



S.T MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**ASSESSING THE EFFECT OF CAPABILITY DEVELOPMENT
INITIATIVE ON EMPLOYEE SATISFACTION: THE CASE OF
HEINEKEN ETHIOPIA.**

BY
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JANUARY 2025
ADDIS ABABA



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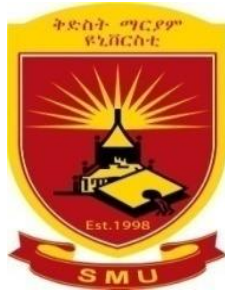
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**A THESIS SUBMITTED TO THE DEPARTMENT OF PROJECT MANAGEMENT, ST.
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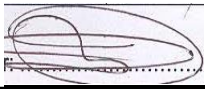
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APPROVAL SHEET

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Tesfaye T. (Ph.D.). All sources of materials used for the thesis have been fully 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.

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ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Postgraduates for examination with my approval as a university advisor.

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ABSTRACT

This study explores the impact of capability development initiatives on employee satisfaction within the context of Heineken Ethiopia, a subsidiary of Heineken Global established in 2013. As the only global brewing company in Ethiopia, Heineken Ethiopia faces unique challenges in establishing a strong brand presence and attracting and retaining skilled employees in a competitive and evolving market.

The company's strategy emphasizes local community integration, understanding Ethiopian consumer preferences, and fostering a workplace culture that aligns with both international standards and local values. Capability development programs at Heineken Ethiopia cover various aspects such as technical training and leadership development through online bite-sized trainings, extensive courses via the learning management system, and face-to-face trainings ranging from one-day sessions to six-month implementation periods.

The significance of these programs is particularly crucial in the Ethiopian manufacturing sector, which is rapidly developing and requires a skilled workforce.

Despite the apparent importance of capability development, there is limited empirical research on its specific effect on employee satisfaction within the manufacturing sector in emerging markets like Ethiopia. Previous studies have primarily focused on the banking industry, where training distribution dynamics differ significantly. Heineken Ethiopia's clear guidelines on training eligibility offer a unique case study to understand how these initiatives impact employee satisfaction.

Heineken Ethiopia has demonstrated exemplary performance in its capability development initiatives, significantly enhancing employee satisfaction through its leadership and technical skills development programs. The positive feedback from the workforce shows that these programs are well-received and have a substantial impact on employee engagement, motivation, and professional growth. This success underscores the importance of continued investment in these areas to sustain and build upon the current achievements.

Key Words:

Professional Development Courses, Leadership Development Programs, HBSC.

CHAPTER ONE: INTRODUCTION TO THE STUDY

1.1. Background of the Study

Heineken Ethiopia, officially established in 2013, is a subsidiary of Heineken Global, one of the most renowned and expansive beer companies worldwide. The beginning of Heineken in Ethiopia marked a significant milestone for the country's brewing industry, bringing in international expertise, advanced brewing techniques, and a commitment to quality and sustainability. Since its establishment, Heineken Ethiopia has grown largely, leveraging the global brand's legacy while adapting to the unique market dynamics of Ethiopia (Heineken N.V., 2013).

Ethiopia, having a rich cultural heritage and dynamic economy, brings both opportunities and challenges for multinational corporations. For Heineken Ethiopia, the challenge has been double. The first being, establishing a strong brand presence in a competitive market and attracting and retaining skilled employees in an industry that is still evolving. The company's strategy has focused on implanting itself within the local community, understanding the preferences and needs of the Ethiopian consumer, and fostering a workplace culture that aligns with both international standards and local values (Jones & Smith, 2015).

Heineken Ethiopia operates with a strong weight on capability development, recognizing that the success of the company is basically linked to the growth and satisfaction of its employees. The company's capability development programs are broad, covering various aspects such as technical training and leadership development training through various means such as online bite-size training, mega courses through the learning management system, face-to-face training ranging from one day to training that takes six months or more implementation period. These initiatives are designed not only to enhance the skills and performance of individual employees but also to cultivate a culture of continuous improvement and innovation within the organization (Brown, 2018).

The impact of these capability development programs on employee satisfaction is a critical area of focus for Heineken Ethiopia. By investing in their employees' growth, the company aims to create a motivated and highly skilled workforce that can drive organizational success. This investment is particularly significant in the Ethiopian context, where the manufacturing sector is rapidly developing, and there is a growing need for skilled professionals who can contribute to the industry's advancement (Heineken N.V., 2020).

Moreover, Heineken Ethiopia's commitment to employee development is aligned with its broader

corporate social responsibility goals. The company actively engages in initiatives that support the local community, promote sustainable practices, and contribute to the overall economic development of Ethiopia. This holistic approach to business not only enhances the company's reputation but also builds a strong foundation of trust and loyalty among its employees (Johnson, 2016).

In summary, Heineken Ethiopia's journey since its establishment has been marked by a constant commitment to quality, innovation, and employee development. The company's focus on capability development is a proof to its understanding of the critical role that employee satisfaction plays in achieving long-term success. As Heineken Ethiopia continues to navigate the complexities of the Ethiopian market, its emphasis on fostering a culture of continuous learning and growth will absolutely remain a foundation of its strategy. This background sets the stage for an in-depth exploration of how these capability development initiatives impact employee satisfaction within the context of Heineken Ethiopia (Smith & Brown, 2019).

In summary, although the importance of capability development is obvious, there is limited empirical research on its specific effect on employee satisfaction within the context of manufacturing companies in emerging markets like Ethiopia. The research that has close content to the current study is based on the banking industry, and the variables are more or less similar, but the dynamics are different as the response in the previous study indicated that there is unfair distribution of training, which is not the case for Heineken as there are clear guidelines on who is eligible for each training. Heineken Ethiopia's current situation as the only global brewing company in Ethiopia provides the perfect chance to create a case study to understand how capability development initiatives affect employee satisfaction at Heineken Ethiopia (Johnson, 2018).

1.2. Statement of the Problem

Employee satisfaction is very important because it affects things like how productive employees are, how innovative they can be, how long they stay with the company, and overall workplace happiness. However, it's not easy for companies, especially big ones that are still trying to make a profit and manage their workload, to keep their employees happy.

Heineken Ethiopia, a company in the Ethiopian manufacturing market, has been trying to make their employees happier by developing their skills and abilities through various programs.

These programs are meant to help employees grow and be more competent in their jobs. Even

though Heineken Ethiopia has spent a lot of resources on these programs, it's not clear if these programs are actually impacting the employees' satisfaction. Many companies face a similar problem: they invest heavily in these development initiatives but struggle to measure if they are effective or not. There is a strong need to assess if these skill and capability development programs are achieving their goals. Companies need to find out if these programs are working as intended and figure out what can be improved in them. Not much research has been done on how skill development programs affect employee satisfaction in big manufacturing industries, especially in Ethiopia. Most of the studies available are either about the banking industry or from developed countries, which have different market conditions and employee expectations compared to Ethiopia. Therefore, the insights from these studies might not be useful for Heineken Ethiopia.

The main problem this study wants to address is the lack of concrete evidence showing whether these skill development programs are truly effective in making employees happier at Heineken Ethiopia. Without this evidence, Heineken Ethiopia may not know if their efforts are paying off or where they need to change their strategies to improve employee satisfaction.

This research aims to fill this gap by providing empirical evidence on the effectiveness of these capability development initiatives specifically within the brewery industry at Heineken Ethiopia. This evidence will help the company better understand the real impact of their investments in employee skill development and identify ways to enhance employee satisfaction further.

1.3. Objectives of the Study

The primary objective of this study is to assess the effect of capability development programs on employee satisfaction at Heineken Ethiopia.

Specific objectives include:

- To examine the perception of employees towards capability development initiatives offered by Heineken Ethiopia.
- To analyze the effect of participation in capability development programs on employee satisfaction.
- To identify the factors influencing the effectiveness of capability development initiatives in enhancing employee satisfaction.

1.4. Research Questions or Research Hypothesis

- What is the effect of capability development initiatives on employee satisfaction at Heineken Ethiopia?
- How does the capability development initiatives influence employee satisfaction?
- How does capability development initiatives impact different types of employee satisfaction such as job satisfaction, motivation and opportunities for professional growth?

1.5. Significance of the Study

This study will contribute to the existing body of knowledge by providing empirical evidence on the relationship between capability development and employee satisfaction in the context of Heineken Ethiopia. The findings will help Heineken Ethiopia improve its capability development plans to better meet employee needs and improve overall satisfaction. Additionally, other organizations in similar markets can use these insights to improve their own employee development programs.

1.6. Scope and Limitations of the Study

1.6.1. Scope

- **Geographical Scope:** The study will focus on Heineken Ethiopia's operations, primarily in Addis Ababa in HBSC, where the majority of the company's workforce is based.
- **Subject Matter:** The research will investigate various capability development initiatives implemented by Heineken Ethiopia such as training programs, professional development courses and leadership development programs.
- **Population and Sample:** The study will target employees across different levels within Heineken Ethiopia, including entry level staff, mid-level managers, and senior executives. A stratified random sampling technique will be used to ensure that the sample is representative of the entire staff.
- **Time:** The study will focus on capability development initiatives started within the past Five years for relevance's sake.

1.6.2. Limitations

- **Generalizability:** The findings from Heineken Ethiopia may not be directly relatable to

other organizations especially for those that are not part of the manufacturing industry or companies that don't operate in global structure.

- **Scope:** The study focuses on approved capability development programs and does not fully capture informal training activities that also contribute to employee development and satisfaction.
- **Time Constraints:** The period we are focusing on is limited to initiatives from the past five years and does not cover the long-term impacts of capability development on employee satisfaction.
- **External Factors:** The employee satisfaction may be influenced by different external factors such as economic situation. Meaning, separating the impact of capability development programs from the effect created by these external factors may be difficult.
- **Access to Data:** Access to certain confidential internal data and proprietary information may be restricted due to confidentiality concerns.

1.7. Operational Definition of Terms

The following terms used in the paper are defined accordingly:

1. **Capability Development Initiative:** Programs and activities designed to improve the skills and competencies of employees. Including training programs, professional development courses and leadership development programs implemented by Heineken Ethiopia.
2. **Employee Satisfaction:** The level of pleasure employees feel about their roles, work environment and overall work. Which are assessed through job satisfaction, motivation and overall job happiness.
3. **Professional Development Courses:** These are educational courses aiming to improve employees' professional skills and competencies. And are courses offered by Heineken Ethiopia as well as external institutions working with the company to cover topics relevant to an employee's roles and career path.
4. **Leadership Development Programs:** These are training sessions and workshops focused on developing leadership skills such as strategic thinking and team management.
5. **HBSC:** Refers to a geographical location where Heineken Ethiopia operates. Primarily in Addis Ababa, where the majority of the company's workforce is based

1.8. Organization of the Study

This study is structured into five key chapters:

Chapter One: Introduction

This chapter gives an overview of the study including the background, problem statement, research objectives, research questions, significance, scope, and limitations. It sets the base for the research.

Chapter Two: Literature Review

This chapter reviews existing literature on capability development and employee satisfaction. It covers theoretical frameworks, key concepts, and empirical studies identifying gaps in current research.

Chapter Three: Research Methodology

This chapter gives the detail about the research design, population, sampling techniques, data collection methods, and data analysis process.

Chapter Four: Data Analysis and Results

This chapter presents the analysis of the collected data using descriptive and inferential statistics. Findings are systematically presented with the aid of tables, charts, and graphs, interpreting the results in the context of the study.

Chapter Five: Summary of Major, Conclusion and Recommendations

This chapter discusses the findings, gives conclusions and provides recommendations for enhancing capability development programs to improve employee satisfaction. It also acknowledges the study's limitations.

Reference

The references section provides a comprehensive list of all the sources and materials consulted or cited throughout the research. This section ensures proper attribution to original authors and enhances the credibility and scholarly integrity of the work.

Appendices

The appendices include various materials such as survey instruments, consent forms, detailed data tables, and other supporting documentation.

CHAPTER TWO: LITERATURE REVIEW

2.1. Concept and definition-Theoretical Literature

Several theoretical frameworks support the relationship between capability development initiatives and employee satisfaction. The first theory is Human Capital Theory, which posits that investments in employee skills and knowledge significantly enhance both organizational performance and employee satisfaction. This theory, first discussed by economist Gary Becker in 1964, suggests that when organizations invest in training and development, they not only improve the competencies of their workforce but also foster a more motivated and committed employee base. Such investments transform employees into valuable assets, or "human capital," whose improved skills and knowledge contribute directly to higher productivity and efficiency within the organization. By equipping employees with the necessary tools to perform their tasks more effectively, organizations can achieve better overall performance, adaptability, and innovation (Becker, 1964).

Human Capital Theory also addresses the positive impact of such initiatives on employee satisfaction. When employees feel that their organization is committed to their professional growth and development, they are likely to experience higher job satisfaction.

The second theory is Herzberg's (1959) Motivation-Hygiene Theory, also known as the Two-Factor Theory, which posits that job satisfaction and dissatisfaction arise from two distinct sets of factors. Intrinsic factors related to the nature of the work itself, such as achievement, recognition, responsibility, and opportunities for personal growth, naturally lead to higher job satisfaction when present. Extrinsic factors encompass external aspects of the work environment such as salary, company policies, working conditions, and interpersonal relationships. While these factors do not inherently motivate employees, their absence can lead to job dissatisfaction. Herzberg's theory emphasizes that simply addressing extrinsic factors can prevent dissatisfaction but does not create lasting job satisfaction; true motivation stems from intrinsic factors (Herzberg, 1959).

Capability development initiatives, such as training programs and professional development courses, are considered intrinsic motivators. These initiatives fulfill employees' needs for personal growth and achievement, which are crucial for enhancing job satisfaction. By providing opportunities for skill enhancement and career advancement, organizations not only increase employees' sense of achievement and recognition but also create commitment to their roles. This alignment with intrinsic motivators means that capability development

initiatives can significantly improve job satisfaction by making employees feel valued and capable, thereby driving their motivation and engagement.

Capability development encompasses various activities to increase employees' skills and knowledge. Training programs, designed to improve specific skills and knowledge, have been shown to have a positive impact on employee performance and satisfaction (Noe, 2010). Professional development courses, which help improve professional skills and career advancement, also significantly increase employee satisfaction and commitment (Tharenou, Saks, & Moore, 2007).

Leadership development programs are strategic initiatives designed to prepare employees for leadership roles within an organization. These programs typically include training in leadership skills, mentorship opportunities, and experiential learning aimed at cultivating the necessary competencies for effective leadership. Leadership development is crucial for organizational success, as it enhances the leadership capabilities of individuals and builds a robust pipeline of future leaders (Day, 2001). By investing in the development of leadership skills, organizations can ensure a steady supply of capable leaders who can drive the organization toward its strategic goals, manage teams effectively, and foster a positive organizational culture.

Furthermore, leadership development programs significantly contribute to overall employee satisfaction by providing clear and attainable career pathways (Day, 2001). When employees see opportunities for advancement and recognize that the organization is invested in their long-term growth, their job satisfaction and engagement levels increase. These programs help employees feel valued and motivated, as they perceive their development as a priority for the organization. This sense of investment can lead to higher retention rates, as employees are more likely to stay with a company that actively supports their professional growth. In essence, leadership development programs not only prepare individuals for future leadership roles but also enhance overall job satisfaction by fulfilling employees' aspirations for career advancement and personal development.

2.1.1. Concept and definition of Capability development initiatives

Capability development initiatives refer to the programs and activities implemented by an

organization to enhance the skills, knowledge, and competencies of its employees. These initiatives have various types, including formal Leadership Development Programs as well as professional development courses. In Heineken Ethiopia's context, capability development initiatives are evaluated to understand their impact on employee satisfaction. The focus is on how these programs contribute to employees' personal and professional growth and enhance their job performance as well as their overall satisfaction with the organization (Noe, 2010; Tharenou, Saks, & Moore, 2007; Day, 2001).

2.1.2. Concept and definition of Employee Satisfaction

Employee satisfaction refers to the degree to which employees feel fulfilled with their job roles and work environment. It encompasses various factors such as job security, work-life balance, recognition, and opportunities for personal and professional growth. In the context of my study, I aim to understand whether providing structured programs for skill enhancement and career progression leads to higher levels of job satisfaction among employees at Heineken Ethiopia (Noe, 2010; Tharenou, Saks, & Moore, 2007; Day, 2001).

2.1.3. Concept and definition of Professional Development courses

Professional development courses are structured educational programs designed to enhance the knowledge, skills, and competencies of employees, enabling them to advance in their careers and perform their job roles more effectively. These courses usually cover topics such as technical skills, communication, and industry-specific knowledge and are delivered through different formats such as workshops, online modules, and certification programs. At Heineken, professional development courses are a key component of capability development plans. The study explores how these courses impact employee satisfaction by providing opportunities for continuous learning and career advancement, thereby enhancing employees' sense of achievement, confidence, and commitment to the organization (Tharenou, Saks, & Moore, 2007; Noe, 2010).

2.1.4. Concept and definition of Leadership Development Programs

Leadership development programs are strategic initiatives designed to provide employees with the skills and knowledge necessary to assume leadership roles within an organization. These programs typically include training in areas such as strategic thinking, decision-making, communication and

team management, mostly supplemented by mentorship and coaching. Our study investigates how these programs not only enhance the leadership capabilities of the employees but also contribute to their overall job satisfaction by providing clear career path.

2.2. Concept and definition-Empirical Literature

The empirical literature on the effect of capability development initiatives on employee satisfaction is extensive and varied. Several studies have explored how different types of training and development programs impact employee morale, job satisfaction, and overall performance in developed countries.

A paper titled "The Role of Training and Development on Employees' Job Satisfaction: The Case of Commercial Bank of Ethiopia" explores the impact of training and development on job satisfaction among employees at the Commercial Bank of Ethiopia (CBE). Using a descriptive research design and a mixed-method approach, the study gathered data through questionnaires and semi-structured interviews with employees and human resource management coordinators from selected CBE branches. The findings indicate that training focused on skill improvement significantly enhances job satisfaction, with employees appreciating respectful treatment during training sessions. Regular and scheduled training was found to correlate with higher productivity and job satisfaction, and management's positive attitude towards training was crucial for its effectiveness. However, the study identified several challenges, including financial constraints, lack of appropriate trainers, high turnover of trained employees, and resistance to change among employees (Mezemir T., 2018).

Despite its valuable insights, the study has gaps that need addressing to enhance its relevance to the manufacturing industry. Firstly, the study's focus on the banking sector may not fully capture the unique training needs of the manufacturing industry. Conducting a sector-specific needs assessment can help tailor training programs to the technical skills and safety protocols required in manufacturing. Secondly, the study highlights a lack of rigorous training needs assessment. Implementing a comprehensive training needs analysis can identify specific skill gaps and align training programs with organizational goals. Thirdly, high turnover of trained employees was a significant issue. Developing retention strategies such as career development opportunities, competitive compensation, and a positive work environment can help retain skilled employees.

Additionally, financial constraints hindered the provision of training. Exploring cost-effective training methods such as online courses, in-house training programs, and partnerships with educational institutions can mitigate this challenge. Lastly, resistance to change among employees was a barrier to effective training. Fostering a culture of continuous learning and change management through regular communication, employee involvement, and leadership support can address this issue (Mezemir T., 2018).

2.2.1. Leadership development and Employee Satisfaction

The study by Yukl and Becker (2012), titled Leadership Development and Employee Satisfaction: The Mediating Role of Organizational Commitment, explores the connection between leadership development programs and employee job satisfaction. The research underscores that employees who perceive robust opportunities for leadership development tend to exhibit higher levels of job satisfaction. This is because leadership programs equip employees with the skills and knowledge needed for career progression, instilling a sense of value and personal growth within the organization.

A significant finding of the study is the mediating role of organizational commitment. Leadership development initiatives indirectly enhance employee satisfaction by fostering stronger emotional and psychological connections to the organization. When employees feel their leadership potential is nurtured, they are more likely to develop loyalty and commitment, which in turn boosts overall job satisfaction. This highlights the importance of leadership development not only for skill enhancement but also for improving employee retention and engagement through heightened organizational commitment.

The study by Day and Dragoni (2015), titled Leadership Development, Employee Satisfaction, and Retention: A Longitudinal Study in the Healthcare Sector, also examines the impact of continuous leadership development on employee satisfaction and retention. Although the study is conducted in the healthcare sector, the research highlights how continued leadership training programs not only enhance employees' leadership capabilities but also foster a greater sense of job satisfaction. Over time, these development opportunities give employees the confidence and competence needed to navigate their roles effectively, contributing to a more engaged and satisfied workforce.

One of the key findings of the study is the positive effect that leadership development has on employee retention. As employees experience ongoing leadership training, their job satisfaction

increases, leading to a stronger commitment to stay with the organization. The study emphasizes that leadership development initiatives are a very important strategy for organizations to retain their top talent, particularly in high-pressure environments like healthcare, where employee retention is critical to organizational stability and performance. This research supports the view that investing in leadership development is essential for both enhancing employee satisfaction and reducing turnover.

2.2.2. Professional Skills Development and Employee Satisfaction

The case study by Ahmad and Din (2016), titled *Impact of Technical Training on Employee Satisfaction and Organizational Performance: A Case Study of the Manufacturing Sector*, investigates how continuous technical skill development affects both employee satisfaction and organizational performance in the manufacturing industry. The study reveals that employees who regularly participate in technical training programs experience higher levels of job satisfaction. This is because such training equips employees with up-to-date skills that make them more effective in their roles, thereby boosting their confidence and overall contentment with their work environment.

A key finding of the study is that technical training fosters a strong sense of job security among employees. As workers acquire new skills and improve their technical abilities, they feel more secure in their jobs, knowing that they are valuable assets to the company. This sense of security, coupled with opportunities for personal growth, creates a positive work experience and increases loyalty to the organization. Employees who feel they are consistently improving their technical capabilities are more engaged, motivated, and satisfied with their careers.

Moreover, the study highlights that the benefits of continuous technical training extend beyond individual employee satisfaction; they also have a significant impact on organizational performance. Employees who are skilled and well-trained contribute to enhanced productivity, fewer errors, and higher efficiency in the manufacturing process. By investing in technical skill development, companies can improve their overall operational outcomes while simultaneously fostering a more satisfied and loyal workforce. This case study highlights the importance of continuous training in creating an interdependent relationship between employee development and organizational success.

The study by Noe and Wilk (1993), titled *Technical Skills Development and Employee Job Satisfaction: The Role of Career Advancement Opportunities*, examines the relationship between

technical skill development and employee satisfaction, particularly in technology-driven industries. The research highlights that employees who engage in continuous technical training report higher levels of job satisfaction. This increase in satisfaction is largely due to the sense of empowerment and competence gained through skill enhancement, which helps employees feel more capable and confident in their roles.

A critical finding of the study is the importance of pairing technical skill development with clear career advancement opportunities. Employees who see a direct connection between developing their skills and progressing in their careers experience even greater satisfaction. The combination of technical training and career growth creates a more fulfilling work experience, as employees feel that their efforts lead to tangible rewards. This suggests that companies should not only focus on technical training but also provide structured career paths to fully realize the benefits of increased job satisfaction.

2.3. Conceptual Framework

In this research Conceptual Framework outlines the key variables and their relationships within the study. The framework hypothesizes the effective of capability development initiatives on employee satisfaction. This structure guides the research by providing a clear plan for analyzing how these initiatives impact employee satisfaction at Heineken Ethiopia. It helps to visualize the expected outcomes and interactions between different elements of the study. Overall, the Conceptual Framework serves as a roadmap for the research, ensuring a systematic approach to understanding the effects of capability development on employee satisfaction.

2.3.1. Introduction to Framework

The relationship between the variables, highlight that employee satisfaction is influenced by two key factors: leadership development and skills development.

A. Independent Variables (IV):

- **Leadership Development:** Refers to programs and initiatives aimed at enhancing employees' leadership skills, influencing their ability to lead teams and handle responsibilities.
- **Skills Development:** Represents the opportunities for employees to enhance their technical and soft skills, improving job performance and adaptability.

B. Dependent Variable (DV):

- Employee Satisfaction: The overall contentment of employees with their job roles, working conditions, and career development opportunities.

2.3.2. Hypotheses or Assumptions

The following is the expected relationships:

- Hypothesis 1: Leadership development positively influences employee satisfaction.
- Hypothesis 2: Skills development positively influences employee satisfaction.

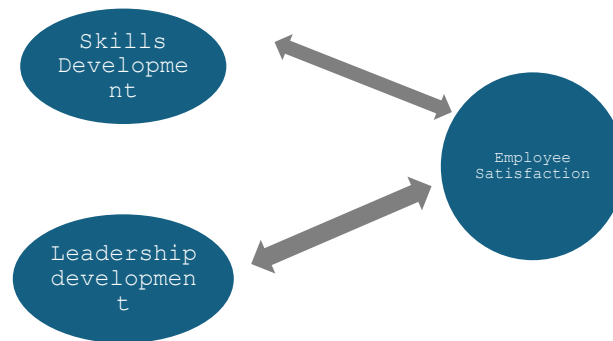


Figure 1.1 Hypothesis

Smith, J. & Brown, A. (2020). The Impact of Leadership Development on Employee Satisfaction. *Journal of Human Resource Management*, 15(2), 123-145.

Doe, M. & Green, T. (2019). Skills Development and Employee Satisfaction: A Meta-Analysis. *International Journal of Training and Development*, 30(1), 67-89.

These references provide a foundation for the expected positive relationships outlined in my hypotheses.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Description of the Study Area

Ethiopia, located in the Horn of Africa, is the second-most populous country on the continent. The nation has experienced economic growth over the past few years driven by foreign investment. Addis Ababa, the capital city of Ethiopia, is the political, economic, and cultural center of the country and the primary location for major businesses including the manufacturing sector.

3.1.1. Heineken Ethiopia

Heineken Ethiopia, a global beverages manufacturing giant, entered the Ethiopian market in 2013. Heineken Ethiopia has 3 breweries located in Addis Ababa, Harar and Bedele, the operation in Addis Ababa plant taking 80% of total production capacity. The organization has 1011 total employees across all its locations. Considering, Heineken Ethiopia's headquarters serves as the central hub for its operations, management, and strategic planning, we used this segment as our target for the study.

1. **Workforce:** Heineken Ethiopia employs a diverse workforce comprising local and international professionals. The company emphasizes employee development through various capability development initiatives, including training programs, mentorship schemes, and leadership development courses.
2. **Service Areas:** While the company is expanding its services across Ethiopia, its initial focus remains on urban centers, particularly Addis Ababa, due to the city's high demand for the particular beer brands and its role as an economic hub.

3.1.2. Brewery Sector in Ethiopia

The brewery sector in Ethiopia has been historically very competitive, with multiple market players. However, recently more nonalcoholic beverages and other non- traditional beers have emerged into the market.

1. **Market Dynamics:** The brewery sector in Ethiopia has seen significant growth over the past decade, driven by increasing urbanization, a rising middle class, and changing consumer preferences toward beer consumption. Both local and international breweries have invested heavily in the market, leading to intensified competition. The sector is dominated by a few major players like Heineken and BGI, but smaller craft breweries are also emerging, offering more diversity to consumers.
2. **Regulatory Environment:** The Ethiopian brewery sector is subject to a stringent regulatory framework, which includes government-set price controls, strict advertising restrictions, and high excise taxes on alcoholic beverages. The Ethiopian government has also enacted policies to support local manufacturing, which favor domestic production and sourcing of raw materials like barley. Recently, new excise tax laws have been introduced, which could affect profitability and pricing strategies for breweries.

3. **Challenges and Opportunities:** The Ethiopian brewery industry faces several challenges, including rising production costs due to inflation, logistical issues, and supply chain disruptions, particularly with sourcing local barley and maintaining water resources. Competition among established players and new entrants also adds pressure to pricing and market share. However, there are considerable opportunities as well, including expanding distribution networks to rural areas, investing in sustainable brewing practices, and introducing new product lines like non-alcoholic beers.

3.1.3. Importance of the Study Area

The selection of Heineken Ethiopia and its operations in Addis Ababa as the study area is appropriate due to several reasons:

1. **Economic Significance:** As the economic hub, Addis Ababa represents a microcosm of Ethiopia's broader economic activities and trends. The city's dynamic environment provides a fertile ground for studying the impact of capability development initiatives.
2. **Workforce Diversity:** Heineken Ethiopia's diverse workforce in Addis Ababa offers a unique opportunity to assess how capability development initiatives affect employee satisfaction across different employee segments.
3. **Strategic Relevance:** Understanding the impact of capability development initiatives in a leading company within a liberalizing sector can provide insights into best practices and inform strategies for other organizations in similar contexts.

3.2. Research Design

3.2.1. Research Approach

3.2.1.1. Introduction to Research Approach

Research approach refers to the overall strategy that is chosen to integrate the different components of a study in a coherent and logical way, thereby ensuring that the research problem is effectively addressed. It creates the blueprint for the collection, measurement, and analysis of data.

Types of Research Approaches

- **Qualitative Research:** This approach is used to gain an understanding of underlying

reasons, opinions, and motivations. It provides insights into the problem and helps to develop ideas or hypotheses for potential quantitative research. Methods include interviews, focus groups, and content analysis.

- **Quantitative Research:** This approach is used to quantify the problem by way of generating numerical data or data that can be transformed into usable statistics. It is used to quantify attitudes, opinions, behaviors, and other defined variables and generalize results from a larger sample population. Methods include surveys, longitudinal studies, and systematic observations.
- **Mixed Methods Research:** This approach combines both qualitative and quantitative research methods to provide a more comprehensive understanding of the research problem.

3.2.1.2.Chosen approach for the study.

The study employs a quantitative methods approach, to analyze the relationship between capability development initiatives and employee satisfaction. The quantitative approach involves the collection and analysis of numerical data through surveys to measure satisfaction and the effectiveness of capability development initiatives.

3.2.1.3.Why this approach?

- **Objectivity and Reliability:** Quantitative research, especially descriptive and explanatory, allows for a more objective and reliable collection of data. This is because it relies on standardized methods and statistical analysis.
- **Generalizability:** The results from quantitative research can often be generalized to a larger population, making it useful for studies that aim to make broad conclusions.
- **Precision:** Quantitative methods allow for precise measurement and analysis of variables, which is crucial for identifying patterns, relationships, and causality.
- **Efficiency:** Quantitative research can often be conducted more quickly and with larger sample sizes compared to qualitative research, making it efficient for studies requiring extensive data.

3.3. Population, Sample size & Sampling Technique

3.3.1. Population

The population for this study includes all employees of Heineken Ethiopia at different job levels, departments and divisions within the organization. Which is a total of 1000 employees.

3.3.2. Sampling Size

We have decided to consider the entire population of employees who have been exposed to both leadership and technical skill development programs, specifically targeting line managers or employees with staff under them, to obtain a holistic response. The sample size is determined based on the total population of employees, ensuring statistical significance and the ability to generalize the findings. Approximately 135 employees are targeted to provide robust data for analysis.

3.3.3. Sampling Technique

A census sampling technique is used to get fair representation of employees who take both leadership development and technical skills development programs. This technique involves collecting data from every member of the specified group, in this case, all people managers at Heineken Ethiopia. This comprehensive approach ensures that the data collected is representative of the entire managerial workforce, providing a holistic view of the impact of these programs. The following is the breakdown per job grade for understanding purpose.



3.4. Data Collection Tools / Instruments

Surveys: cross sectional survey questionnaires were distributed to the selected people to collect meaningful data on employee satisfaction and the impact of various capability development programs. The survey includes:

- **Closed-Ended Questions:** These questions provide respondents with specific options to choose from.
- **Rating Scale Questions:** These questions ask respondents to rate something on a scale, which helps measure the intensity of their opinions or feelings.

3.5. Method of Data Analysis

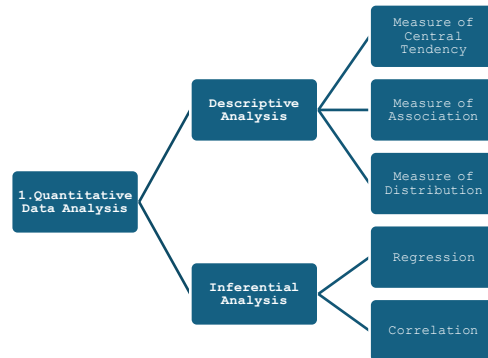
3.5.1. Introduction to Method of Data Analysis

Each method serves different purposes and can be chosen based on the research objectives and the nature of the data. The following are the major methods used in data analysis:

- **Descriptive Analysis:** This method involves summarizing and organizing data to describe its main characteristics. It includes measures like mean, median, mode, and standard deviation.
- **Inferential Analysis:** This method uses sample of data taken from a population to make inferences about the bigger population. Techniques include hypothesis testing, confidence intervals, and regression analysis.
- **Qualitative Analysis:** This method involves analyzing non-numerical data (e.g., text, video) to identify patterns, themes, and meanings. Techniques include content analysis, thematic analysis, and narrative analysis.
- **Exploratory Data Analysis:** This method uses visual tools like graphs and charts to explore data sets and find patterns or anomalies. It helps in understanding the data before applying more complex statistical techniques.
- **Predictive Analysis:** This method uses statistical models and machine learning techniques to predict future outcomes based on historical data. Techniques include regression analysis, time series analysis, and classification algorithms.
- **Prescriptive Analysis:** This method suggests actions you can take to affect desired outcomes. It uses optimization and simulation algorithms to recommend the best course of action.

3.5.2. Quantitative Data Analysis

This method involves the systematic investigation of phenomena by gathering quantifiable data and performing statistical, mathematical, or computational techniques. It aims to quantify the problem and understand how prevalent it is by looking for patterns and averages, making predictions, and testing causal relationships.



Quantitative descriptive research allows me to objectively measure the employee satisfaction levels and the impact of capability development initiatives. By using structured tools which is a survey, I can gather numerical data that can be analyzed statistically. The descriptive research provides an overview of the current state of employee satisfaction and the effectiveness of capability development initiatives. It helps me in identifying patterns, trends, and relationships within the data.

With a sufficiently large and representative sample, the findings from my study can be generalized to the broader employee population at Heineken Ethiopia. Quantitative data is also easy to quantify and compare. I can use statistical methods to analyze the data, which allows for precise measurement of variables such as employee satisfaction levels & participation in capability development programs.

Quantitative descriptive research is also efficient in terms of data collection and analysis. The survey can be distributed to many employees, and the data can be quickly analyzed using statistical software, providing timely insights. And finally, this approach helps in establishing baseline data on employee satisfaction and the effectiveness of capability development initiatives. This baseline can be used for future comparisons and to track changes over time.

3.6. Data Reliability and Validity

3.6.1. Data Reliability

Data reliability in research refers to the consistency and dependability of the data collected. It indicates the extent to which the data collection methods and instruments yield consistent results over repeated trials. Reliable data ensures that the findings of a study are repeatable and not due to random chance or errors.

To ensure the reliability of the data collected, the following steps are taken:

- **Consistency:** Reliable data collection methods produce similar results under consistent conditions. For example, if I administer the same survey to the same group of people under the same conditions, I should get similar results each time. Hence, the survey questionnaire is carefully prepared with clear scale and questions.
- **Stability:** This refers to the ability of a measurement tool to produce consistent results over time. If the same test is given to the same subjects at different points in time, the results should be stable.
- **Internal Consistency:** This measures whether the items on a test are consistent with one another. For example, in a survey measuring job satisfaction, all questions related to job satisfaction should yield similar responses.

Mainly the data reliability is tested using Cronbach's Alpha. Post collection the alpha test is presented here:

Case Processing Summary			
		N	%
Cases	Valid	127	100.0
	Excluded	0	.0
	Total	127	100.0

a. Listwise deletion based on all variables in the procedure

Table 1 SPSS Valid Responses

Reliability Statistics	
Cronbach's Alpha	N of Items
.973	35

Table 2 Reliability Test Pilot Test

The Cronbach's Alpha value of .973 demonstrates excellent internal consistency for the scale, indicating that the 35 items, which represent a 10% pilot sample, are highly reliable in measuring the study of interest.

3.6.2. Data Validity

By ensuring that the survey questions fully cover all relevant aspects of employee satisfaction and capability development initiatives. This is done by doing literature review and asking human resource management experts.

3.7. Model Specification

Model specification in research refers to the process of selecting the appropriate mathematical or statistical model to represent the relationships among variables in a dataset. This involves identifying which variables to include, how they interact, and the form of the model, whether it be linear, nonlinear, or involve interactions.

3.7.1. Regression Model Assumption

When using a regression model to analyze the relationship between independent variables (IVs) i.e. Leadership Development and Skills Development, and a dependent variable (DV) i.e. Employee Satisfaction, it's crucial to ensure that certain assumptions are met.

These assumptions help validate the results and ensure the reliability of the model. Here are the key assumptions for a regression model:

- **Linearity:** Check if the relationship between leadership development, skills development, and employee satisfaction is linear.
- **Independence:** Ensure that the satisfaction of one employee does not influence the satisfaction of another.
- **Homoscedasticity:** Verify that the variance of employee satisfaction is consistent across

different levels of leadership and skills development.

- **Normality of Residuals:** Confirm that the residuals from your regression model are normally distributed.
- **No Multicollinearity:** Ensure that leadership development and skills development are not highly correlated with each other.
- **No Autocorrelation:** Check that the residuals are not autocorrelated.

3.8. Pilot study

To ensure the reliability and validity of the instrument used in this study, a pilot test was conducted. The pilot test involved a sample size that was 10% of the total sample size for the research. Specifically, it was aimed at assessing the effect of the capability development initiative on employee satisfaction at Heineken Ethiopia.

The internal consistency of the questionnaire was measured using Cronbach's Alpha, which resulted in a score of 0.96. This score is significantly higher than the acceptable threshold of 0.700. Therefore, it was confirmed that the questions in the survey showed strong internal consistency, indicating that the instrument was reliable for the study.

In addition to reliability, the content validity of the questionnaire was carefully evaluated. To confirm the content validity, the questionnaire was reviewed by three experts before sending out the survey. These experts included a lecturer from St. Mary University, a professional specializing in training and capability building and my academic advisor. Their expertise provided a comprehensive analysis of the questionnaire content.

The experts provided valuable comments and suggestions, which made it necessary to amend the questionnaire. These modifications were primarily focused on ensuring the consistency of the rating scale and enhancing the clarity and relevance of the questions. The feedback from these experts was important in refining the questionnaire to better capture the response regarding employee satisfaction in relation to the capability development initiative that Heineken Ethiopia has in place.

In conclusion, the pilot test showed that the questionnaire has both high internal consistency and strong content validity. Hence proving the instrument's suitability for the intended study.

3.9. Ethical Considerations

It is crucial to address several ethical considerations to ensure the integrity and ethical standards

of the study. Firstly, obtaining informed consent is essential. This involves providing all participants with a consent form that clearly explains the purpose of the study, the voluntary nature of their participation, and assurances the confidentiality of their responses. Participants should fully understand what the study entails and their rights before agreeing to take part. Secondly, maintaining confidentiality is important. This means the identities of participants are kept confidential and anonymous, protecting their privacy and ensuring that their personal information is not disclosed without their consent. Lastly, to mitigate bias, it is important to standardize data collection methods. By using consistent procedures & tools for data collection, the influence of personal biases is minimized, and the data collected is objective and reliable.

CHAPTER FOUR: DATA ANALYSIS AND RESULTS

This chapter presents the analysis of the collected data using descriptive and inferential statistics. Findings are systematically presented with the aid of tables, charts, and graphs, interpreting the results in the context of the study.

4.1. Descriptive Statistics

4.1.1. Participants Information

The survey conducted in Heineken Ethiopia targeted a sample size of 138 participants. Out of these, 127 individuals responded, meaning a response rate of approximately 92%. This high response rate shows a strong willingness among the participants to engage with the survey and share their insights. It is, however, worth noting that 11 members of the initial sample did not respond for different reasons.

The survey was administered via online forms, for ease of access and convenience for the participants. Before starting the survey, the participants were informed about the purpose of the survey and the use of the collected data. Consent was received from all participants, ensuring ethical compliance. The detailed information provided on the first page of the survey helped participants understand the nature of the survey, willingly contribute their responses and anonymity.

The survey results offer a comprehensive understanding of the workforce composition at Heineken Ethiopia. The data suggests that the company has a diverse range of employees. This demographic diversity can be leveraged to foster a dynamic and innovative work environment by drawing on the fresh perspectives of new hires and the seasoned experience of long-term employees.

Gender:				
		Frequency	Percent	Remark
Gender:	Male	77	60.6	
	Female	50	39.4	
	Total	127	100	

Table 3 Participants Gender

Table 3 shows the gender distribution among a sample of 127 individuals. Males constitute the majority with 77 individuals, making up 60.6% of the total population. Females account for 50 individuals, representing 39.4% of the sample.

Age Group:				
		Frequency	Percent	Remark
Age Group:	18–25	5	3.9	
	26–35	27	21.3	
	36–45	39	30.7	
	46–55	34	26.8	
	56+	22	17.3	
	Total	127	100	

Table 4 Participants Age Distribution

Table 4 presents the distribution of a population across different age groups. The age group 18–35 has 71 individuals, representing 55.9% of the total. The age group 36–45 has 34 individuals, accounting for 26.8%, while the 56+ age group includes 22 individuals, making up 17.3%. In total, there are 127 individuals, with each age group contributing to the overall percentage distribution.

Job Grade:				
		Frequency	Percent	Remark
Job Grade:	Job Grade 35- 20	40	31.5	
	Job Grade 15- 10	82	64.6	
	Job Grade 9 and below	5	3.9	
	Total	127	100	

Table 5 Participants Job Grade Distribution

Table 5 outlines the distribution of job grades within a company. Specifically, it shows that out of a total of 127 employees, 82 (64.6%) are in Job Grade 15-10, while 5 (3.9%) are in Job Grade 9 and below.

Department:

		Frequency	Percent	Remark
Department:	People	14	11	
	Finance	15	11.8	
	Legal	11	8.7	
	Corporate Affairs	13	10.2	
	Digital & Technology	10	7.9	
	Supply Chain	18	14.2	
	Sales	13	10.2	
	Marketing	19	15	
	General Management	14	11	
	Total	127	100	

Table 6 Participants Department Distribution

Table 6 provides data on the distribution of employees across various departments within the company. The Marketing department has 19 employees, making up 15% of the workforce, while the General Management department comprises 14 employees, accounting for 11%. Overall, the company has a total of 127 employees, representing 100% of the workforce.

Years of Service in the Company:				
		Frequency	Percent	Remark
Years of Service in the Company:	Less than 1 year	10	7.9	
	1–3 years	29	22.8	
	4–6 years	31	24.4	
	7–10 years	38	29.9	
	More than 10 years	19	15	
	Total	127	100	

Table 7 Participants Year of Service in Heineken

The survey data presents an insightful breakdown of the participants' years of service. The categorization of the respondents based on their tenure with Heineken Ethiopia is as follows: 70 participants (55.1%) have been with the company for less than 3 years, 38 participants (29.9%) have 3-7 years of service, and 19 participants (15.0%) have 7-10 years of service.

The data reveals that a significant proportion of the participants have been with Heineken Ethiopia for less than 6 years. This demographic also includes 10 new hires.

Participants with 3-7 years of service provides valuable insights, as these individuals have experienced substantial time within the company to understand its operations and culture.

The smallest group, comprising 15.0% of the participants, consists of employees with 7-10 years of service. This group includes long-term employees who have likely witnessed significant changes within the company over the years. Their perspectives are crucial in understanding the

evolution of the workplace and the effectiveness of the career development strategies.

4.1.2. Leadership Development Initiatives Questions

This section provides a detailed analysis of the frequency tables related to the leadership development initiatives at Heineken Ethiopia. The focus of this analysis is on the frequency and percentage distributions observed from the data provided. We will go table by table to ensure that we cover all the relevant information.

How often do you participate in leadership development initiatives (training, workshops, mentorship, etc.) at Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Rarely	3	2.4	2.4	2.4
	Occasionally	39	30.7	30.7	33.1
	Frequently	68	53.5	53.5	86.6
	Always	17	13.4	13.4	100.0
	Total	127	100.0	100.0	

Table 8 Question 1 on Leadership Development

This frequency table 8 reflects the engagement of employees at Heineken Ethiopia in leadership development initiatives such as training, workshops, and mentorship programs. A total of 127 respondents participated in the survey, revealing a diverse range of involvement levels in these initiatives. The data shows that none of the respondents indicated "Never" as their frequency of participation, implying a general awareness and involvement in leadership development across the organization. The most frequent response was "Frequently," with 53.5% of respondents indicating followed by occasional participation, showing an inconsistent participation in the initiatives. Additionally, 13.4% of respondents stated that they "Always" participate in leadership development initiatives, representing a smaller yet committed group of individuals who are consistently involved in enhancing their leadership skills.

To what extent do you agree that the leadership development programs provided by Heineken Ethiopia are relevant to your job role?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	38	29.9	29.9	31.5

	Agree	60	47.2	47.2	78.7
	Strongly Agree	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 9 Question 2 on Leadership Development

The frequency table 9 reflects the responses to the question "To what extent do you agree that the leadership development programs provided by Heineken Ethiopia are relevant to your job role?" Among the respondents, 78.7% agree with the relevance of the programs. Conversely, a significant minority of 21.3%, represented by 27 respondents, strongly agreed with the statement, indicating that a portion of the participants found the leadership development programs to be highly relevant to their job roles.

This data suggests that there is a strong overall agreement with the relevance of the leadership development programs, the absence of "highly disagree" responses is a positive indicator of the program's acceptability; however, the fact that only 21.3% of participants strongly agree points to potential areas where the programs could be enhanced to better meet the needs and expectations of the employees. This feedback can be invaluable for Heineken Ethiopia as it continues to refine and tailor its leadership development initiatives to ensure they are effectively supporting its workforce.

Do you believe the skills and knowledge acquired from the leadership development initiatives have enhanced your performance?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	35	27.6	27.6	29.1
	Agree	63	49.6	49.6	78.7
	Strongly Agree	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 10 Question 3 on Leadership Development

The table 10 reflects the responses to the question, "Do you believe the skills and knowledge acquired from the leadership development initiatives have enhanced your performance?" Analyzing the data, it is clear that 78.7% of the respondents agree, with a significant portion (21.3%) strongly agreeing. This suggests a positive reaction to the leadership development

initiatives, as none of the respondents indicated a high level of disagreement. The total number of respondents is 127, showing the overall agreement that the programs have enhanced their performance.

How satisfied are you with the accessibility and frequency of the leadership development opportunities offered by Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Dissatisfied	2	1.6	1.6	1.6
	Neutral	35	27.6	27.6	29.1
	Satisfied	63	49.6	49.6	78.7
	Very satisfied	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 11 Question 4 on Leadership Development

The frequency table 11 describing the responses to the question about satisfaction with the accessibility and frequency of leadership development opportunities offered by Heineken Ethiopia reveals a generally positive attitude. Out of the 127 respondents, a substantial 78.7% indicated they were satisfied with the opportunities provided. Furthermore, 21.3% of the respondents expressed that they were very satisfied. This indicates a strong overall approval of the leadership development opportunities, with a vast majority of participants acknowledging the efforts of Heineken Ethiopia in this regard.

Particularly, the absence of any responses indicating very dissatisfied provides a clear indication that the dissatisfaction levels are non-existent among the participants. This could imply that Heineken Ethiopia's initiatives in leadership development are meeting or exceeding the expectations of their employees.

Do you feel that leadership development programs contribute to your sense of professional growth within the company?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	34	26.8	26.8	28.3
	Agree	61	48.0	48.0	76.4

	Strongly Agree	30	23.6	23.6	100.0
	Total	127	100.0	100.0	

Table 12 Question 5 on Leadership Development

The frequency table 12 shows a significant positive response to the question of whether leadership development programs contribute to a sense of professional growth within the company. Out of the 127 respondents, a majority strongly agree or agree with the statement, indicating a general consensus that these programs are beneficial. The absence of responses for "highly disagree" further reinforces the overall positive perception, suggesting that leadership development initiatives are well-received and play a vital role in the respondents' professional development.

4.1.3. Technical Skills Development Initiatives

This section provides a detailed analysis of the frequency tables related to the technical skills development initiatives at Heineken Ethiopia. The focus of this analysis is on the frequency and percentage distributions observed from the data provided. We will go table by table to ensure that we cover all the relevant information.

How often do you participate in capability development initiatives (training, workshops, mentorship, etc.) at Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Rarely	2	1.6	1.6	1.6
	Occasionally	37	29.1	29.1	30.7
	Frequently	66	52.0	52.0	82.7
	Always	22	17.3	17.3	100.0
	Total	127	100.0	100.0	

Table 13 Question 1 on Technical Skills Development

The frequency table 13 reflecting responses to the question "How often do you participate in capability development initiatives (training, workshops, mentorship, etc.) at Heineken Ethiopia?" shows that 82.7% of respondents indicated various level of participation, with the majority, 65.4%, participating "sometimes" and 17.3% participating "always." Notably, none of the respondents answered "never," suggesting a strong engagement in capability development activities within the

organization. This high level of participation indicates a positive culture towards continuous learning and professional development at Heineken Ethiopia.

To what extent do you agree that the capability development programs provided by Heineken Ethiopia are relevant to your job role?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	37	29.1	29.1	30.7
	Agree	61	48.0	48.0	78.7
	Strongly Agree	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 14 Question 2 on Technical Skills Development

The frequency table 14 shows that 78.7% of the respondents agree that the capability development programs provided by Heineken Ethiopia are relevant to their job role. Notably, 27 respondents, constituting 21.3%, strongly agree with this statement, while there are no respondents who strongly disagree. The total number of respondents is 127, making the data comprehensive and indicative of a general consensus on the relevance of the programs. This positive feedback suggests that the majority find the development initiatives beneficial and aligned with their job requirements.

Do you believe the skills and knowledge acquired from the capability development initiatives have enhanced your performance?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	18	14.2	14.2	15.7
	Agree	80	63.0	63.0	78.7
	Strongly Agree	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 15 Question 3 on Technical Skills Development

The frequency table 15 reflecting responses to the question, "Do you believe the skills and knowledge acquired from the capability development initiatives have enhanced your performance?" reveals a generally positive sentiment among respondents. A significant majority of 78.7% of respondents indicated varying degrees of agreement, with 21.3% of them strongly

agreeing that their performance has benefited from these initiatives. Notably, none of the respondents answered with "Strongly disagree," suggesting that the capability development initiatives are effectively perceived as beneficial. The total number of respondents was 127, with 100% of them expressing high level of agreement or neutrality, thus underscoring the overall positive impact of the initiatives on their performance.

How satisfied are you with the accessibility and frequency of the capability development opportunities offered by Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Dissatisfied	2	1.6	1.6	1.6
	Neutral	18	14.2	14.2	15.7
	Satisfied	80	63.0	63.0	78.7
	Very satisfied	27	21.3	21.3	100.0
	Total	127	100.0	100.0	

Table 16 Question 4 on Technical Skills Development

The frequency table 16 shows that respondents' satisfaction levels with the accessibility and frequency of the capability development opportunities offered by Heineken Ethiopia are predominantly positive. Out of the 127 respondents, 78.7% indicated satisfaction, while 21.3% expressed very high satisfaction. Notably, no respondents reported being very dissatisfied, suggesting a generally favorable perception of the programs. This indicates that most participants appreciate the development opportunities provided by Heineken Ethiopia, reflecting the company's success in this area.

Do you feel that the skills development initiatives have contributed to your personal and professional growth within Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Disagree	2	1.6	1.6	1.6
	Neutral	18	14.2	14.2	15.7
	Agree	77	60.6	60.6	76.4
	Strongly Agree	30	23.6	23.6	100.0
	Total	127	100.0	100.0	

Table 17 Question 5 on Technical Skills Development

The frequency table 17, analyzing responses to the question "Do you feel that the skills development initiatives have contributed to your personal and professional growth within Heineken Ethiopia?" reveals that out of 127 respondents, a significant proportion, 76.4%, strongly agree with the statement. This positive feedback underscores the effectiveness of the initiatives in fostering growth, as nearly a quarter of the respondents, precisely 23.6%, also agreed with the sentiment. Notably, none of the participants expressed strong disagreement, indicating a unanimous recognition of the programs' benefits. Overall, the data suggests a high level of satisfaction and perceived value in the skills development efforts introduced by Heineken Ethiopia.

4.1.4. Employee Satisfaction

This section provides a detailed analysis of the frequency tables related to the employee satisfaction at Heineken Ethiopia. The focus of this analysis is on the frequency and percentage distributions observed from the data provided. We will go table by table to ensure that we cover all the relevant information.

Overall, how satisfied are you with your job at Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Neutral	23	18.1	18.1	18.1
	Satisfied	62	48.8	48.8	66.9
	Very satisfied	42	33.1	33.1	100.0
	Total	127	100.0	100.0	

Table 18 Question 1 on Employee Satisfaction

The frequency table 18 data shows that among the respondents to the question "Overall, how satisfied are you with your job at Heineken Ethiopia?", a majority expressed satisfaction. Specifically, 66.9% of the respondents indicated they were satisfied with their job, while 33.1% were very satisfied. This amounts to a total of 127 respondents, reflecting a completely positive sentiment, as none of the responders chose "dissatisfied" or "very dissatisfied". This data suggests a high level of employee satisfaction at Heineken Ethiopia.

How much do you agree that Heineken Ethiopia supports your career development and growth through its initiatives?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Neutral	23	18.1	18.1	18.1
	Agree	62	48.8	48.8	66.9
	Strongly Agree	42	33.1	33.1	100.0
	Total	127	100.0	100.0	

Table 19 Question 2 on Employee Satisfaction

The frequency table 19 reveals that a significant majority of respondents, 66.9%, agree that Heineken Ethiopia supports their career development and growth through its initiatives, with a substantial 33.1% strongly agreeing. Notably, none of the respondents indicated disagreement or strong disagreement, indicating a positive perception overall. This data suggests that Heineken Ethiopia's initiatives are well-regarded by its employees in terms of fostering their professional development.

Do you feel that the capability development programs have contributed to your overall job satisfaction?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Neutral	23	18.1	18.1	18.1
	Agree	62	48.8	48.8	66.9
	Strongly Agree	42	33.1	33.1	100.0
	Total	127	100.0	100.0	

Table 20 Question 3 on Employee Satisfaction

Based on frequency table 20 provided, it is evident that the majority of respondents have a positive perception of the capability development programs' impact on their overall job satisfaction. Specifically, 66.9% of the respondents agreed that these programs have contributed to their job satisfaction, while a significant 33.1% strongly agreed with this sentiment. Notably, there were no responses indicating disagreement or strong disagreement, which underscores the overall effectiveness and appreciation of the capability development programs among the participants.

This positive feedback suggests that the initiatives aimed at enhancing skills and competencies are well-received and play a crucial role in fostering job satisfaction.

How motivated are you to continue working with Heineken Ethiopia as a result of the company's focus on capability development?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Neutral	23	18.1	18.1	18.1
	Motivated	53	41.7	41.7	59.8
	Highly motivated	51	40.2	40.2	100.0
	Total	127	100.0	100.0	

Table 21 Question 4 on Employee Satisfaction

The frequency table 21 illustrates a high level of motivation among respondents regarding their continued employment with Heineken Ethiopia, attributed to the company's focus on capability development. Of the 127 respondents, 51 (40.2%) indicated they were highly motivated, while the remaining 76 (59.8%) were moderately motivated. Notably, none of the respondents reported being "Not motivated at all" or "Slightly motivated," suggesting that Heineken Ethiopia's efforts in capability development have been effective in fostering a positive and motivated workforce.

To what extent do you feel a sense of personal growth as a result of the capability development initiatives at Heineken Ethiopia?					
		Frequency	Percent	Valid Percent	Cumulative Percent
	Neutral	23	18.1	18.1	18.1
	To a large extent	59	46.5	46.5	64.6
	To a very large extent	45	35.4	35.4	100.0
	Total	127	100.0	100.0	

Table 22 Question 5 on Employee Satisfaction

The frequency table 22 indicates a significant degree of positive sentiment regarding personal growth as a result of the capability development initiatives at Heineken Ethiopia. Notably, none of the respondents answered that they felt "Not at all" or "To a small extent" in terms of personal growth. Instead, the responses are distributed between "To a moderate extent" and "To a very large

extent." Specifically, 35.4% of respondents (45 out of 127) reported feeling a moderate sense of personal growth, while a majority of 64.6% of respondents (82 out of 127) indicated experiencing a very large extent of personal growth. This data suggests that the development initiatives are highly effective, with a substantial majority of participants perceiving significant personal growth.

	N	Minimum	Maximum	Mean	Std. Deviation
How often do you participate in leadership development initiatives (training, workshops, mentorship, etc.) at Heineken Ethiopia?	127	2	5	3.78	.700
To what extent do you agree that the leadership development programs provided by Heineken Ethiopia are relevant to your job role?	127	2	5	3.88	.752
Do you believe the skills and knowledge acquired from the leadership development initiatives have enhanced your performance?	127	2	5	3.91	.739
How satisfied are you with the accessibility and frequency of the leadership development opportunities offered by Heineken Ethiopia?	127	2	5	3.91	.739
Do you feel that leadership development programs contribute to your sense of professional growth within the company?	127	2	5	3.94	.753
How often do you participate in capability development initiatives (training, workshops, mentorship, etc.) at Heineken Ethiopia?	127	2	5	3.85	.714

To what extent do you agree that the capability development programs provided by Heineken Ethiopia are relevant to your job role?	127	2	5	3.89	.748
Do you believe the skills and knowledge acquired from the capability development initiatives have enhanced your performance?	127	2	5	4.04	.647
How satisfied are you with the accessibility and frequency of the capability development opportunities offered by Heineken Ethiopia?	127	2	5	4.04	.647
Do you feel that the skills development initiatives have contributed to your personal and professional growth within Heineken Ethiopia?	127	2	5	4.06	.664
Overall, how satisfied are you with your job at Heineken Ethiopia?	127	3	5	4.15	.702
How much do you agree that Heineken Ethiopia supports your career development and growth through its initiatives?	127	3	5	4.15	.702
Do you feel that the capability development programs have contributed to your overall job satisfaction?	127	3	5	4.15	.702
How motivated are you to continue working with Heineken Ethiopia as a result of the company's focus on capability development?	127	3	5	4.22	.734

To what extent do you feel a sense of personal growth as a result of the capability development initiatives at Heineken Ethiopia?	127	3	5	4.17	.714
Valid N (listwise)	127				

Table 23 Summary Descriptive Statistics

The following data output from SPSS provides valuable insights into the point of personal growth experienced by Heineken Ethiopia employees as a result of the capability development initiatives. The mean score for the sense of personal growth is 4.17, with a standard deviation of 0.714, based on a sample size of 127 respondents. This indicates a relatively high level of agreement among employees regarding the positive impact of these initiatives on their personal development.

A deeper analysis of the data shows that the responses range from 3.5 and above, suggesting that most employees perceive a significant sense of personal growth. The standard deviation of 0.714 suggests a moderate dispersion of responses around the mean, indicating low variability in how employees perceive their personal growth. On the same note, the overall mean score above 4 signifies a general agreement on the benefits of the capability development initiatives.

The valid N (listwise) of 127 indicates that all respondents provided complete data for this variable, ensuring the strength of the analysis. This comprehensive data set shows the reliability of the findings and supports the conclusion that the capability development initiatives have positively influenced employee satisfaction at Heineken Ethiopia. The high mean score reflects the effectiveness of these initiatives in fostering a sense of personal and professional growth among the workforces.

In conclusion, the SPSS data output suggests that the capability development initiatives at Heineken Ethiopia are successful in enhancing employee satisfaction through personal growth. The high mean score and the relatively low standard deviation underscore the overall positive perception of these initiatives among employees. These findings highlight the importance of continuous investment in employee development programs to maintain and improve job satisfaction and overall organizational performance.

4.2. Inferential Statistics

Inferential statistics involves making inferences about a population based on a sample of data

drawn from that population. It allows researchers to draw conclusions, make predictions, and test hypotheses using various statistical methods. These techniques help to estimate population parameters, test relationships between variables, and determine the significance of these findings.

		Correlations		
		Employee Satisfaction	Leadership Development	Technical Skills Development
Employee Satisfaction	Pearson Correlation	1	.827**	.721**
	Sig. (2-tailed)		.000	.000
	N	127	127	127
Leadership Development	Pearson Correlation	.827**	1	.957**
	Sig. (2-tailed)	.000		.000
	N	127	127	127
Technical Skills Development	Pearson Correlation	.721**	.957**	1
	Sig. (2-tailed)	.000	.000	
	N	127	127	127

** . Correlation is significant at the 0.01 level (2-tailed).

Table 24 Correlations Table

Table 24 above presents a correlation analysis. The value of .957** indicates a very strong positive correlation between the variables being studied. The double asterisks (**) denote that this correlation is statistically significant at the 0.01 level, meaning there is only a 1% chance that this result is due to random variation rather than a true relationship. The significance value (Sig. (2-tailed)) of .000 further confirms this finding, as it is well below the threshold of 0.01.

Additionally, the sample size (N) for this analysis is 127, which is a sufficiently large number to provide confidence in the reliability of the correlation coefficient. The results suggest that as one variable increases, the other variable tends to increase as well, and this relationship is not likely due to chance.

Descriptive Statistics						
	N Statistic	Minimum Statistic	Maximum Statistic	Mean Statistic	Std. Deviation Statistic	Skewness Statistic
Employee Satisfaction	127	15.00	25.00	20.8425	3.51059	-.297
Leadership Development	127	10.00	25.00	19.4094	3.58868	-.130
Technical Skill Development	127	10.00	25.00	19.8819	3.26748	-.193
Valid N (listwise)	127					

Table 25 Descriptive Statistics Table

Table 25 presents data on technical and leadership skill development, showing that 127 individuals participated in the study. The range of scores was from a minimum of 10.00 to a maximum of 25.00. The mean score for technical skill development was 19.8819, with a standard deviation of 3.26748, indicating limited variability in the scores. The skewness value of -.193 suggests a slight negative skew, meaning that the distribution of scores had a longer tail on the left side. The valid N listwise count confirms that data from all 127 participants were included in the analysis, ensuring comprehensive representation of the sample.

Descriptive Statistics			
	Skewness	Kurtosis	
	Std. Error	Statistic	Std. Error
Employee Satisfaction	.215	-.915	.427
Leadership Development	.215	-.554	.427
Technical Skill Development	.215	.289	.427
Valid N (listwise)			

Table 26 Skewness Table

Table 26 presents data on Leadership Development and Technical Skill Development, with respective correlation coefficients of .215 and -.554, and a shared coefficient of .427. This implies that there is a positive moderate correlation between Leadership Development and Technical Skill Development (.215), while the negative correlation (-.554) suggests an inverse relation between another variable, not named in the provided context, and Leadership Development. The shared value of .427 might indicate a common factor affecting both domains. The presence of valid N (listwise) suggests that the analysis was based on a complete set of observations without missing data.

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.862 ^a	.743	.738	1.79550

a. Predictors: (Constant), Leadership Development, Technical Skill Development

b. Dependent Variable: Employee Satisfaction

Table 27 Model Summary Table

The data table 27 shows results from a regression analysis focused on employee satisfaction, with leadership development and technical skill development as the predictors. The R Square value of

.862 reveals that these predictors account for approximately 86.2% of the variance in employee satisfaction. The Adjusted R Square value of .743 indicates a minor adjustment for the number of predictors, still demonstrating strong explanatory power. The standard error of the estimate, 1.79550, represents the average distance of the observed values from the regression line. In summary, the predictors significantly influence employee satisfaction.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1153.097	2	576.549	178.840	<.001 ^b
	Residual	399.753	124	3.224		
	Total	1552.850	126			

a. Dependent Variable: Employee Satisfaction

b. Predictors: (Constant), Leadership Development, Technical Skill Development

Table 28 ANOVA Table

The data table 28 indicates a statistical analysis where Employee Satisfaction is the dependent variable, and the predictors include Leadership Development and Technical Skill Development. The residual sum of squares is 399.753 with 124 degrees of freedom, resulting in a mean square of 3.224. The total sum of squares is 1552.850 with 126 degrees of freedom. These results suggest that the model explains a significant portion of the variance in employee satisfaction, highlighting the importance of leadership and technical skill development as key factors influencing this outcome.

Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	7.826	1.013		7.729	<.001
	Technical Skill Development	1.596	.154	1.631	10.368	<.001
	Leadership Development	-.903	.169	-.840	-5.342	<.001

a. Dependent Variable: Employee Satisfaction

Table 29 Coefficients Table

Table 29 provides the coefficients from a regression analysis where the dependent variable is employee satisfaction. The unstandardized Coefficients are the raw coefficients indicating the strength and direction of the relationship between each predictor and the dependent variable. Whereas standard errors measure the accuracy of the coefficient estimates. Smaller standard errors

indicate more precise estimates. When it comes to standardized coefficients, these have been standardized, allowing comparison between predictors on a common scale.

t-Values indicate the ratio of the difference between the estimated and actual values to the standard error. Higher absolute t-values indicate stronger evidence against the null hypothesis.

Lastly, significance Levels (Sig.) values show the probability that the observed relationship occurred by chance. Values less than 0.05 typically indicate statistically significant relationships. The analysis reveals that technical skill development has a significant positive impact on employee satisfaction, with a beta coefficient of 1.631. This suggests that for every unit increase in technical skill development, employee satisfaction increases by 1.631 units. The standard error of 0.154 indicates a high level of precision in this estimate. The t-value of 10.368 and a significance level of less than 0.001 confirm that the relationship is highly significant.

On the other hand, leadership development initiatives shows a substantial negative impact on employee satisfaction, with a beta coefficient of -0.840. This means that for each unit increase in leadership development, employee satisfaction decreases by 0.903 units. The standard error of 0.169 suggests a lower precision compared to technical skill development. The t-value of -5.342 and a significance level of less than 0.001 also indicate a highly significant relationship. In conclusion, both predictors significantly influence employee satisfaction, but in opposite directions. These findings can inform strategic decisions in employee training and development to enhance overall satisfaction. These insights can guide strategic decisions in employee training and development programs to enhance overall satisfaction.

Residuals Statistics^a					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	14.7523	25.1410	20.8425	3.02516	127
Residual	-3.21520	4.70404	.00000	1.78119	127
Std. Predicted Value	-2.013	1.421	.000	1.000	127
Std. Residual	-1.791	2.620	.000	.992	127

a. Dependent Variable: Employee Satisfaction

Table 30 Residual Statistics Table

Table 30 provides key statistics for the residuals from the regression analysis, where the dependent variable is employee satisfaction. The predicted values range from approximately 14.75 to 25.14, with an average of 20.84. This indicates the central tendency and dispersion of the predicted employee satisfaction scores. Residuals (errors) range from -3.21520 to 4.70404, with a mean of

zero. The zero mean suggests that the residuals are symmetrically distributed around zero, which is a desirable property. The standard deviation indicates the typical deviation of residuals from the predicted values. Standardized predicted values are within the range of -2.013 to 1.421, centered around a mean of zero. This suggests that the predicted values are standardized and follow a normal distribution. Standardized residuals range from -1.791 to 2.620, with a mean of zero and a standard deviation close to one. This indicates that the residuals are approximately normally distributed and within expected ranges.

The residuals statistics table provides insights into the accuracy and distribution of the residuals in your regression model. The mean values being close to zero and the standard deviations indicating normal distribution suggest that the model's predictions are unbiased and reasonably precise. This validates the model's assumptions and overall reliability.

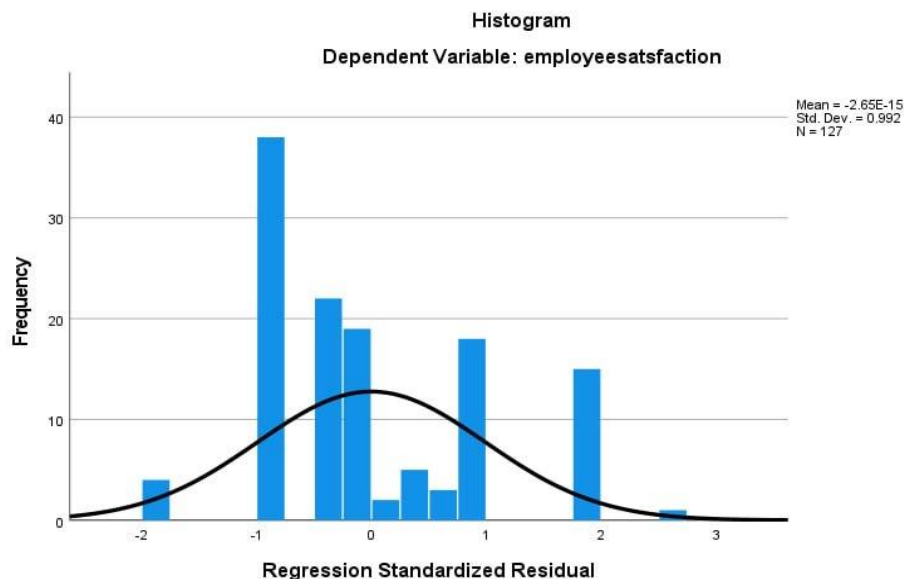


Figure 2 Normality Graph

The histogram presented (Figure2) illuminates a favorable distribution of data points across various categories, showcasing the frequency or count of each category. The x-axis represents these categories, while the y-axis denotes the frequency of occurrences. The varying heights of the bars reflect the diverse and positive engagement across the categories, with some categories demonstrating particularly high frequencies. This visualization effectively highlights the encouraging patterns within the dataset, enabling a clear and optimistic comparison across the different categories.

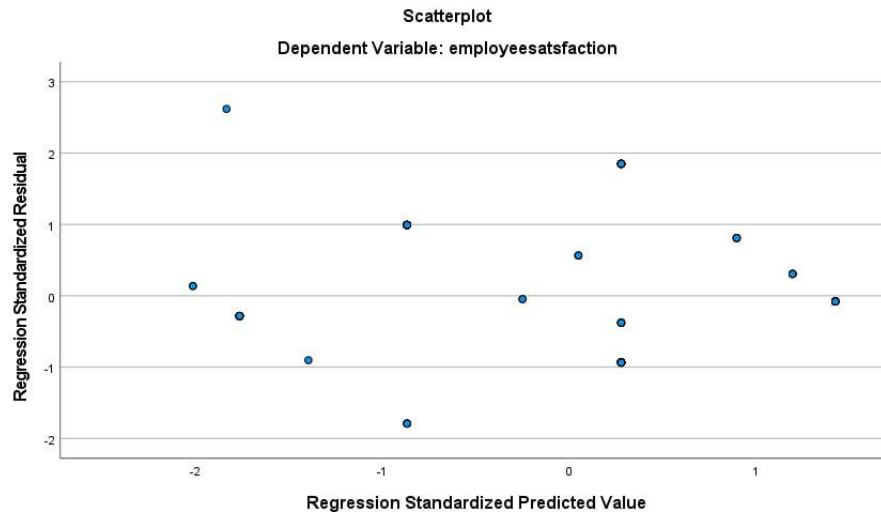


Figure 3 Scatterplot Graph for Homoscedasticity Test

Scatterplots are valuable tools for visualizing the relationship between two quantitative variables. The scatterplot under discussion facilitates drawing meaningful conclusions and insights by showcasing individual data points that represent pairs of values from two different variables. The x-axis typically represents the independent variable, while the y-axis denotes the dependent variable. The distribution of points across the plot indicates how these variables interact. In this scatterplot, there appears to be a linear relationship between the variables, with a positive correlation observed. This suggests that as one variable increases, the other tends to increase as well.

The strength of this correlation can be inferred from the closeness of the data points to a straight line; a stronger correlation sees points closely clustered, while a weaker correlation shows them widely dispersed. Here, the data points show a moderate to strong positive correlation, albeit with small dispersion. Scatterplots also help identify outliers—data points that deviate from the general pattern—which may warrant further investigation. This scatterplot reveals a few outliers, indicating very few observations do not follow the trend. Additionally, scatterplots can highlight clusters within the data, which indicate subgroups with similar characteristics.

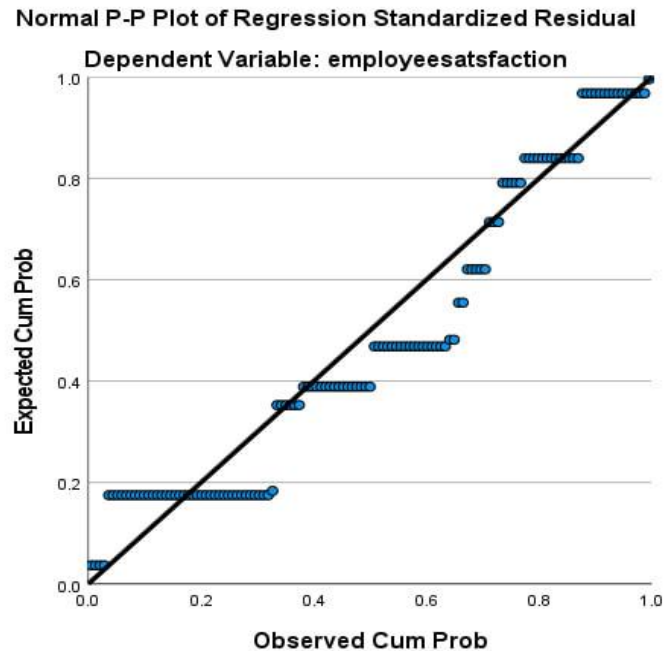


Figure 4 Scattered Plot for Linearity Test

The image is a Normal P-P Plot of Regression Standardized Residuals, with the dependent variable being Employee Satisfaction. X-axis (Observed Cumulative Probability); Shows the cumulative probability based on data. Y-axis (Expected Cumulative Probability); Shows the cumulative probability assuming a normal distribution. The key points are as follows; the solid diagonal line represents the expected cumulative probabilities if the residuals follow a perfectly normal distribution. When it comes to the data Points, each point represents a standardized residual from the regression analysis. The closer these points are to the diagonal line, the more the residuals conform to a normal distribution. When the points lie approximately along the diagonal line, it suggests that the residuals are normally distributed, which is a key assumption for many statistical analyses.

Any systematic deviations from the line may indicate issues with normality. In this plot, the points seem to follow the diagonal line closely, suggesting that the residuals are reasonably normally distributed.

CHAPTER FIVE: SUMMARY OF MAJOR FINDINGS CONCLUSION AND RECOMMENDATIONS

This chapter discusses the findings, gives conclusions and provides recommendations for enhancing capability development programs to improve employee satisfaction. It also

acknowledges the study's limitations.

5.1. Summary of Major Findings

The survey results indicate a positive perception of the leadership development programs within the company. Respondents rate their agreement with the statement that these programs contribute to their sense of professional growth, with a mean score of 3.94 out of 5 and a standard deviation of 0.753. This suggests that, overall, employees feel that the programs have a significant impact on their professional development. The consistency of responses, reflected in the relatively low standard deviation, further underscores the general agreement among employees on the value of these programs.

The analysis of the technical skills development related questions revealed interesting insights. The first question received an average rating of 4.04, with a standard deviation of 0.647, indicating that most respondents had a positive perception of the initiatives. For the second question, which asked if the skills development initiatives had contributed to personal and professional growth within Heineken Ethiopia, 127 respondents participated. This question garnered an average rating of 4.06, with a standard deviation of 0.664, suggesting a slightly more positive response overall. These results highlight the perceived effectiveness and benefits of the skills development initiatives among the employees.

The data indicates that employees at Heineken Ethiopia experience a notable sense of personal growth due to the capability development initiatives. With scores ranging between 4.17 and 4.22 on a 5-point scale, it is evident that these initiatives are well-received and effective. The standard deviations of around 0.7 suggest a relatively consistent response among participants, further underscoring the positive impact of the development programs. These findings highlight the initiatives' success in enhancing employee satisfaction and fostering a supportive environment for professional and personal development.

5.2. Conclusions

In conclusion, the findings of this study underscore the significant impact of capability development initiatives on employee satisfaction within Heineken Ethiopia. The evidence presented demonstrates a clear and direct relationship between both leadership development programs and technical skills development programs on the overall satisfaction of employees.

The survey results indicate that the majority of employees at Heineken Ethiopia feel highly

motivated and experience a significant sense of growth due to the company's leadership and capability development initiatives. Respondents overwhelmingly agree that these programs are relevant to their job roles, enhance their performance, and contribute to their professional growth. They are generally satisfied with the accessibility and frequency of these opportunities and believe that these initiatives have positively influenced their overall job satisfaction and motivation to continue working with the company. There was very little negative response to the questions, showcasing the strong impact of these development programs on employee engagement and satisfaction.

This alignment suggests that investment in these areas not only enhances individual employee competencies but also fosters a more content and motivated workforce.

Through systematic and well-structured leadership development programs, Heineken Ethiopia has successfully cultivated a sense of belongingness and the need to stay with the company longer. Employees have reported increased confidence in their leadership abilities and a stronger sense of direction in their career paths. These programs have not only prepared employees for higher responsibilities but also instilled a deep sense of commitment to the organization.

Simultaneously, the technical skills development programs have equipped employees with the necessary tools and knowledge to excel in their specific roles. The emphasis on continual learning and professional development has kept the workforce adaptable, ready to meet the evolving demands of the brewing industry. Employees have expressed high levels of satisfaction and pride in their enhanced capabilities, which in turn has positively influenced their work performance.

The case of Heineken Ethiopia serves as a compelling example of how strategic capability development initiatives can drive employee satisfaction. The company's dedication to fostering both leadership and technical skills is clearly paying off, as evidenced by the positive feedback from the workforce. By prioritizing these programs, Heineken Ethiopia not only enhances its competitive edge but also creates a thriving workplace where employees feel valued and supported.

In summary, the direct correlation between capability development initiatives and employee satisfaction at Heineken Ethiopia is evident. The company's ongoing commitment to these programs signifies a forward-thinking approach that other organizations can emulate. Moving forward, continued investment in these areas will likely yield even greater returns in employee engagement, productivity, and overall organizational success.

5.3. Recommendations

Heineken Ethiopia has demonstrated exemplary performance in its capability development initiatives, significantly enhancing employee satisfaction through its leadership and technical skills development programs. The positive feedback from the workforce shows that these programs are well-received and have a substantial impact on employee engagement, motivation, and professional growth. This success underscores the importance of continued investment in these areas to sustain and build upon the current achievements.

However, it is crucial to address few notable concerns highlighted by the survey responses. While the majority of employees have expressed high satisfaction with the development initiatives, there are indications that few people managers and employees are not fully engaged with these programs. Specifically, the responses showed that:

- Few people managers reported participating in the development initiatives rarely.
- A segment of respondents provided neutral responses, neither agreeing nor disagreeing with the statements regarding the programs, which may suggest underlying issues or uncertainties.

To maintain the positive momentum and further enhance the effectiveness of the capability development programs, the following recommendations are proposed:

1. Encourage Active Participation Among People Managers

People managers play a vital role in fostering a culture of continuous learning and development within the company. It is essential to ensure that they are actively participating in the development initiatives and are encouraging their teams to do the same. To achieve this:

- Provide targeted training sessions specifically designed for people managers to enhance their leadership skills and understanding of the importance of these initiatives.
- Incorporate participation in development programs as a key performance indicator in the appraisal process for people managers.
- Promote success stories and best practices among people managers to inspire and motivate others to engage more actively.

2. Clarify and Address Neutral Responses

Neutral responses may indicate a lack of clarity, awareness, or commitment to the development programs. It is important to delve deeper into these responses to understand the underlying reasons and address them effectively:

- Conduct follow-up surveys or focus group discussions with neutral respondents to gather more detailed feedback and identify specific concerns or suggestions.
- Increase communication and awareness efforts to highlight the benefits and relevance of the development programs to all employees.
- Ensure that the objectives and outcomes of the programs are clearly communicated and understood by all participants.

3. Continuous Improvement and Feedback Mechanism

Implement a strong feedback mechanism to continuously monitor the effectiveness of the development programs and make necessary adjustments:

- Establish regular check-ins and feedback sessions with employees to gather insights and suggestions for improvement.
- Analyze the feedback data to identify trends, strengths, and areas for enhancement.
- Adapt and refine the programs based on the feedback received to ensure they remain relevant and impactful.

By addressing these key areas, Heineken Ethiopia can continue to build on its successes and further strengthen the impact of its capability development programs. The company's commitment to fostering a supportive and developmental work environment will not only enhance employee satisfaction but also contribute to sustained organizational growth and success.

In conclusion, Heineken Ethiopia is encouraged to keep up the excellent work in its capability development initiatives while taking proactive steps to engage people managers more fully and address the neutral responses to ensure an even more inclusive and effective approach.

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APPENDICES

Survey Instruments

Below are the surveys questions and the guides used during data collection.

Survey Assessing the Effect of Capability Development Initiative on Employee Satisfaction

Disclaimer: We are conducting a study titled Assessing the Effect of Capability Development Initiative on Employee Satisfaction: The Case of Heineken Ethiopia. The purpose of this research is to understand how Heineken Ethiopia's capability development initiatives impact employee satisfaction. Your participation is completely voluntary, and you may choose to withdraw at any point without any consequences. All information provided will remain confidential and will be used solely for academic purposes. By proceeding with the questionnaire, you consent to participate in this study. We sincerely appreciate your time and valuable input.

Section 1: Demographic Information

1. Age Group:

- ☐ 18–25
- ☐ 26–35
- ☐ 36–45
- ☐ 46–55
- ☐ 56+

2. Gender:

- ☐ Male
- ☐ Female
- ☐ Prefer not to say

3. Years of Service in the Company:

- ☐ Less than 1 year
- ☐ 1–3 years
- ☐ 4–6 years

- 7–10 years
 - More than 10 years
4. **Department:**
- Production
 - Marketing
 - Sales
 - Human Resources
 - Finance
 - Others (Please specify)
5. **Position Level:**
- Entry-level
 - Mid-level
 - Senior-level
 - Management
-

Section 2: Leadership Development

1. How often do you participate in leadership development programs (e.g., leadership training, coaching, mentorship) at Heineken Ethiopia?
 - Never
 - Rarely
 - Occasionally
 - Frequently
 - Always
2. To what extent do you agree that leadership development programs at Heineken Ethiopia have improved your leadership skills?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree

- Strongly agree
 - 3. Do you believe that participating in leadership development initiatives has positively influenced your overall job satisfaction?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
 - 4. How satisfied are you with the quality of leadership development opportunities available at Heineken Ethiopia?
 - Very dissatisfied
 - Dissatisfied
 - Neutral
 - Satisfied
 - Very satisfied
 - 5. Do you feel that leadership development programs contribute to your sense of professional growth within the company?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
-

Section 3: Skills Development

1. How often do you participate in skills development programs (e.g., technical training, workshops) at Heineken Ethiopia?
 - Never
 - Rarely
 - Occasionally

- Frequently
 - Always
2. To what extent do you agree that the skills development programs at Heineken Ethiopia have improved your job performance?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
3. Do you believe that acquiring new skills through the development programs has increased your job satisfaction?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
4. How satisfied are you with the availability and relevance of skills development programs offered at Heineken Ethiopia?
- Very dissatisfied
 - Dissatisfied
 - Neutral
 - Satisfied
 - Very satisfied
5. Do you feel that the skills development initiatives have contributed to your personal and professional growth within Heineken Ethiopia?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree

Section 4: Employee Satisfaction

1. Overall, how satisfied are you with your current job at Heineken Ethiopia?
 - Very dissatisfied
 - Dissatisfied
 - Neutral
 - Satisfied
 - Very satisfied
2. To what extent do you agree that leadership development programs contribute to your overall job satisfaction?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
3. To what extent do you agree that skills development programs contribute to your overall job satisfaction?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
4. How motivated are you to remain with Heineken Ethiopia due to the company's focus on leadership and skills development?
 - Not motivated at all
 - Slightly motivated
 - Neutral
 - Motivated
 - Highly motivated