However, some respondents remain neutral (24.9%), and a few disagree (7.5%). This suggests general confidence but room for improvement.

As shown in the table above, while (57.7%) agree, (12.4%) strongly agree, and (23.4%) are neutral, there's a notable minority (12%) who disagree. This indicates the mechanisms for HR planning are effective for most but might need more clarity or inclusiveness for all.

A mixed result is evident here: (36.8%) agree that HR plans are significantly used for decision-making, while a notable 47 respondents (23%) disagree. This indicates that uneven application or communication about how HR plans influence decisions.

As we can see a majority (70.1%) agree, strongly agree (6%) with the financial support for HR implementation, but a considerable portion (10.4%) neutral, (12.9%) disagree expresses uncertainty or dissatisfaction. This could be linked to insufficient clarity on the banks financial support for the HR implementation. When we generalize the above data on adequate monitoring and evaluation mechanism for HR plan implementation while (46.8%) agrees, only 2% strongly agree. A sizable group (13.9%) remain neutral, and about (35.3%) disagree. This indicates that monitoring and evaluation mechanisms are not comprehensive enough for full confidence need an improvement.

Table 6 Training and development variable result

Source: Own computation

Training and Development	Strongly Disagree		Disagree		Neutral		Agree		Strongly agree	
	No	%	No	%	No	%	No	%	No	%
My organization has active training and development programs to upgrade employees' knowledge and skills	6	3	60	29.9	28	13.9	99	49.3	8	4
The corporations training and development programs Improves my chance for promotion.	17	8.5	61	30.3	52	25.9	65	62.3	6	10
My manager assists me to identify my training needs	4	2	38	18.9	41	20.4	105	52.2	13	6.5
My manager encourages my professional development and to improve educational level.	5	2.5	7	3.5	25	12.4	105	52.2	59	29.4
My organization regularly evaluates T&D programs	25	12.4	4	2	117	58.2	51	25.4	4	2
Standard Deviation of HRP	.61233		Maximum 5							
Mean of HRP	3.2159		Minimum 1							

Source: Own computation (2024)

The first question respondents were asked was about active Training and Development Programs. A majority (49.3%) agree, 4% strongly agree) believe the organization has active T&D programs. However, a significant portion (13.9% neutral and (29.9% disagree) indicates uncertainty or dissatisfaction, suggesting inconsistency in the visibility or implementation of these programs.

As we can see While 62.3% agree, strongly agree (10 %), (25.9%) remain neutral and 22% (8.5%) Strongly disagree and (30.3%) express dissatisfaction. This indicates a lack of clarity about the link between training and career advancement and awareness building that the trainings importance.

Respondents also asked to respond to their managers assistance on identifying their training need. About 52% agree, strongly agree (6.5) that managers assist in identifying training needs, while (20.4%) neutral and (18.9 %) disagree this data indicate that the managerial do support for their employees T&D need. but there are minority disagreement this could be the managers are not

consistently provide support to all employees.

Respondents also asked to respond to managerial encourages to professional development and to improve educational level. A majority (52.2%) agree, (29.4%) strongly agree feel their managers encourage professional development. this show positive response overall.

As we can see only (25.4%) agree that T&D programs are regularly evaluated. A significant portion (58.2%) neutral and 12.4% strongly disagree indicates gaps in the evaluation process, suggesting that it is either not comprehensive or not well-communicated.

Performance Appraisal	Strongly disagree		Disagree		Neutral		Agree		Strongly agree	
	No	%	No	%	No	%	No	%	No	%
I am satisfied with the bank's performance appraisal system	9	4.5	17	8.5	38	18.9	115	57.2	22	10.9
My performance rating is based on how well am I Doing	1	0.5	4	2	39	19.4	141	70.1	16	8
My manager gives me fair feedback	14	7	5	2.5	53	26.4	124	61.7	5	2.5
My manager is highly capable to rate my performance	-	-	2	1	41	20.4	141	70.1	17	8.5
Performance Appraisal motivates you to perform well in the company.	1	0.5	12	6	28	13.9	81	40.3	79	39.3
Standard Deviation of HRP	0.36797		Maximum 5							
Mean of HRP	3.7861		Minimum 1							

Table 7 Performance appraisal variable Results

Source: Own computation (2024)

As we can see a majority (70%) agree, (8%) strongly agree) believe their ratings reflect actual performance, but (19.4%) are neutral and (2%) disagree. This suggests the majority believes a perception of fairness for most in the performance rating.

According the table shown above on employee feedback from managers, While 61.5% agree and (2.5%) strongly agree, a significant (26.4%) are neutral, and 7% express dissatisfaction. This indicates majority of the employees get feedback from their managers that helps them to improve

their performance

Most respondents (70.1%) agree, (8.5%) strongly agree) feel their managers are capable evaluators. However, (20.4%) remain neutral, which might point to a lack of trust or confidence in managerial expertise.

A majority (40.3%) agree, (39.3%) strongly agree find the appraisal system motivating, but (13.9%) remain neutral and 8.6% disagrees. This shows the performance appraisal generally inspires performance.

The data reveals that a substantial portion of respondents 26, (12.9%) strongly disagreed and (24.9%) disagreed) are dissatisfied with the overall aspects of rewarding and recognition in the Organization.

Table 8 Compensation management variable result

Compensation	Strongly disagree		Disagree		Neutral		Agree		Strongly agree	
	No	%	No	%	No	%	No	%	No	%
I am satisfied with the overall aspect of the rewarding and recognition systems in the organization	26	12.9	50	24.9	98	48.8	25	12.4	2	1
The existence of recognition for good work has given me an opportunity to work beyond the requirements of my job	44	21.9	69	34.3	48	23.9	37	18.4	3	1.5
I feel compensation package should be linked with performance of the employee	2	1	5	2.5	57	28.4	75	37.3	62	30.8
Employee benefit plan are one of the important reasons for working in the bank	-	-	5	2.5	56	27.9	108	53.7	32	15.3
I receive correct feedback on my performances	-	-	6	3	122	60.7	71	35.3	2	1
Standard Deviation of HRP	0.43562		Maximum 5							
Mean of HRP	3.2378		Minimum 1							

Source: Own computation (2024)

Only (12.4%) agreed indicating that while some employees feel appreciated, a significant majority do not. This dissatisfaction can lead to decreased morale and motivation, affecting overall productivity.

In terms of recognition for good work, the results show a divided opinion. With (21.9%) respondents strongly disagreeing and (34.3%) disagreeing, versus (18.4%) who agreed and (23.9%) who neutral, it suggests that while many employees feel recognized, a considerable number do not perceive adequate acknowledgment of their efforts. This inconsistency can create feelings of resentment among employees who feel undervalued.

There is a clear consensus that compensation packages should reflect employee performance. Only 5, (2.5%) disagreed, while a strong majority (37.3%) agreed and (30.8%) strongly agreed support this idea. This indicates a strong belief that performance-based pay could enhance motivation and productivity, aligning compensation with contributions.

The employee benefits plan is viewed positively by many, with (53.7%) agreeing and (15.3%) strongly agreeing. However, there is still notable uncertainty, as evidenced by 27.9% neutral this response may suggest that the benefits are appreciated by majority of employees.

The feedback mechanism appears to be (60.7%) feels neutral about the matter and (35.3%) agrees that they receive a fair and correct feedback. These indicate there is uncertainty among the employee feedback mechanism and should be clear for the employees for better performance and correction.

Table 9 Perceived organizational performance

Organizational performance	Strongly disagree		Disagree		Neutral		Agree		Strongly agree	
	No	%	No	%	No	%	No	%	No	%
Does the organization meet the customers' needs and expectations	24	11.9	49	24.4	66	32.8	41	20.4	21	10.4
The organization has a better performance over the past 3 years of other Banking service providers	13	6.5	46	22.9	61	30.3	65	32.3	16	8
I do feel like 'part of bunna family' at my organization	21	10.4	100	49.8	8	4	50	24.9	22	10.9
Does the company differentiate its self from the competitors in the market	-	-	21	10.4	31	15.4	129	64.2	20	10
Bunna bank have strong market share in the primary industry	7	3.5	18	9	53	26.4	122	60.4	1	5
Standard Deviation of HRP	0.66903			Maximum 5						
Mean of HRP	3.2020			Minimum 1						

Source: Own computation (2024)

The data indicates that 24 (11.9%) respondents strongly disagreed, and 49(24.4%) disagreed with the statement regarding the organization meeting customer needs and expectations. In contrast, 41 (20.4%) agreed and 21 (10.4%) strongly agreed. This suggests a significant perception among employees that the organization is not adequately fulfilling customer expectations, which could lead to decreased customer satisfaction and loyalty.

Regarding the organization's performance over the past three years compared to other banking services, the responses were mixed. With 13 (6.5%) respondents strongly disagreeing and 46 (22.9%) disagreeing, alongside 65 (32.3) who agreed and 16 (8%) who strongly agreed, it is evident that while some employees see improvements, many feel the organization has not kept

pace with competitors. This sentiment could indicate a need for strategic improvement and innovation.

When asked if employees feel like part of the "bunna family," 50 (24.9 %) respondents agreed and 22 (10.9%) strongly agreed, while 100 (49.8 %) disagreed and 21 (10.4%) strongly disagreed. This suggests that a large number of employees don't feel a sense of belonging and camaraderie within the organization, which is crucial for employee morale and retention. However, there is still groups that feel this connection.

In terms of the organization's ability to differentiate itself from competitors, the results show a positive outcomes by 20 (10%) strongly agreeing and 129 (64.2%) agreeing, compared to only 21 (10.4%) dis agreeing and 15.4 % neutral response, it is clear that employees feel the organization differentiate to stand out in the market. This could impact the organization's competitiveness and market share.

The perception of the organization's market share in the primary industry is also positively. With 3.5% respondents strongly disagreeing and 9% disagreeing, while 60.4% agreed and 5 % strongly agreed while 26.4 % feels neutral. This suggests that while majority of the employees believe the organization has a strong market presence, some are not sure or don't have the information.

4.3. Correlation Analysis

Respondents were asked to rate for the organizational performance dimension (service) in order to aid in the analysis of the study's third goal, which was the link between the target organization's organizational performance and its HRD practices.

Productivity (quality and client satisfaction) can result from implementing human resource development practices. By using Pearson correlation (r) analysis as part of an inferential analysis, the researcher attempted to achieve the study's relationship analysis purpose. It is the most popular method for determining the direction and strength of relationships between variables. The effect size criteria established by Cohen et al. (2007) state that small effects are defined as correlation coefficients less than ± 0.28 , medium effects as those between ± 0.28 and

0.49, and large effects as those more than ± 0.49 .

Table 10 Correlation Analysis

		HRDTOTAL	TDTOTAL	PATOTAL	COTOTAL	OPTOTAL
HRDTOTAL	Pearson Correlation	1	.450**	.330**	.410**	.475**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	201	201	201	201	201
TDTOTAL	Pearson Correlation	.450**	1	.285**	.260**	.404**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	201	201	201	201	201
PATOTAL	Pearson Correlation	.330**	.285**	1	.258**	.348**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	201	201	201	201	201
COTOTAL	Pearson Correlation	.410**	.260**	.258**	1	.529**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	201	201	201	201	201
OPTOTAL	Pearson Correlation	.475**	.404**	.348**	.529**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	201	201	201	201	201

Correlation is significant at the 0.01 level (2-tailed). Source: Own data survey, (2024)

As shown the above table the correlation analysis between Human resource Development Planning and organizational outcome ($r=0.475$, $p<0.01$) shows there is moderate positive relationship and significant relationship between Human resource Development planning and organizational performance. Similarly, Training and development are found to have moderate positive relationship, positive significant correlation with organizational performance since two-tailed significance test values are less than 0.01.

Further, the Pearson correlation value illustrates that performance appraisal ($r=.348$) have weaker positive correlation with organizational performance. Regarding the correlation between compensation and organizational performance ($r=.529$) shows strong positive relationship with organizational performance.

Therefore, the study result indicates that Humane Resource Development practice (Human resource development planning, Training and development, performance appraisal system and

compensation) have a positive and significant correlation with organizational performance.

4.4. Regression analysis

The impact of each independent variable on organizational performance is shown by the regression beta coefficient result. The average change in the dependent variable brought about by a unit change in the independent variable is explained by the standardized beta coefficient. Morrison, Cohen, and Manion (2007)

Table 11. Regression model summery

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.639 ^a	.408	.396	.51990

a. Predictors: (Constant), COTOTAL, PATOTAL, TDTOTAL, HRDTOTAL

Table 12. Regression analysis

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-.971	.425		-2.284	.023
HRDTOTAL	.231	.077	.199	2.996	.003
TDTOTAL	.197	.068	.181	2.888	.004
PATOTAL	.248	.108	.137	2.295	.023
COTOTAL	.560	.094	.365	5.980	.000

a. Dependent Variable: OPTOTAL

As shown the above table the regression result indicated that, all the independent variables; i.e. Human Resource development planning (HRD), Training and development (TD), performance appraisal system (PAS) and compensation has positive beta coefficient.

The regression coefficient result shows that, there was a significant positive relationship between

Human Resource development planning and organizational performance with Beta value of $b=0.199$, $p<0.05$). This beta coefficient of Human Resource development planning was the second highest among the four independent variables. This can be interpreted as, for a unit change in Human Resource development planning there will be a 19.9% percent change on organizational performance. Therefore, from this we can infer that Human Resource development planning has a strong and a significant impact on the organizational performance.

The above table also show that Training and development also has a significant positive Relationship with organizational performance with Beta $b=0.181$, $p<0.05$ there will be 18.8% change in organizational performance as a unit change on Training and development .This result supports the findings of Janes (2018) conducted a study impact of employee training on organizational performance, a case study of drilling companies in Geita the study results found that employee training has a significant effect on the performance of drilling companies.

As shown the above table the regression coefficient result performance appraisal was Beta $b=0.137$, $p<0.05$, i.e. for a unit change on performance appraisal causes 13.7% change on organizational performance. Cunha (2002) showed that performance appraisal has a positive and significant impact on organizational performance.

Finally the above table also show that compensation also has the highest significant positive relationship with organizational performance with Beta $b=0.365$, $p<0.05$ there will be 36.5% change in organizational performance as a unit change on compensation.

Therefore the regression coefficient result indicates that the human resource development variables (HRDP, TD, PAS, CO) has positive and significant relationship with organizational performance this result supports to the findings of Fey and Bjorkman, 2001 ;) A reward and compensation system are based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive that there is a strong link between their performance and the reward they receive.

4.5. The assumptions for testing regression analysis

Normality, homoscedasticity, linearity, assumption should be applied before performing any multivariate analysis Hair et al. (2006). Accordingly, in this study the following test are

implement to confirm the data used in this research are correctly obtained and state the sample.

4.5.1. Normality test of the data

Normality focuses on the extent to which the sample data distributes according to normal distribution (Hair et al., 2014). the normal distribution is detected based on skewness and kurtosis statistics. In this study the skewness and kurtosis were applied to assess the normal distribution of the data.

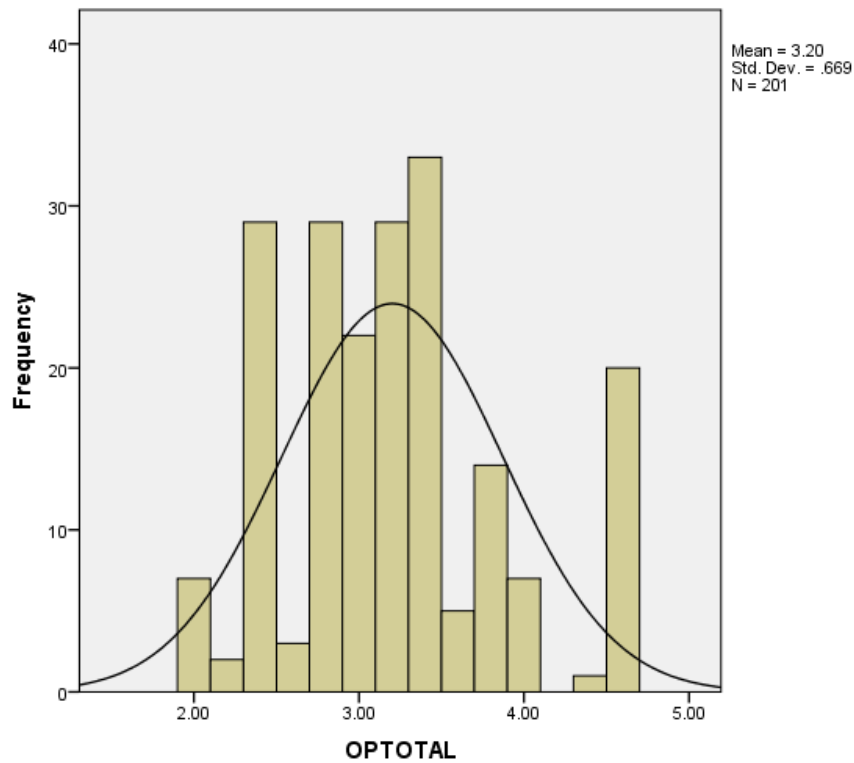
Table 13. Normality Test

Statistics					
	HRDTOTAL	TDTOTAL	PATOTAL	COTOTAL	OPTOTAL
Valid	201	201	201	201	201
Missing	0	0	0	0	0
Skewness	-.077	-.245	-.461	.121	.534
Std. Error of Skewness	.172	.172	.172	.172	.172
Kurtosis	-.639	-.528	.816	.180	-.138
Std. Error of Kurtosis	.341	.341	.341	.341	.341

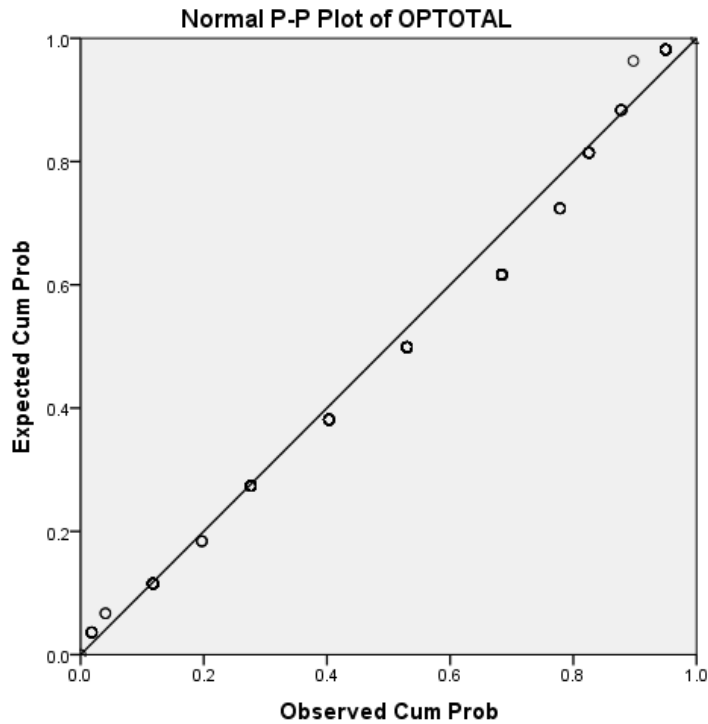
Source: Own computation(2024)

Based on the George and Mallery (2010) and (Muzaffar, 2016.), the normality test result shows the Skewness and kurtosis results of the data are acceptable with the range of -2 to +2. The above numerical test of normality is supported by both the P-P Plot and histogram graph as the following.

Figure 2. Histogram



Histogram is a graphical representation of the distribution of numerical data used to visualizing the shape of the data distribution. The figure 2 of histogram show a belly shaped curve it indicates the data follows a normal distribution

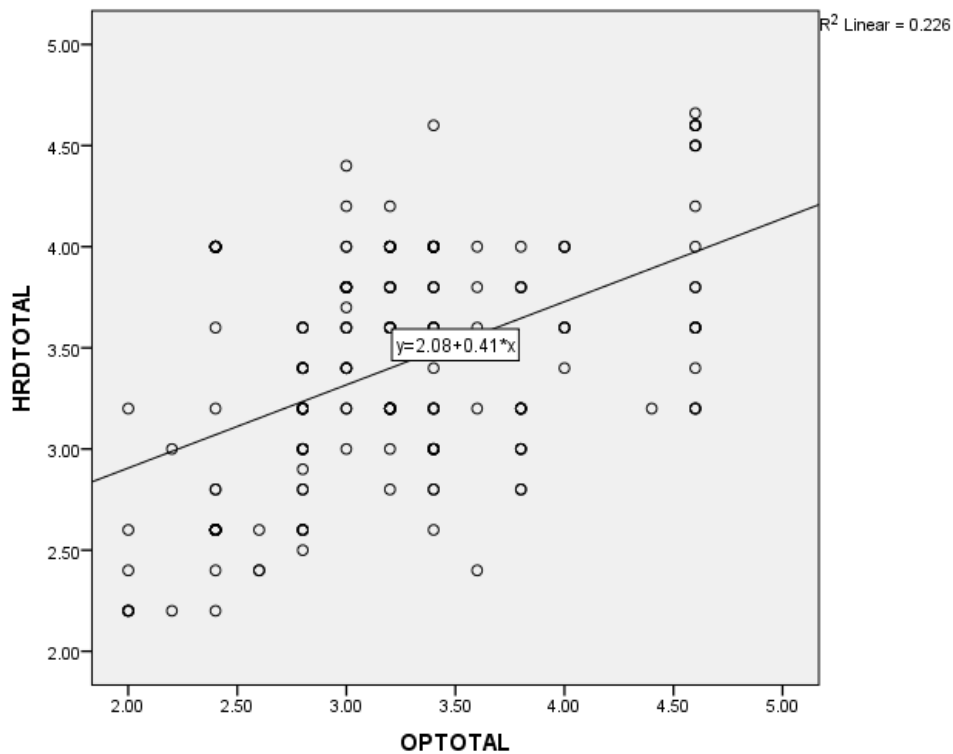


The method the researcher can use to identify if a distribution of variables are normally is called a P-P plot (probability-probability plot). The scatters should be fall tightly close to normal distribution line if the standardized residuals are normally distributed. Figure 2 show that the residuals have a normal distribution since their scatters essentially fall straight on the normal distribution line

4.5.2. Homoscedasticity

The residual Scatterplots are used to test the assumption of homoscedasticity using the scatter plot of the dependent and independent variables.

Figure 3. Scatterplot



4.6. Hypothesis Testing

Hypothesis testing is based on standardized coefficients beta and P-value to test whether the hypothesis is rejected or accepted

H.O 1: Human resource development planning has a positive effect organizational performance

HO 2: Training and development has a positive effect organizational performance

HO 3: Performance appraisal has a positive effect organizational performance

HO 4: Compensation has a positive effect organizational performance

Table 14. Hypothesis testing

NO	Human resource development practice	Organizational performance
H1	Human resource development planning	$\beta=199$ sig=.003 Accepted
H2	Training and development	$\beta=181$ sig=.004 Accepted
H3	Performance appraisal	$\beta=.137$ sig=.023 Accepted
H4	Compensation	$\beta=365$ sig=.000 Accepted

CHAPTER FIVE

SUMMERY, CONCLUSION AND RECOMENDATION

In Chapter four, data analysis and interpretation has been presented in professional manner. In this chapter, major findings of the study are going to be summarized and the subsequent conclusions are made. Based on the conclusion, recommendations are forwarded.

5. Summary of Findings

The study intended to see the effect of human resource development practice on organizational performance in WAAD under 15 grade 2 branches. The HRDP, T & D, PA CO as independent variables and organizational performance dependent variable

- Regarding Human Resource Planning the study reveals significant insights into Human Resource Planning at Bunna Bank. A majority of respondents (61.2%) agree that the bank has sound HR planning; however, a notable portion remains neutral or disagrees, indicating room for improvement. Additionally, while 36.8% feel that HR plans are significantly utilized in decision-making, 23% disagree, suggesting inconsistencies in communication about the influence of these plans. Regarding financial support for HR initiatives, 70.1% express agreement, Furthermore, only 46.9% believe that monitoring and evaluation mechanisms are sufficient, with 35.3% disagreeing, which underscores a gap in confidence and a need for enhancement in these areas. Overall, the findings indicate a general confidence in HR practices but also point to critical areas requiring greater clarity and effectiveness.
- The study reveals insights into Training and Development (T&D) practices at Bunna Bank. A majority (49.3%) agree that the organization offers active T&D programs. However, 29.9% express dissatisfaction, reflecting inconsistency in the visibility or implementation of these programs. While 62.3% agree and 10% strongly agree that T&D programs are linked to career advancement, 30.3% express dissatisfaction due to a lack of clarity about this connection. Regarding managerial support, 52% agree, and 6.5%

strongly agree that managers assist in identifying training needs. Additionally, 52.2% agree and 29.4% strongly agree that managers encourage professional development, demonstrating an overall positive view. However, only 25.4% agree that T&D programs are regularly evaluated, with 58.2% neutral and 12.4% strongly disagreeing, pointing to significant gaps in evaluation processes and communication.

- Based on the Performance Appraisal System at Bunna Bank, A majority (70%) expresses satisfaction with the system, confidence about the effectiveness of performance evaluations. Respondents believe that their ratings accurately reflect performance, suggesting a perceived fairness in the process. Additionally, a strong belief exists among employees that performance-based pay can enhance motivation and align compensation with contributions. Regarding employee benefits, while 53% agree that they are satisfactory, there remains notable uncertainty, with 27% expressing dissatisfaction. Furthermore, the feedback mechanism is viewed positively by 60% of respondents, although 35% feel there is a lack of clarity in receiving fair and constructive feedback, highlighting areas for improvement in communication and feedback processes.
- The survey results reveal a significant dissatisfaction among respondents regarding recognition and reward systems, with 37.9% expressing disagreement and only a small minority feeling positively about the current processes. This discontent may lead to decreased morale and motivation, ultimately affecting overall productivity. In terms of compensation, there is a strong belief among employees that performance-based pay can enhance motivation and align rewards with contributions, as evidenced by the support from a substantial majority. While 53% of respondent's view employee benefits positively, there remains considerable uncertainty, with 27.9% expressing dissatisfaction. Furthermore, although 60% appreciate the feedback mechanism, 35.3% indicate uncertainty about receiving adequate feedback, highlighting a need for improvement in communication and clarity regarding performance evaluations and rewards.
- Regarding the organizational performance, the results indicate a notable dissatisfaction among respondents regarding the organization's ability to meet customer service standards, with 11.9% strongly disagreeing and 20.4% indicating a strong disagreement

with current expectations. In comparison to other banking services, 65.6% of respondents expressed dissatisfaction, highlighting the need for significant improvements in customer service. When asked about employee feelings toward the organization, 24.9% reported a sense of belonging, while 21.0% strongly disagreed, suggesting that many employees do not feel a strong connection to the organization. Despite this, a majority of respondents (80.0%) feel that the organization differentiates itself positively in the market, although only 21.0% believe that employees feel a genuine connection to this differentiation. Additionally, perceptions of the organization's standing in the industry are generally favorable, with 60.4% indicating that they believe it is performing well, suggesting a disconnect between employee sentiment and the organization's market presence.

6. Conclusion

The study reveals that Bunna Bank demonstrates notable strengths in its Human Resource practices, particularly in areas such as HR planning, financial support for HR initiatives, managerial support for training, and a generally positive perception of its performance appraisal system. These strengths contribute to a foundation of confidence among employees regarding certain HR practices and organizational efforts.

However, the findings also highlight critical areas requiring improvement to enhance employee satisfaction and organizational effectiveness. Key challenges include:

- **Human Resource Planning:** Insufficient monitoring and evaluation mechanisms, along with inconsistent communication about the influence of HR plans in decision-making.
- **Training and Development:** Gaps in the regular evaluation of T&D programs and dissatisfaction with their visibility and linkage to career advancement.
- **Performance Management:** Limited clarity and adequacy in feedback mechanisms, recognition, and reward systems, which could impact employee motivation and morale.
- **Organizational Performance:** A disconnects between employee sentiment and the organization's market differentiation and customer service standards, with many employees lacking a strong sense of belonging.

In summary, while the bank has a solid foundation in many HR areas, targeted efforts to address gaps in communication, program evaluation, and employee recognition are essential to foster greater clarity, engagement, and alignment with organizational goals. These improvements could significantly enhance both employee satisfaction and overall organizational performance.

7. Recommendations

Human Resource Planning

To address the areas for improvement in Human Resource Planning, Bunna Bank should enhance communication about the role and utilization of HR plans in decision-making. Regular updates through newsletters or staff meetings can help employees better understand how these plans impact organizational decisions. Additionally, the bank should develop robust monitoring and evaluation mechanisms to assess the effectiveness of HR strategies. Introducing key performance indicators (KPIs) and conducting periodic reviews can provide actionable insights. Finally, continued investment in financial support for HR initiatives will ensure the successful implementation of these plans.

Training and Development (T&D)

Bunna Bank needs to increase the visibility and accessibility of its Training and Development programs to reduce dissatisfaction among employees. The bank can achieve this by implementing a centralized system to communicate available programs and eligibility criteria. Linking T&D initiatives explicitly to career progression through structured pathways will help clarify their value. Managers should be further empowered and trained to identify employee training needs and encourage participation actively. Moreover, establishing a consistent evaluation framework for T&D programs, including feedback mechanisms and measurable outcomes, will improve their overall effectiveness and employee perception.

Performance Appraisal System

While the Performance Appraisal System is positively perceived by most employees, there is room for improvement in feedback clarity and fairness. Managers should be trained to deliver constructive, transparent, and actionable feedback. Creating a standardized feedback process that includes regular check-ins will help address concerns about fairness and adequacy. The bank

should also revamp its recognition and reward systems to ensure employees feel valued. Introducing diverse and meaningful rewards, such as public recognition or development opportunities, could boost morale and motivation.

Recognition and Reward Systems

The dissatisfaction with recognition and reward systems requires immediate attention. Bunna Bank should develop a comprehensive reward strategy that recognizes both individual and team achievements. Performance-based rewards, aligned with clear criteria, can enhance employee motivation and satisfaction. To address the gaps in perception, the bank must ensure transparency in reward allocation and regularly communicate the processes and outcomes to employees. Additionally, gathering employee feedback on current reward practices and implementing their suggestions can foster a sense of inclusion and fairness.

Organizational Performance

The bank must focus on improving customer service standards to address significant dissatisfaction. Regular customer service training, combined with clear performance expectations, can equip employees to deliver better service. Enhancing employees' sense of belonging is also crucial. The bank should implement engagement initiatives such as team-building activities, recognition events, and regular communication of organizational goals and achievements. Strengthening the connection between employees and the organization's market differentiation can also help. Involving employees in strategic planning or market-focused initiatives can make them feel more aligned with the bank's vision. By addressing these independent variables, Bunna Bank can foster a more motivated workforce, improve operational effectiveness, and enhance both employee and customer satisfaction.

8. Limitation and future research direction

This study is believed to have certain constraint. Primarily, the sample of the study was limited to banks branch in WAAD where there may exist minor difference in practices. There should be caution taken when making generalization of the study Therefore, any future researchers might include employees working outside WAAD if there are any variances in the study findings. Self-reported data is going to be a major limitation of the study, because it rarely can be

independently verified that the researcher is going to take what the respondents said at face value. Further studies should be conducted on the key determinants and drivers of every element of the whole HRD practice.

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**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF MBA
QUESTIONNAIRE**

Dear Respondent,

I am currently doing thesis on “Effect of human resource development practice on organizational performance in bunna bank” As partial fulfillment of MBA in business administration. The purpose of this questionnaire is to gather adequate information at WAAD on selective branches and district office.

In order to make the study more fruitful, your response to the given question would be necessarily. I will promise to that all of your answer will be kept strictly confidential and will be used only for the academic purpose.

To the end, I would like to forward my deepest gratitude for your unreserved co-Cooperation in filling the questioner.

Section I: Background information of respondents Directions: Please circle from the alternatives that are most applicable answer to

You in respect of each of the following items.

1. Sex:

1. Male

☐

2. Female

☐

2. Age

1. below 25

☐

2. 25-35

☐

3. 36-45

☐

4. 46-55

☐

5. Over 55 years' old

☐

3. Educational level

1. Diploma

☐

2. first Degree

☐

3. Masters and above

☐

4. Job position

1. Junior CSO 2. Seiner CSO 3. Cashier

4. Assistant manager 5. Branch Manager

Section II: Questions related to HRD practices

Listed below are statements about the practices of Human Resource Development of the corporation. Please indicate your level of agreement with the statements so that your answers to these questions will enable the researcher to assess what you think about the practices of human resource development in your corporation

Human Resource development planning	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Bunna bank possesses sound human resource planning					
2.the company has set up effective mechanism to prepare the human resource plan					
3.the company significantly use HR plan to make HR related decision					
4.The company is committed to provide all financial support necessary for implantation of HR plan					
5.There is a comprehensive and adequate monitoring and evaluation mechanism for HR plan implementation					
Training and Development					
1. My organization has active training and development programs to upgrade employees' knowledge and skills					
2. The corporations training and development programs Improves my chance for promotion.					

3. My manager assists me to identify my training needs					
4. My manager encourages my professional development and to improve educational level.					
5. My organization regularly evaluates T&D programs					
Performance Appraisal System					
1. I am satisfied with the bank's performance appraisal system					
2. My performance rating is based on how well am I Doing					
3. My manager gives me fair feedback					
4. My manager is highly capable to rate my performance					
5. Performance Appraisal motivates you to perform well in the company.					
Compensation					
1. I am satisfied with the overall aspect of the rewarding and recognition systems in the organization					
2. the existence of recognition for good work has given me an opportunity to work beyond the requirements of my job					
3. I feel compensation package should be linked with performance of the employee					

4. Employee benefit plan are one of the important reason for working in the bank					
5. I receive correct feedback on my performance					

Section III Questions related to the impact of HRD practice on organizational outcome.

Please indicate your level of agreement has your firm experienced an increase in the following organizational outcomes as a result of the human resource development practice.

Perceived organizational performance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. Does the organization meet the customers' needs and expectations?					
2. The organization has a better performance over the past 3 years to that of other Banking service providers					
3. I do feel like 'part of bunna family' at my organization					
4. Does the company differentiate its self from the competitors in the market					
5. Bunna bank have strong market share in the primary industry					