

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE
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**EFFECT OF TRAINING AND DEVELOPMENT ON
EMPLOYEES PERFORMANCE OF PRIVATE BANKS**

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Effect of Training and Development on Employees Performance of Private Banks

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ABSTRACT

The main objective of the study is to analyze the effect of training and development on employee performance in Private Banks. The descriptive and analytical research methods are used to meet the objectives of the study. A total of employees from ten private banks that is the highest assets and market share within private banks in Yangon are surveyed by using random sampling methods. The research data is collected by using research questionnaires instruments. Though there are some limitations to obtain the accurate data, it is determined the data to interpret the correlations between the independent and dependent variables. Based on the previous study and theoretical background of the study, the conceptual framework is constructed, mainly divided into three parts; the independent variables – training and development policy, procedures, and practices, the moderating factor – the employee related factors such as education, job position, and work experience, and the dependent variables -the employee performance measuring with the productivity, and satisfaction. Moreover this study includes the mediating factors or intervention factors of employees' competencies that are effect on employee performance. The study found that among the training and development policy, procedures, and practices were positive significant relationship with employee performance. The findings of moderating effects demonstrated that employee related factors not effect on the relationship of training and development and competencies of employees. However, employee competencies such are strongly significant relationship with training and development policy, procedures, and practices..The findings also highlight the training policy, procedures, and practices had a significant effect on employee productivity and employee satisfaction. The results of this study are encouraging for policy maker especially for employee performance in private bank, and management of bank's employees as it suggests opportunities for increasing employee's productivity, satisfaction, and organizational commitment of banking industry in Myanmar.

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LIST OF ABBREVIATIONS

ASEAN	Association of South East Asia Nations
ATM	Automated Teller Machines
AYA	Ayeyarwaddy Bank
BPM	Bank Policy Manual
CB	Cooperative Bank
CBM	Central Bank of Myanmar
CFA	Confirmatory Factor Analysis
GDP	Gross Domestic Product
GTB	Global Treasure Bank
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HRM	Human Resources Management
JA	Junior Assistant
KBZ	KanBawZa
KMO	Kaiser-Meyer-Oklin
L&D	Learning and Development
MAB	Myanmar Apex Bank
MBA	Myanmar Banker Association
MBF	Master of Banking and Finance
MIB	Myanmar Institute of Banking
MMK	Myanmar Kyats
MPU	Myanmar Payment Union
OCBC	Overseas Chinese Banking Corporation
OJT	On-the- job training
SMBC	Sumitomo Mitsui Banking Corporation
TNA	Training Needs Assessment
POS	Point of Sale
SE	Senior Assistants
RTGS	Real-time gross settlement system
YUE	Yangon University of Economic

CHAPTER 1

INTRODUCTION

Every organization priority is to manage human resources and to success their organization. The human capital of each organization is to reach the highest level of profit maximization and organizational growth. Therefore, to manage an organization both large and small requires staffing them with competent personnel.

To have the competent personnel many strategies have been implemented such as job and organization design, public relations, staffing, motivation, rewards, and training and development. Among them, **training and development** is the most significant factor required to obtain maximum output from the human resources. It can be used to improve or develop job related performance requirements of the employees.

Cole (1997) identified benefits of training and development as: improved services to customers, increased job satisfaction, greater commitment of staff, improvement of existing skills, knowledge and experience of employees, and improvement in productivity. One major area of the human resource management is training and development.

Swanson (1999) defines human resource development as a process of increasing human expertise through personnel training and development to improve performance at the organizational process and individual/group levels. Human resources development has two major components: training and development, and organizational development (Swanson, 1999). Sims (2002) also emphasizes that training focuses on current jobs while development prepares employees for possible future jobs. Overall goals of training and development are to contribute to the organization's objectives.

Employees play a vital role for any organization. By implementing training and development, employees should be provided extensive technical and skillful

knowledge and make them assets for the organization. In this way, the organization must achieve the competitive advantage in the market compared to its competitors. Training and development is an aspect of human resource practices that help in enhancing employees' skills, knowledge, and competence of improving employees' ability to perform efficiently (Armstrong 2009).

According to (Falola, Osibanjo,&Ojo, 2014), training is a learning activity directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or a task. The main purpose of training and development is to improve the employees' competencies. (Meyer and Smith, 2000). Armstrong (2009) stated that organizations could benefit from training and development through winning the "heart and souls of" their employees to get them to identify the organization.

Nowadays, training and development is the most vital role in the business success because training increases the efficiency and the effectiveness of both the employees and the organization. Training and development has the distinct role in the achievement of an organizational goal by incorporating the interests of organization and the workforce. Training plays a significant role in achieving organizational objectives by keeping in view of the interest of employees and organization (Stone 2002). Development is a broad ongoing multi-faceted set of activities (training activities among them) aimed at bringing someone or an organization up to another threshold of performance, often to perform some job or a new role in the future (McNamara,2008).

Organizations try to increase their capabilities by investing more in training and development policy, procedures, and practices. Competent employees and people capital are the main resources of any organization in acquiring a competitive advantage Vanthanophas (2007) said that human assets are one of the most important resources available to any organization and employee competence and commitment largely determine the objectives that an organization can set for itself and to its success in achieving those.

Hay Group (2004) point out that an organization's best source of competitive advantage lies with its employees, strategies, business models, policy, procedures, products and services can all be copied by competitors, but talented and competent employees represent a sustainable source of differentiation. In competency of employee, skills and abilities are important for specific function or job. In global

marketplace and increasing foreign competition effective and competent employees has required organizations to become more effective and flexible in response to the rapidly changing environment. Therefore, organizations try to increase employee competencies through the effective utilization of training policy, procedures, and practices.

Moreover (Stone 2002) also defined training enhances knowledge, skills, competencies, and attributes ultimately to increase the workers' performance and productivity of organization. Training and development deal with systematic approaches to improving employee skills and performance.

Performance refers to the accomplishment of something or mere working effectiveness (Stone 2002). For the organization, training and development tends to improve profitability while refining more positive attitudes towards profit direction. For the individuals, training and development support increasing knowledge and skills while also helping in identifying with the goals of the organization (Neelam, Israr, Shahid, and Mohammad, 2014). Moreover, high perceived organization support was correlated with high performance. A low perception of organizational support can result in employees being wary of reciprocation (Lynch, Eisenberger, and Armeli, 1999).

Investing in training and development is imperative for any organization, which will certainly realize a return on investment in training and developing their workers. A service business of bank provides a service and that are delivered through its employees and the services are consumed by its customers at the same time. In the banking sector, training and development are continuous process in improving the type of employees in the organization. Moreover, training and development is an attempt to improve their current and future performance, however, the organization should keep a track on their performance after imparting them training which means training needs assessment (Neelam et al., 2014)

A stable and solid banking system is generally considered as an engine for the economic growth. Hence, the development of employee skills is closely related to the soundness of banking sector. Customers undergo a complicated experience in gaining a service that involves both the mental and physical interaction (Haynes and Fryer, 2000) with the service providers i.e. the employees. These facts lead us to conclude that employees must be skilled enough to provide the delighting services to the

customers that least chances remain there for customer switching or customer dissatisfaction. Skills are obviously injected into the workforce through some systematic process of competency training. Banks focus in their strategy building and philosophy that how and when to train their employees. They plan out that what training methods to be used at the various levels of the organizational workforce (Imran and Tanveer , 2015)

Myanmar is in the middle of an economic transition and the financial sector in Myanmar cannot adequately fulfill the role as a financial intermediary. However, due to the recent reform process, the sector has already undergone tremendous changes. Central to Myanmar's economic development is the reform of its finance sector and specifically, it is a banking sector. Myanmar's banking history has difficulties while Myanmar was under the British colonial and political situations that were not stable. After 1988, Myanmar economic system has been transformed from the planned economy to the market oriented system (Foerch, Ki, Thein,Waldschmidt, & Yangon, 2016).

Private Banks play a fundamental role in the transformation of market economies. The new private sector banks are those that have gained their banking licenses since the liberalization after 1988. However, since liberalization in government banking policy in 1990s, old and new private sector banks have re-emerged. They have grown faster and bigger over the two decades since liberalization using the latest technology, providing contemporary innovations and monetary tools and techniques. In 1992, private bank licenses are issued for the first time. In 2018, nineteen private banks are the drivers towards modernization of the banking sector and lead to play a leading role in terms of marketing campaigns and technological innovation (GIZ, 2018).

The development of banking sector is still low than other Association of South East Asian (ASEAN) countries (Foerch et al, 2016) and needs to provide their employees good training and development and they will also then contribute to the performance of the banking sector. In 2018, there are 31 domestic banks and 13 foreign banks in Myanmar banking sector (CBM report,2018). Among them, ten private banks in are largest market share and assets. Therefore, this study selected the ten private banks and examines the effect of training and development on the employee performance of private banks in Myanmar.

There are many training and development research papers on banking sector. However, there is no study regarding the relationship of training and development and employee performance of private banks in Myanmar. Therefore, this study focuses on effect of training and development on performance of private banks in Myanmar.

1.1 Rationale of the Study

Human capital or employees are considered to be the most valuable assets and key elements in achieving organizational goals and objectives, and gaining competitive advantage of any organization. Moreover, they have the tendency to enhance productivity and profitability of the organization by utilizing organizational capital and their competencies efficiently and effectively. This is the main reason why training and development is the strategic and essential tool for the actualization of better performance for individual and organization.

According to (Cole, 2004), factors influencing the quantity and quality of training and development include the degree of change in the external environment, the degree of internal or organization change, the availability of suitable skills within the existing work-force, and the extent to which management see training as a motivating factor in work.

In order to enhance the effectiveness of the training and development process, it is necessary that the strong training and development policy, procedures, and practices are necessary. Training plays an important role in the achievement of organizational goal by integrating the interest of organization and the workforce. The impact of training is double. From the organizational point of view, training of employees is essential to organization operations and advancement. From the employee point of view, training activities are important for skills and development, employee performance and career advancement (Gordon and DiTomaso, 1992).

The foundation of effective training is to state the Bank's stance on training in clear and unambiguous terms. Therefore, the training policy and procedure are important for employees' attitude to the organization. In order to effectively administer training in the Bank, the training system should have a prescribed organization structure. While the Training Advisory Committee will be the apex body

with regard to broad policy matters pertaining to training procedures and that provide for increasing employee performance and organization success (Shakeels, Iffat, and Yaqoob, 2015). Therefore, the effect of training and development policy and procedure, and practices are important for increasing employee performance.

The employees who have higher performance are more productive and satisfied to the organization. Moreover, employee performance is considered as one of the reliable and sustainable predictors of the absenteeism, turnover, productivity, efficiency, and job satisfaction of the employees. For instance, highly-job satisfied employee has willingness to get the job done efficiently and effectively, resulting in higher productivity, higher revenue and cost saving and satisfied with their jobs.

In the real world, there are many factors that influence the effectiveness of training and development in an organization. One similar factor i.e. the human resource policy of training and development has been identified by Haywood (1992). To develop the desired knowledge, skills and abilities of the employees and to perform well on the job are required for effective training programme (Meyer and Smith, 2000).

Moreover, improved capabilities, knowledge, and skills of the capable employees proved to be a major source of competitive advantage in a global market (McKinsey, 2006). In order to prepare their workers to do their job as they have desired, organizations provide training to optimize their employee's potential. Most of the firms, by applying long term planning, invest in building new skills for their workforce to enable them to cope with the uncertain conditions that they may face in future, thus, improving the employee performance through superior level of motivation and commitment (Elnaga and Imran, 2013).

Organizational performance comprises of the actual output or results of an organization measured against its intended outputs (goals or objectives). The nature of human resources and strategies adapted to utilize them will have a great effect on the achievement of organizational goals. Good human resource strategies, if well implemented, will lead to improved performance.

Nel, Gerber, Van Dyk, Haasbroek, Schultz, Sono, and Werner (2004) outlines some effects of training and development on organizational productivity and performance such as reduction of staff turnover, minimal supervision needs, greater capabilities to carry out more projects and changes in employee behavior. Moreover,

(Sims, 1990) argued training and development leads to improved productivity, improves the job knowledge and skills at all levels of the organization, improve the morale of the labor force and helps the employees identify with organizational goals.

The survival of the organizations depends on the promotion of the knowledge, skills and abilities of their employees through training (Hussain, 2011). Training can enhance the productivity of individuals and achieve organizational goals (Galanou and Priporas, 2009). Moreover, the increased productivity and sales volume, enhanced quality and market share, reduced turnover, absence, and conflicts are the outcomes of the training programs (Huselid, 1995; Tabassi, Ramli, & Bakar, 2012). Organizations expect that trainees' behavior change was positive and will lead to achieve higher performance (Awoniyi, Griego, & Morgan, 2002). Although the training programme and the training outcomes are essential for firm's performance in the long term, investments in training program often fail to provide the firm's expected outcomes (Kontoghiorghes, 2004). Thus, the effectiveness of training depends ultimately on whether the training outcomes are used in the actual workplace.

In today service businesses are the most crucial for keeping their employees' knowledge and competencies up to the mark because of the global saturation occurring in services. Among them, banks are the important role in service economy and country's financial institutions development.. Banks provide financial service, such as wealth management, currency exchange and safe deposit (Foerch et al., 2016).

The health of a country's economy is closely related to the soundness of its banking system. For banking employees, it becomes crucial to be trained well in communication and interpersonal skills as they have to interact with a variety of people on daily basis (Nel, et al., 2004). Customers demand delighted services from banks and their employees in the sense getting proper attention and being provided with all the assistance. Therefore, training and development is beneficial not just for the organization itself but also for the individual employees.

A few years ago, all banks transactions maintained manually; after revolution in the information technology field, the methods of working in the business almost have been changed. Thus, training and development of employees' performance are important to meet the requirements of the customers and the business survival. Banking sector is now occupation for up to date and broader banking skills,

knowledge, and abilities for maintaining their survival and growth that require for the proper and effective training to the employees (Shakeels et al., 2015).

In the Myanmar's financial sector, several laws replaced the remnants of the socialist area in 1990: the Financial Institutions of Myanmar Law liberalized the financial sector, resulting in the re-emergence of private banks starting from 1992; the Central Bank was given a certain degree of authority over the monetary policy via the Central Bank of Myanmar Law; the Myanmar Agriculture and Rural Development Bank Law aimed at bolstering the credit-deprived rural population. Furthermore, other characteristics of a modern financial sector were introduced to Myanmar in the 1990s, such as a primary government bond market, cash machines and credit cards. It is also known as one of the highly regulated industries. The intense competition is indicated by the similarities of products and services that are being offered by the respective banks (Turnell, 2009). Therefore, to do better than the competitors, and to attract and sustain customers' loyalty, each bank has to uplift its capability to provide the best service to the customers.

According to CBM report (2018), 4 state run banks, 8 semi-government banks, 19 private banks, and 13 foreign banks. Therefore banks need for the skillful additional human resources. Based on discussions and surveys with local banks, the banking sector in Myanmar currently employs around 70,000 staff. At the current growth rate of banks including the regular retirement process, about 10,000 new employees join the sector every year (Foerch et al., 2016).The lack of skilled staff available to the rapidly developing banking sector is the result of the long isolation of the country as well as of inadequate education and training possibilities. As a result, training and development is needed to have an organization's goals. Training helps employees to adopt the market chances and make them capable to meet the technology changes and competition (Turnell, 2009).

The banking sector today is one of the fastest growing sectors in Myanmar as the present government is taking measures for financial reform in the effort to build a democratic nation. Private Banks must endeavor to seek means to cope with the reforms and also to achieve superior performance in the long term survival and growth in the long term. However, the performance challenges have in banking sector in Myanmar (Nehru, 2014). The main point is that there is a lot of demand for skilled workers. To develop the country's banking sector, employees need better training.

According to the Nehru's research, training and development is one of the factors in performance challenges of the banking sector in Myanmar. For any business, it must try to earn average profits and do better than competitors. Thus, the private banks must formulate effective training and development programs to survive in the contemporary political and economic environment. Moreover, relationship of employee competencies such as skills development and employee performances is important in banking sector development.

Nowadays, Myanmar's banking services including mobile banking, Automated Teller Machines (ATMs) and other card systems are available but regional peers such as ASEAN countries have advanced further toward financial inclusion and technological goals than Myanmar. It is hard to make the sector to become stronger within a short time. Therefore, the main point is that there is a lot of demand for skilled workers. To develop the country's banking sector, employees need better training and development. In modern banking, organizations know the importance of training and generally provide training to their employees for better utilization of their skills, upgrading or maintaining proficiency in their current jobs, learning new postal systems, procedures, or technologies (Foerch et al., 2016).

As banking is a service-oriented sector, it mainly focuses on employees interacting with the people. Moreover, employees are needed to be more efficient and effective to offer the best service to the customer, to improve the quality of performance, and to adapt changes in competitive environment. Therefore, the growth of banking sector is the result of skilled manpower which is the outcome of training and development. Thus, this study focuses on training and development effects on employee performance of one of the market leaders Private Banks in Myanmar.

The study is expected to bridge the gap in the literature on the effects of training and development programme on employee performance in ten private banks, which represent the banks of Myanmar. The results are aimed to provide the significant advantages for banking industry in Myanmar to remedy the problems of employee performance. It can further serve as secondary data for prospective researchers. The study also seeks to provide new evidence on how training and development practices could well influence employee performance in bank.

1.2 Problem Statement of the Study

As organizations strive to compete in the global economy, differentiation on the basis of the skills, knowledge, and motivation of their workforce takes on increasing importance. Training and development are key human resource management practices, primarily targeted at enabling employees to acquire job-related knowledge, skills and behaviors that improve their ability to meet organizational goals. Supplying training to employees not only increases their productivity, and job satisfaction, but also boosts self-confidence and self-perception, with corresponding decreases in anxiety and sense of inadequacy (Becker 1964; Maurer 2001).

In late 2000, private banks are dramatically grown in Myanmar banking sector. However, they face a lot of factors for having success. Owing to the diversity of customer origins, technological changes, competitive environments, there is a strong need for employees in private banks to be trained on how to handle different people, guiding to technology changes, and how to improve their own understanding of their environment in order to better serve customers. Furthermore, customer tastes demand attention at all cost and it is a significant factor when it is improved through periodical training of employees. Amongst the factors influencing training and development in the banking industry include organizational change, competition, organization culture, product expansion or problem, technological changes and customer demands to improve quality fuels the need for training and development. Lack of time, high employee turnover, lack of skills, cost and lack of resources has been a major barrier to training and development within the service sector.

Banking industry is the backbone of a country's economy, and banks play the fundamental role in the transformation of market economies. The recent reform of financial sector and specifically banking sector is the central to the economic development in Myanmar. Recently, the government has enacted a series of laws intended to reform and strengthen its banking institutions to restore investors' confidence and to make capital more accessible. Much of the sector's growth has been driven by domestic privately owned banks that held approximately 52 percent of banking assets. By most measures and despite its recent growth, the banking sector in Myanmar remains underdeveloped compared to its regional peers in the ASEAN (Foerch et al., 2016). One of the fundamental obstacles to banking sector

development in Myanmar is the shortage of experienced and skilled banking professionals to meet the growing needs of economy.

In 2018, the Central Bank approved 13 foreign banks to operate branches in Myanmar (CBM, 2018). The entry of foreign banks can be disruptive, particularly in markets with weak institutions, an underdeveloped regulatory framework, and poor market infrastructure – conditions which are all present in Myanmar. When attempting to compete with the better capitalized and more efficient foreign entrants, domestic banks may take excessive lending risks. New competition may also lead depositors to transfer savings from domestic banks to foreign banks, creating a liquidity risks for local banks. Foreign competition forces local private banks to improve their banking services, and it is hard to compete with foreign banks without having the experienced and skilled banking professionals. It is important for private banks in Myanmar to develop human resource (HR) policies, including training and development policy, to attract and retain qualified staff, to train their employees to develop soft skills such as teamwork, how to provide excellent customer service and how to work in a professional office environment, a task that is becoming more urgent as foreign banks are entering the financial market with well-experienced and qualifications.

Banks follow both international and local standards as well as they meet defined criteria to adhere to industry norms and capital adequacy requirements. This requires a highly-trained and empowered staff that is able to operate in line with the bank strategy. Moreover, private banks in Myanmar are now introducing new technology and launching new services, namely debit cards, credit cards, mobile banking, internet banking and ATMs to reach customers with low cost. Since many private banks are expanding their services, the demand for skilled manpower is increasing especially for customer service skill, application of banking software skill and selling skill.

To sum up, the small pool of qualified people working in the banking sector is relied upon by local Private Banks in Myanmar. To develop the country's banking sector and to sustain local banks, human resource training and development are essential for Private Banks in Myanmar. In recent year, there are thirty one banks in Myanmar. Out of thirty one banks under the central bank of Myanmar, nineteen banks are private banks. Among them ten private banks are selected and these are highest

market share, highest assets, branches, and numbers of employees. All of this private banks doing to fill the employee's skill gap by training and development. This is why the study intends to viaduct logical vacuity by probing into examine the problems of employee performance in private banks in Myanmar. Moreover, private banks in Myanmar is increasing investing in their staff, providing training, often with the help of development partners (Foerch et al., 2016).Therefore this study intends to explore the training and development policy, procedures, and practices of private banks in Myanmar, and to analyze the effect of these practices on employee performance of private banks in Myanmar. According to the research problems, the following research questionnaires are set forth:

1. Do the training and development of the private banks have direct effects on competencies of employees and employee performance?
2. Do competencies of trained employees have direct effects on employee performance in private banks?
3. Do competencies of employees have mediate effect the relationship between training and development and employees performance?

1.3 Objectives of the Study

The main objective of this study is the effect of training and development policy, procedure and practices on employee performance of private banks in Yangon, Myanmar. The specific objectives are:

1. To identify the training and development policy, procedure, practices, and competencies of employees in private banks.
2. To analyze the effects of training and development on competencies of employees and employee performance.
3. To explore the mediating effect of competencies of employees in the relationship between training and development and employee performance.
4. To examine the moderating effect of employee related factors on the relationship between training and development and competencies of employees.

1.4 Research Hypotheses

In order to achieve the objectives designed for this study, the following research hypotheses were stated based on the review of literature concerning training and development, competencies of employees, and employee performance. In this study, four hypotheses were explored to analyze the effects of training and development (policy, procedure, and practices) on competencies of employees and employee performance, competencies of employee mediate effect on relationship of training and development and employee performance, and moderating role of employee related factors on relationship of training and development and employee performance. The questionnaire prepared for the survey study was developed by using a five point Likert scale, whereas - 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree. The adopted hypotheses are described as follow.

- H₁ Training and development has direct effect on competencies of employees.
- H₂ Training and development has direct effect on employee performance.
- H₃ Competencies of employees have mediation effect on the relationship between training and development and employee performance.
- H₄ Employee related factors have moderation effect on the relationship between training and development and competencies of employees.

1.5 Method of Study

This study concentrates on finding out the causes of training and development, competencies of employees, and employee performance among employees of the bank. Quantitative research techniques are used in this study. Both primary and secondary sources of data are used in this research. The primary data are collected through questionnaire while secondary data are taken from the various sources such as management text books, Ministry of Planning and Finance's published report books, and journal, Central Bank of Myanmar's published reports, web site, and journal,

conducted research papers concerning training and development and employee performance from various fields, and internet.

In this study random sampling method is used. Out of 19 private banks in Myanmar 10 private banks are selected. These selected private banks have highest market share and assets in Myanmar. Target population of this study is the employees of selected private banks in Yangon. Among them, employee from attended training and development is selected. To get the size of sample from the population Taro Yamane (1973) formula is taken in a consideration.

Questionnaire surveys are conducted on selected private banks in Yangon. The questionnaire is based on five point Likert Scale and dividing parts such as employee related factors, training and development policy, procedure, practices, and employee performance. Before the main analysis, both validity and reliability issues were addressed in order to ensure the trustworthiness of the collected data. To describe the employees of a bank by gender, current job position, working experience, and education level, descriptive statistics are used to show the demographic characteristics of the respondents. Descriptive statistics such as mean, percentages, and standard deviation were used. This study employed quantitative research method using multiple linear regression methods in SPSS 23 to analyze the data and test the hypotheses. Reliability and validity of data tested before proceeding to the regression analysis.

1.6 Scope and Limitation of the Study

This study focused on the effect of training and development on employee performance of Private Banks in Myanmar. In banking industry in Myanmar, private banks have a total of 19 (CBM, 2018) out of these private banks, 10 private banks are selected on their largest assets, market share, and branches. In the selected private banks, a total of 153400 employees are employed in the whole country and 46700 employees are employed in Yangon. In selected banks, 400 people who have already attended the training and development course were randomly selected for this study.

This study suffers from some limitations as follows. Firstly, bank was not willing to provide data related to their employees' problems and inner details of the

banks. Some respondents may not want to responses to the questions asked. Secondly, bank that may not actually have written the human resource strategies, training policy, and may also have tried to infer that they actually have respondents. Moreover, a complete set of data to calculate of training and development measurement such as detail appraisal methods were not available for this study. This is the important for promotion measure of employee and that effect on employees' productivity and satisfaction. Finally, this study only focused on training and development (policy, procedures, and practices) as the independent variable to have the direct and indirect effects on competencies of employees and employee performance and moderating factors (gender, education, working experience, and position) of these bank employees; thus, there will not be a great deal problem in this survey.

1.7 Organization of the Study

This study is made up of five chapters, Chapter one is the introduction that consists of rationale of the study, problem statement of the study, objectives of the study, method of the study, scope and limitation of the study, and organization of the study. Chapter two reviews the theoretical consideration of the training and development related to this study including concept of training and development, importance of training and development, competencies of employee, moderating factor of employee related factor, employee performance, and previous studies. The chapter ends with a conceptual framework for the study. Chapter three describes the overview of banking sector in Myanmar, training and development center for banking industry in Myanmar, and profile of private banks in Myanmar and it performing. Chapter four is the main findings of this study with the detail research design and statistical results are mentioned. The proposed hypotheses which are accepted or rejected according to the analyses are clearly explained. The last chapter, chapter five, presents the conclusion including finding and discussion, and recommendations and suggestions. Also, the chapter ends up with areas which need to be explored in further studies.

CHAPTER 2

THEORETICAL BACKGROUND

This section reviews the theoretical literature related to the study and develops the study's theoretical framework. Therefore this chapter discusses the concept of training and development, importance of training and development, theoretical foundation, training and development policy and procedure, and practices, competencies of employees, employee performance, previous research, and conceptual framework. The main objectives of this chapter were identifying the main concept of this study.

2.1 Concept of Training and Development

There are two main parts in training and development: concept of training, and concept of employee development. The following are important for concepts of training and development and that are positively depend on employee competency, employee performance, and organization success.

One most important area of the Human Resource Management function is training and development for the effective use of human resources. Employee training and development is an attempt to improve current or future performance of an employee to perform through learning, usually by changing the employee's attitudes or increasing his or her skills and knowledge (Wexley, 1984). Basically, the objective of training and development is to contribute to the organization's overall goal. Training is imparting a specific skill to do a particular job while development deals with general enhancement and growth of individual skill and abilities through conscious and unconscious learning (Cole, 2002).

(a) Concept of Training

Training is the act of increasing the knowledge and skill of an individual for doing a particular job. In the present situation, training is increasingly viewed as a mean of not only fostering the growth of individual employee but as an integrated part of organizational growth. Ngirwa (2009) defined training as a learning process in which employees acquire knowledge, skills, experience and attitudes that they need in order to perform their job better for the achievements of their organizational goals.

Training is a systematic process of increasing the knowledge and skills of the staff for doing a specified job by providing a learning experience. Armstrong (2009) defined training as the planned and systematic modification of behavior through learning events, programs and instructions, which enable individuals to achieve the levels of knowledge, skill and competency needed to carry out their work effectively. It means that training helps the staff of trainee acquire new skills, technical knowledge and problem-solving ability, thereby increasing the performance of the staff. Thus employee training is the planned and systematic modification of behavior through learning events, activities and programs which results in the participation achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively (Gordon and DiTomaso,1992).

A formal training program is an effort by the employer to provide opportunities for the employee to acquire job-related skills, attitudes and knowledge (McGhee, 1996). Kibibi (2011) clarified that there should be clear objectives of training of employees. Thus, training is needed so as to introduce a new process, improves the efficiency of staff, provides training for unskilled workers to make them more valuable to the firm, decrease supervision needed, improves the opportunities for internal promotions as specific skills, communication and behavior, and decrease the chances of accidents.

According to Adams (2002), training makes employees feel that they are part of the organization's family. Training creates the sense of belonging in all employees. It creates the professional development and enhances the employee's skills. It also makes knowledgeable workforce with fewer mistakes. Moreover, McNamara (2010) added that training increases job satisfaction and employee morality, enhancing the employee motivation, improving the efficiencies in processes and financial gains,

raising the ability to obtain new technologies, developing the innovation in strategies and products and reducing employee turnover are other important benefits of training. Noe (2002) also mentioned other benefits of training such as better prepared employee to achieve the organizational goals, more productive staff that are able to meet the challenges of change in the organization during learning and work on new programs.

Training is a short term educational process and utilizing a systematic and organized procedure by which employees learn technical knowledge and skills for a definite purpose. Training is usually considered as the organized procedure by which people gain knowledge and skill for a definite purpose (Beach, 1980).

(b) Concept of Employee Development

According to Armstrong (2006), development is an unfolding process that enables people to progress from a present state of understanding and capability to a future state in which higher-level skills, knowledge and competencies are required. It takes the form of learning activities that prepare people to exercise wider or increased responsibilities. It does not concentrate on improving performance in the present job. Wiperand Harrison (2000) defined development as a learning experience of any kind whereby individuals or groups acquire knowledge, skills, values and behaviors. It is more career than job oriented and is concerned with the long-term development and potential of the individual.

Development covers not only those activities, which improve job performance, but also those which bring about growth of the personality; helps individual in the progress towards maturity and actualization of their potential capacities so that they become not only good employees but better men and women. It refers to the future-oriented training and on personal growth of the employee. As the job and career progress, employees need new skills and abilities. Therefore, employee development helps that person to improve ability to handle a variety of assignments; improves performance at all levels in their present jobs; helps to sustain good performance of the staff throughout their career exploring their full potential; answer the availability of required numbers of personnel with the needed skills, and to answer that the managerial resources of the organization are utilized optimally (Armstrong 2006).

According to (Itika, 2008), development sees the employees as adaptable resources with a variety of skills and places within the organization and it is also concerned with giving the individual the right mix of skills, experiences and contacts to enable them to achieve their full potential. The effects of training on employee performance can often promote growth within the worker and the organization itself (Katcher and Snyder, 2003).

Employee development is the major factor in the creation of employee human capital, which determines the long-term productivity of an employee's behavior (Nelet al., 2004). While training is concerned with the employee's current job, development prepares the employee for future job requirements. Effective development programmes allow management to maintain a workforce that can adequately replace employees who may leave and moved to other areas. Moreover, employee development to enhance the capabilities of the all employees so when employees of the organization would develop the organization would be more flourished and the employee performance would increase. When employees are satisfied with the organization, they will show more productivity towards organizations.

One of the larger aspects of developing employees' skills and abilities is the actual organizational focus on the employee to become better, either as a person or as a contributor to the organization. Therefore, employees need to receive regular, scheduled feedback, including training, along with an increase in expectations, actually have a higher level of worker output (Katcher and Snyder, 2003).

According to the above situation, the purpose of training is mainly to improve knowledge and skills, to change attitudes or behavior, and to develop employee performance for organization success. According to Adams (2002), training makes employees feel that they are part of the organization's family and the sense of belonging in all employees. It creates the professional development and enhances the employee's skills. Moreover, the need for training and development is determined by the employee's skills and performance deficiency, computed as training and development is equal to the difference of standard performance and actual performance or desire performance (Njavallil, 2007).

2.2 Importance of Training and Development

Training and development is an important and crucial tool for the organization to refurbish the performance of all the personnel for successful organizational. Firms can develop and enhance the quality of the current employees by providing comprehensive training and development. Therefore, training is essential not only to increase productivity but also to motivate and inspire workers by letting them know how important their jobs are and giving them all the information they need to perform those jobs.

Training and development is important to organizations which are rapidly incorporating new technologies to make the current work force more flexible and adaptable. A major purpose of training and development is to increase performance, whether current or anticipated inability of an employee to perform at the desired level. The general benefits received from employee training are: increased job satisfaction and morale, increased motivation, increased organizational commitments, increased efficiencies in processes, resulting in financial gain, increased capacity to adopt new technologies and methods, increased innovation in strategies and products and reduced employee turnover. The importance of training and development in the corporate world and it is essential to examine any issues related to training and development in any business sector (Nassazi, 2013).

There are many benefits associated with training. Cole (2002) summarizes training and development program benefits are as follow: having high morale, lower cost of production, lower turnover, change management, recognition, enhanced responsibility and the possibility of increased pay and promotion, and help to improve the availability and quality of staff.

There are many benefits to both organization and individuals to accomplish training activities. It also helps eliminate fear in attempting new tasks. The main purpose of training is to acquire and improve knowledge, skills and attitudes towards work related tasks. It is one of the most important potential motivators which can lead to both short-term and long-term benefits for individuals and organizations (McNamara, 2010).

(a) Organization Perspective in Benefits of Training and Development

The benefits of training listed by Tessin (1978) are given below. The benefits from training to the organization are divided into three categories: organization profitability, human resource development and organization development.

In Organization profitability, it describes the four main types; leads to more profitability and/or more positive attitude towards profit orientation, aids in increasing productivity and/or quality of work, helps to keep costs down in many areas, and reduces outside consulting costs by utilizing competent internal consulting. Human resource development includes several factors. The main factors are: improving the morale of the workforce ,labor management relations, job knowledge and skills at all levels of the organization , helping people identify with organizational goals , stimulating preventive management as opposed to putting out fires and aids in developing leadership skill, motivation, loyalty, better attitudes and other aspects that successful workers and managers usually display.

Organization development includes four main factors. These are: to help to create a better corporate image and to prepare guidelines for the work, to aid in understanding and carrying out organizational policies and to improve organizational communication, provide to information for future needs in all areas of the organization, and organization gets more effective decision making and problem solving.

(b) Individual Perspective in Benefits of Training and Development

Benefits to the individual which in turn ultimately should benefit the organization are summarized into two main parts: work related benefit and interpersonal relationship.

Work related benefits are to help the individual in making better decisions and finding effective solutions for problems , through training and development motivational variables of recognition, achievement, growth, responsibility and advancement are internalized and operationalized, encouraging and achieving self-development and self-confidence, provides information for improving leadership, knowledge, communication skills and attitudes, moves a person toward personal goals while improving interactive skills, provides the trainee an avenue for growth and a say

in his / her own future, develops a sense of growth in learning, helps a person to develop speaking and listening skills and writing skills when exercises are required, improves interpersonal skills and moral, to make organizational policies, rules and regulations viable and a better place to work and live, and builds cohesiveness in groups and to provide a good climate for learning, growth and coordination.

Interpersonal relationship benefit is one of the factors in individual perspective of training and development. It includes : to helps to eliminate fear in attempting new tasks, increases job satisfaction and recognition, to assist a person handle stress tension, frustration and conflicts, benefits in personal and human relations, intra and inter group relations and policy implementation, improves communication between groups and individuals, aids in orientation for new employees and those taking new jobs through transfer or promotion, to provide information on equal opportunity and affirmative action, and to provides information on other Governmental laws and administrative policies.

2.3 Overview of Theoretical Foundation

This research will focus on two theories that are relevant to training and development and employee performance. These theories include; Human Capital theory and Social Learning theory.

Human Capital theory was proposed by Schultz (1961) and developed extensively by Becker (1964) in his seminal work on the economics of employer-provided training. Human capital theory advocates that education or training imparts useful knowledge and skills to workers which in turn increase their productivity and incomes (Becker, 1964). Becker distinguishes between specific human capital and general human capital. Specific human capital includes expertise acquired through education and training which is specific to a particular firm (firm-specific or context-specific skills). General human capital (general skills), on the other hand, is knowledge gained through education and training which is valuable across board (e.g., reading and writing).

Human capital can be defined as knowledge, skills, attitudes, aptitudes, and other acquired traits contributing to production and well service. Human capital

theory suggests that education or training raises the productivity of workers by imparting useful knowledge and skills, hence raising workers' future income by increasing their lifetime earnings(Becker, 1964). In Becker's view, human capital is similar to "physical means of production", e.g., factories and machines: one can invest in human capital (via education, training) and one's outputs depend partly on the rate of return on the human capital one owns.

According to Human Capital Theory, an organization's decision to invest in training and development activities of employees is considered to be part of its resource optimizing strategy and purports that resource optimization is not possible without employees' skills enhancement as it boosts their tendency to search for better opportunities elsewhere (Becker, 1964). Moreover, the theory argues that organizations with valuable knowledge, skills and abilities will present better performance levels, and therefore it has also fostered many universalistic conclusions. The more likely it is that the firm will invest in human capital and that these investments will lead to higher individual productivity and firm performance (Youndt, Snell, Dean, & Lepak, 1996)

Social learning theory was developed to describe and predict how people learn from observation. Bandura and Walters (1977) observational learning is controlled by processes of attention, retention, and reproduction. From social learning theory, a number of rules can be derived for optimal training conditions. For example: When modeling a task, give the learner a verbal model to guide performance. The best verbal models will give rules for the responses of the task, but will be as simple as possible and easy to remember. The trainee is most likely to learn to reward himself for a good job performance if he comes to feel that the work he is performing is very important to him and to the company and that he has significant control of the work outcomes.

According to above theories, training is important for employee performance and training and development policy, procedure, and skills are also important for employee performance. The concept of training and development policy, procedures, employee competencies, and employee performance are presented in the following sections.

2.4 Training and Development Policy, Procedures, and Practices

A policy is a guiding principle used to set direction in an organization. A procedure is a series of steps to be followed as a consistent and repetitive approach to accomplish an end result. Together they are used to empower the people responsible for a process with the direction and consistency they need for successful process improvement.

(a) Training and Development Policy

Policies are formulated to provide guides to action and to set limits to decision making; what should be done in certain circumstances and how particular requirements and issues must be dealt with, Armstrong & Stephens (2005). Policies are therefore set up in such areas as marketing, finance, operations as well as human resource.

Employee training and development banks policy refers to the bank's learning and development programmes and activities. In the modern competitive environment, employees need to replenish their knowledge and acquire new skills to do their jobs better. This will benefit both them and the company. Employees want them to feel confident about improving their performance such as productivity and organizational commitment as well as finding new ways towards personal development and success (Mullins, 2007).

While policy formulation is an exercise meant for the attainment of organization's goals, it also serves the concurrently as a statement of the organization's corporate philosophy. Moreover procedure or program is implementation of this policy and it is essential for organization performance for individual performance (Degraft-Otoo, 2012).

Training and development are indispensable strategic tools for effective individual and organizational performance, thus, organizations are spending money on it with confidence that it will make them take a competitive advantage in the world of business (Edralin, 2004). In organizations, it consider about the effective training and development policy and procedures for improving employees' competencies and performance. It means training and development is an important role in every

organization and it can develop employees' performance at all level, and also increases organization performance and success (Reza Sohaee and Ziabari, 2018).

The Bank Policy Manual (BPM) is the governing body of documentation that defines and clarifies a bank's policies and procedures. These manuals are generally divided into sections that identify a specific element within an organization (e.g., Human Resource, Administrative, Compliance, Lending, Operational, etc.), and are may be assigned a number of series for identity purposes. Policies and procedures are the heart of any policy manual, and it is important to understand the difference between a "policy" and a "procedure:"

A policy is a high level overall plan that embraces the general goals and directives of a bank. This type of document, and the related subject matter, requires the approval of senior management and the board of directors. The training and development policy include training policy elements such as training and development objectives and planning for training procedure and training and development procedures such as implementation of training and development objectives with training facilities and trainers (Mohan, 2011). As an example, topics dealing with human resources, lending guidelines, and regulations would normally be submitted to the board of directors for approval before implementation.

(b) Training and Development Procedure

A procedure is documented controlled steps or activities that accomplish the goals and directives of a related policy. Procedure documents are less formal by nature, and the subject matter normally requires only the approval of senior management. Policy, procedure and practice of training and development were taken to determine the systematic use of training and development practice (Serasinghe and Opatha, 2007).

Training and development procedures are designed to meet specific objectives. There are many objectives for training and development procedures. The objectives may be from employees or employers side. The key objectives for training and development are: to enhance performance and skills, to acquire job-related knowledge, to increase productivity, to reduce labor turnover, to develop self-confidence, to increase employees' satisfaction in organization (Mamoria, 1995).

Training objectives focus on what organization needs to achieve, and how to improve employees' and performance to attain the goals. Well-training employees produce higher quality of work, less wasted time and increased productivity. Training and development help employees to obtain the knowledge of organizations. Changing the attitude and increasing the morale of the employee can give their best to organization. Training and development has a great impact on employee behavior. It polishes employee's behavior so that they can fit with the internal and external environment. In general, most of the private banks approve and encourage the following employee trainings by training policy and procedures (Armstrong and Stephens, 2005).

(c) Training and Development Practices

Training is teaching, or developing in oneself or others, any skills and knowledge that relate to specific useful competencies. Training practices has specific goals of improving one's capability, capacity, productivity and performance (Dessler, Sutherland,& Cole, 2005)

According to Wognum (2001) and Torrington, Hall, &Taylor(2005), there are three categories of identifying training and development needs. These include: resolving problems, this focuses on workers' performance, improving certain working practices, this focuses on improvement regardless of the performance problems and changing or renewing the organization situation, which may arise because of innovations or changes in strategy. It is worth putting in mind that during the identification of training needs, there is need to create, develop, maintain and improve any systems relevant in contributing to the availability of people with required skills.

Training needs assessment (TNA) is base on the training and development practices. TNA refers to developing a composite impression of the professional setting and includes inquires regarding short and long-term business strategies, the physical work environment, departmental culture, performance capabilities and the personalities of the employees. Moreover, the presence and comprehensiveness of TNA should be related to the overall effectiveness of training because it provides the mechanism whereby the questions central to successful training programs can be answered (Wagonhurst,2002).

All trainings should consider what employees need and how they can learn best. This is why; encourage employees and managers to consider multiple training methods like workshops, e-learning, lectures and more. Different organization takes on different training methods according to the training policy and procedures, and organizational resources. The methods used in training and development should be feasible and effectiveness. The various types of training methods that an organization may adopt depending on the main objectives of training and these are orientation or induction training, foundation training, job instruction training, career development training, and maintenance or refresher training.(Demetra, Lauren E.,John, Carolyn, O'Brien, & Kate ,2008).

Orientation/Induction training is given immediately after employment to introduce the new extension staff members to their position. This training is aimed at getting all new entrants familiarize with the organization's goals, structure, culture, work standard and other conditions of employment.

Job Instruction training is received directly on the job, and so it is often called "on-the job" training. It is primarily used to teach workers how to do their current jobs. On-the-job training (OJT) is teaching the skills, knowledge, and competencies that are needed for employees to perform a specific job within the workplace and work environment. The main facts of OJT are that it is less costly, less time consuming, and is used where jobs are simple. On the job methods refer to the methods that are applied to the workplace- "learning while doing" examples: apprenticeship training, internship training etc. The goal of OJT is often to teach basic workplace skills, and to provide new employee on boarding information (Dessler et al., 2005).

Career development training is the ongoing acquisition or refinement of skills and knowledge, including job mastery and professional development, coupled with career planning activities.Maintenance/Refresher training which means keeps specialists, administrators, accountants, supervisors and frontline workers updated and enables them add to the knowledge and skills they have already (Obi-Anike andEkwe, 2014).

Off the job methods are used away from the work place, it means "learning before doing" examples; case study method, conferences, etc. It is more costly, more

time consuming and is used where jobs are complex involving the use of sophisticated machinery and equipment. Off-the-job training is the training method where the employees learn their job roles away from the actual work floor. Some of the off-the-job training methods are case study method, classroom method, role play, simulation, conference (Degraft-Otoo, 2012).

Defining training types are main important factor of training and development procedures and practices. Different organizations are motivated to take on different training methods for a number of reasons for example; (1) depending on the organization's strategy, goals and resources available, (2) depending on the needs identified at the time, and (3) the target group to be trained which may include among others individual workers, groups, teams, department or the entire organization (Nassazi, 2013). Training and development also reinforce the message that the company invests in its employees. Organization should assess the training needs such as formal training, on-the-job training, taking on additional responsibilities, challenging work and involvement in special projects.

Evaluating training program is a systematic process of collecting information and about training activity which can be used for guiding decision making and for assessing the relevance and effectiveness of various training components. The purpose of training evaluation are to validate training and development as a business tool, to justify the costs incurred in training and development, to identify the program's strength and weakness, to help improve the design of training and development program and to help in selecting training and development methods. Evaluation of training and development demonstrate a wide range of activities that are associated with it as well as the many benefits.

2.5 Employee Competencies

A competency is not a physical resource. It is an innate or acquired characteristic of a person which facilitates effective or superior performance. It may be a motive, value, knowledge, skill, attribute or personality trait which a person possesses. Under competencies, skills development is more crucial than others. Skill variety is the range of duties and tasks involving different skills that the employee

performs in their job (Opatha, 2008). Three types of employee competencies are technical competencies, personality competencies and managerial competencies (Degraft-Otoo,2012).

Technical competencies are job knowledge or job skills. They are knowledge or skills that relate to a particular job or profession. Because they are specific to a job or position, technical competencies differ from job to job. Personality competencies refer to knowledge, skill, traits or attributes that relate to an individual's personality. Personality competencies cut across jobs. A personality competency that may be required for success in one job may also be required for success in a whole lot of other jobs. Managerial competencies refer to knowledge or skills in the key functions of management. Management functions in this research refer to the following: decision making, organizing, communication, motivating and controlling (Degraft-Otoo,2012).

According to Boyatzis (2006), competency is an individual's capability or ability. However, (Opatha, 2008) stated that competency or efficiency was referred to as a set of characteristics of knowledge, skills, attitudes, intellect and view of one's own interests to carry out their duties efficiently and effectively. McClelland (1998) further defined competency as basic personal characteristic that is a determining factor for acting successfully in a job or situation. It is important for an organization to ensure that employees have the knowledge, skills and attitude in accordance with the organization goals, objectives and values. Bently (1990) emphasized that in order for the employee to obtain all the needed competencies, organizations must develop a proper training programme.

Spencer and Spencer (1993) identified five dimensions of competency characteristics consisting of motives, traits, self-concept, knowledge and skills. According to Boyatzis (1982), competencies include motive, traits, self-concept, skills and knowledge. In order to measure the degree to which a person's skill or knowledge can perform a particular task or fulfil a particular role, the following dimensions were considered for this study namely, knowledge and skills. Opatha (2008) has also identified seven dimensions as Technical Competence, Human Relations Competence, Conceptual competence, Intelligence, Personality, Character, and Personal Management Competences.

Dessler (2005) defines competences as demonstrable characteristics of a person that enable performance of a job. Mathis and Jackson (2006) indicates competences as fundamental features possessed by individuals or teams contributing to improve performance. Working definition for this study is the degree to which a person's skill or knowledge can perform a particular task or fulfil a particular role. Moreover, the 'Competency-based' approach to human resource management has become integral during the last thirty years, with 'Competency' encompassing the knowledge, skills, abilities, traits and behaviors that allow an individual to perform a task within a specific function or job (Boyatzis, 1982).

Competencies specify the "how" of performing job tasks, or what the person needs to do the job successfully. Competencies are used for assessing and selecting candidates for a job, assessing and managing employee performance, workforce planning; and employee training and development. Employee competencies can be improved through effective training programs and subsequently enhance the employee overall performance. By gaining suitable knowledge, skills and attitude through training they can perform their current job more effectively and also prepare for future job (Wright and Geroy, 2001). Therefore, employee core competencies are a set of knowledge, skills, and capabilities that an employee needs in order to be successful in an organization. It is the cornerstone of the employee's development, performance, and overall success within the company.

The development of skills will lead to superior service performance that may affect creativity, operational effectiveness and high-quality service delivery among frontline employees in the service industry (Mahmood, OngChoonHee, OngShze Yin, Hamli, 2018).

2.6 Employees Related Factors

Training and development allow employees to take advantage of many distinctive methods of learning that benefit themselves and organization. Employees gain by experiencing better satisfaction in their ability to perform better in their job. An organization can strengthen their bond with employees by investing in training and development. Training and development help employees to develop personal

competitive advantage (Aguenza and Som, 2012). The necessity for training and development arise when there is a gap between current performances and desired performances. Training and development programs will increase the specificity of employee skills. Skilled, disciplined and punctual workers are produced to increase employee performances (Gul, Akbar and Jan, 2012).

Today's human work force is more diverse than it was in the past. In the past, male employees dominated most of the labor force. Today women, has become increasingly important parts of the labor force. Management of these human resources has been tough for any organization. In current labour market, the labor force is diverse, then expectations, career choices and other needs and demands of the labor force become diverse as well (Savickas et al., 2009). This study assumes that training determinants such as training policy, procedures, and practices, and skills development (employee competencies) relation could change based on the gender, education, and seniority or working experience within any workplace. Individual and group based characteristics of the workforce such as seniority; education, position, and gender have become more important in any business because the competency of the workforce implies increased ability to generate competitive advantages over competitors. Competency might also be involved in individual differences (Dubois, 2010).

Competency is the essential element for determining the level of skills, knowledge and abilities proficiency of the employee. Study discovered constructive relationship between personality and the level of competencies. Therefore, analysis the personality such as education level on relationship of factors of working conditions such as organization culture and technology changes, and competencies is important for organization success.

Gender has been highly regarded as an important individual characteristic of employees once employee performance, job satisfaction and the training performance and satisfaction are considered. In the past, the dominance of white male employees resulted in job design and training programs developed based on the individual features of male employees. Until the last few decades, training practice and working conditions would not be developed by considering diversity in the workforce based on gender, race, and other important factors (Fahr and Sunde, 2009). One difficulty encountered by investigators of sex differences and performance among workers in

organizational settings is the difficulty of comparing the performance of men and women carrying out exactly the same job owing to gender segregation in the allocation of work tasks (Rydstedt, Johansson, & Evans, 1998).

Seniority is assumed effective on employees' outcomes or competencies based on the hypothesis that more seniority or employees with longer work experience are more inclined to generate higher performance during and after the training program (Murugan, 2007). Moreover, content of the training and development practices might be more related to the seniority in some cases. Specifically, technical training programs require more experience and seniority of employee to generate better outcomes and be more effective from the perspectives of both employee and the company. Since senior employees become more able to improve their learning and job performance; they are more involved in the job requirements for a longer period.

Lim and Johnson (2002) concluded that seniority among all individual employee related factors could be more influential on training delivery system or on the job training method. Lim (2000) found that employees with longer work experience and shorter period of work experience demonstrate significant differences in learning transfer to improving performance after the training practices.

New employees often require new or additional training to learn skill specific to the job. As pointed earlier, education, which new employees have, is person oriented and not job or company oriented. This therefore goes to show that people who have stayed long on the job are not likely to make mistakes like new employees on the job, hence perform better. Therefore employee related factor may have the moderating factor of training and development and employee competencies. However, Santos and Stuart (2003) concluded that demographic factors may not be as significant as the training programs assumed by previous studies and researches.

2.7 Concept of Employee Performance

Performance is a necessary factor, as it is related to determining productivity and is referred to as behavior applied in the work place (Murphy and Cleveland, 1995). According to Kenney et al., (1992) there are many measures used by an organization in order to attain efficiency in performance such as quality, efficiency,

ability, productivity, profitability and effectiveness. Noe(2010) also stated that employee's performance is measured against the performance standards set by the organization. They presented the many measures used by an organization in order to attain efficiency in performance such as quality, efficiency, ability, productivity, profitability and effectiveness.

Moreover, there are a number of measures that can be taken into consideration when measuring performance, for example, uses of productivity, efficiency, effectiveness, and quality and profitability measures (Ahmed,2018). Aronoff and Litwin (1971) also commented that trainings enhance individual initiative, ability and creativity and help to avoid employees' obsolescence that happens due to demographic issues, for instance, age, tenure or the inability to manage technological changes. Scott, Clothier and Spriegel (1977) noted that training is the heart of better organizational running, as it builds workers' efficiency and effectiveness.

Darden and Babin (1994) pointed that , if employees in an organization are to be focused and productive, then organizations should clearly define their objectives, mission and vision. Locke and Lantham (2005) indicated that organizations should develop appropriate policies to curb high rates of employee absenteeism since this will be a major obstacle towards success. Organizations is low rate of absenteeism by their employees usually achieve their objectives. To develop the desired knowledge, skills and abilities of the employees, to perform well on the job, requires effective training programs that may also affect employee productivity and commitment (Meyer and Smith, 2000).

To determine the effectiveness of the training policy, training and development programme start with identification of training and development needs and ends with evaluation of training (Gopal, 2009). Therefore training and development is the key factor of employee performance. Employee performance comprises the actual output or result of an organization as measured against its intended outputs or goals and objective. The impact of employee performance can be manifest through employee productivity, employee satisfaction and employee commitment (Richard, Devinney, Yip, and Johnson, 2009).

2.7.1 Productivity

Sultana, Irum, Ahmed, and Mehmood (2012) described productivity as the ability to achieve certain tasks according to predetermined or specified accuracy standards, completeness, cost, and speed. Haenisch, (2012) also defined productivity as an essential ingredient for sustained competitiveness and profitability of an organization. Overall, employee productivity can be evaluated in terms of the output of an employee over a specific period of time.

According to Anderson (2003), the factors affecting employee performance to increase productivity are experience, work-home balance, manager interaction, setting goals. Experience which means hiring employees who do not have the proper background for the job is one of the things that start performance downward spiral. Company training should be used to enhance the employee's background. Work-home balance which means as much as an employer may not want to be affected by the personal life of his employees, personal problems can sometimes affect employee performance. Manager Interaction means if an employee does not get feedback from his/her manager, then he/she has no idea how to rate his/her performance. Setting goals which means to help employees improve their performance, employers need to set goals that employees are required to achieve.

A number of definitions for employee productivity were proposed by various scholars. For instance, Ferreira and Du Plessis (2009) described it as the time spent by an employee in executing his or her job duties, in order to achieve expected outcomes based on the job description. Moreover, Mathis and Jackson (2006) established that employee productivity can be assessed based on the quantity and quality of work done by an employee taking into consideration the costs of resources being used to achieve that work. The consensus on this, however, is that in the long-run performance leads to increased productivity.

The strongest implication of most of the research is that the two variables, commitment and performance, are relatively independent of one another (Kien, 2012). It seems there are two possible reasons for this. The first reason is that in many jobs variations, performance cannot lead to variations in productivity (Dessler, Sutherland, and Cole, 2005). In other words, productivity may very well have largely separate casual paths, one set of factors investment in technology determines

productivity, and another set perceived equity of rewards produces employee performance. Productivity increases as an organization goes ahead to find new ways to use fewer resources in order to produce its output. In a business environment however, productivity improvement is essential for long-run success of the company (Dost,Ahmed, Shafi, &Shaheen, 2011).

Mamoria (1995) mentioned that a well trained worker is able to make a best use of organizational resources along with minimum level of wastages. Rasel, (2015) mentioned ten results for relationship between training and productivity is:if knowledge of employees increases then the productivity also increases as higher knowledgeable workers use their knowledge to increase productivity, training provide increases skills level of employees, and higher skills produce higher productivity, proper training increases competency level of employees, leading to increased productivity, proper training drives away the barrier between the employees and management, thus, in turn, increases the productivity level, training gives to late technology to do the worker which increases productivity, training also helps reduce the faulty level of work done, thus increases productivity.All the above aspects must be considered by the firm while selecting most appropriate training program that helps organization to solve all problems and enhance employee motivational level to participate and meet firm expectations by showing desired performance.

As depicted by the work of Harrison(2000), learning through training influence the organizational performance by greater employee performance, and is said to be a key factor in the achievement of corporate goals. However, implementing training policy and program as a solution to covering performance issues such as filling the gap between the standard and the actual performance is an effective way of improving employee performance (Swart et al., 2005).

Bartel (1994), reports that there is a positive correlation between effective training policy and procedures and employee productivity, however to make it possible, (Swart et al., 2005), it is the responsibility of the managers to identify the factors that hinders training policy and program effectiveness and should take necessary measures to neutralize their effect on employee performance.

Scott, Clothier and Spriegel (1977) argued that training is the crux of better organizational management, as it makes employees more efficient and effective.

Moreover, training supports to shape employees' job related behavior and facilitate them to participate for the success of the organization and ultimately firm gets higher return due to superior performance of its employees.

The issue of employee productivity has recently emerged in the literature as one of the foremost critical challenges for organizations to manage their workforce. In other words, the productivity of employees is a vital theme that should be given greater attention, because the main purpose of doing the work is to gain the maximum output with minimum costs (Stankovic and Luthans, 1999)

Training helps to solve these performance problems by explaining the details of the job and equipping the employees with the necessary skills to perform well. This reduces duplication of effort in the workplace and time spent in correcting the mistakes. Thus, it saves time and costs which in turn improves the employees' productivity (Gul, Akbar and Jan, 2012).

2.7.2 Job Satisfaction

Employee satisfaction, also called "job satisfaction" (Wang, 2005). Employee satisfaction defined as employees' feelings and thoughts about organization, work and co-workers (Beer, 1964). Locke (1976) proposed the theory of value, and suggested that employee satisfaction does not address individual desires, but associated with employee's needs or principles. Many measures support that employee satisfaction is a factor in employee morale in the workplaces.

Satisfaction with training and development is a major factor in decisions regarding people's careers (Violino, 2001). Employee satisfaction is the terminology used to describe whether employees are happy, contented and fulfilling their desires and needs at work. Employee satisfaction links to positive employee performance and firm's profitability (Gaertner and Nollen, 1989). Satisfied employees are far better than unsatisfied ones at delivering excellent customer service and hence enhancing customer satisfaction with the organization's products and services. An internally satisfied, delighted and motivated worker or employee is actually a productive employee in an organization which contributes in efficiency and effectiveness of organization which leads to maximization of profits (Matthew and Gilbert, 2009).

Employee satisfaction is also a prerequisite for staff retention Improved job satisfaction reduces the cost of employee turnover, builds brand loyalty with staff and

positions the company as an employer of choice that attracts talented people to the organization. Job satisfaction of employee performance is critical in a service industry like banking industry in the private sector. The nature of work and other pressures in society has been changing the attitudes of people towards work itself. In recent years, organizational policy and strategy is important to make the employee job satisfaction (Saleem, Majeed, Aziz, & Usman, 2013).

Promoting employee satisfaction ensures a maximum return on the organization's investment. Making sure employees are happy and satisfied with their jobs is more than a kind gesture. Quality employee engagement has a very significant impact on an organization's bottom line. Satisfied employees are not only generally more productive, but they also facilitate higher customer satisfaction and increased profits. Employee satisfaction, in turn, translates directly into added value in terms of performance, customer relations and profitability.

Ahmad and Bakar (2003), concluded that high level of employee commitment is achieved if training achieve learning outcomes and improves the performance, both on individual and organizational level. These findings are also consistent with the results of Kim (2006) research work. Lang (1992)also defined training should be planned in such a way that it results in organizational commitment.

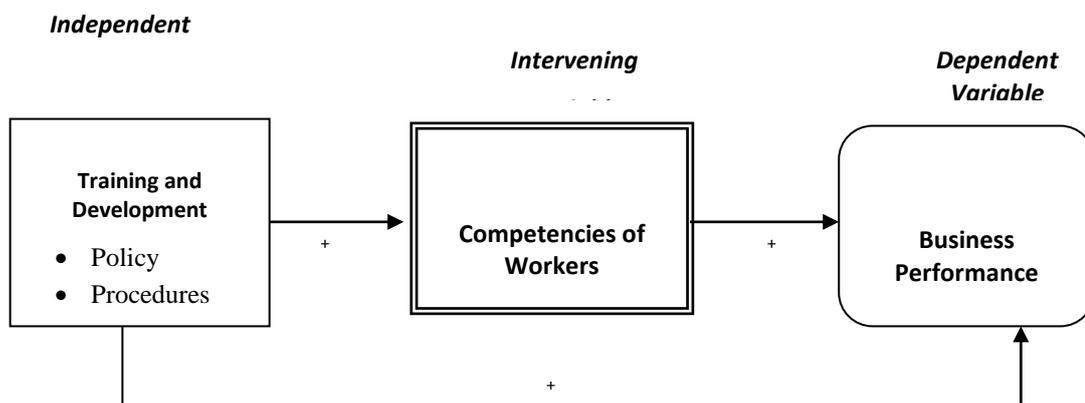
2.8 Previous Research Studies

The previous studies on training and development are presented to be the frameworks to understand and systematically analyze factors that affect employees' performance. The several studies have addressed the relationship of training and development and performance. In this study, there are four variables to be construct the conceptual framework and it included training and development policy, procedures, and practices, competencies of employees, and employee performance. Therefore the previous research studies discuss four parts. The first part is training and development policy and procedure, and practice effect on employee performance. The previous study present in Figure (2.1). The second part is mediating factors of employee competencies effect on employee performance. The previous study of this relationship was presented in Figure (2.2). The third part is the relationship of training and development and employee performance and it present in Figure (2.3, 2.4, and

2.5). Finally, the moderating factor effect on relationship of training and development and competencies of employees was presented and it show in Figure (2.6). The following empirical researches are shown these parts.

Weerakkody and Ediriweera (2015) examined to remain competitive and for survival of Small and Medium Businesses (SME) it is suggested to gain higher and broader skills and competencies. In order to achieve this purpose, it is necessary to use training and development as a function of Human Resource management. Findings of the study reveal that there is a positive relationship between training and development such as training policy, procedure, and practice and competencies of employees such as knowledge and skills. And another positive relationship is there between competencies of employees and business performance such as financial management, efficiency, effectiveness, innovation, and quality. And ultimately there is a positive relationship between training and development and business performance. The conceptual framework of this study shows in Figure (2.1).

Figure (2.1) Impacts of Training and Development on Business Performance



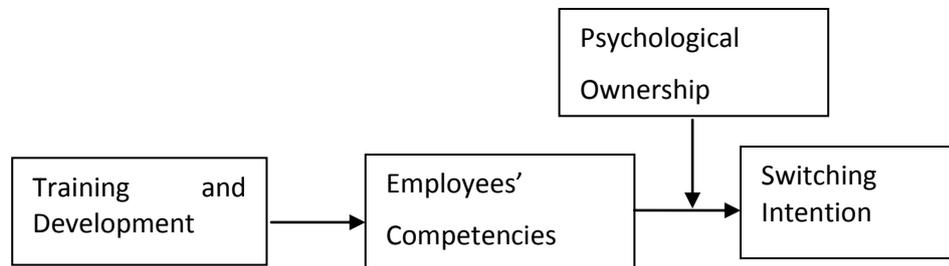
Source: Weerakkody and Ediriweera (2015)

According to the above, learning through training influence the organizational performance by greater employee performance, and is said to be a key factor in the achievement of corporate goals. Moreover, implementing training policy and procedures as a solution to covering performance issues such as filling the gap between the standard and the actual performance is an effective way of improving employee performance.

Ali, Sherwan, Ali (2015) mentioned the role of training and development programs in increasing the employees' competencies and ultimately their intentions to

leave. Additionally, explore the moderating role of psychological ownership between the employees' competencies and intentions to leave the organizations. In Figure (2.2) shows the relationships of training and development and switching intention.

Figure (2.2) Relationships of Training and Development and Switching Intention

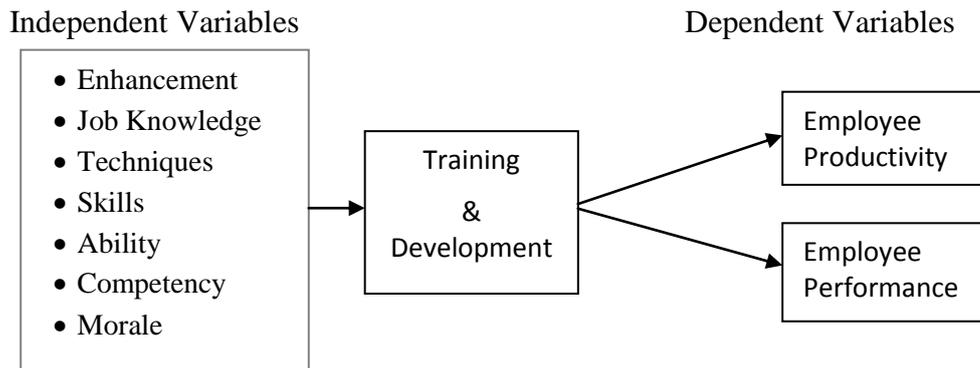


Source: Ali et al., 2015

The above study used the banking sector for data collection and use convenience sampling to collect data from respondents. The results of this study reveal that training and development activities increase the employees' intentions to leave the organization if it has a weak system to retain its employees. Furthermore, employees with higher levels of psychological ownership may stay for longer periods with the organizations.

The branch of earlier research on training and employee performance has discovered interesting findings regarding this relationship. Neelam et al. (2014) stated that human resource management (HRM) plays a more important role in managing an organization, such as the effects of HRM on innovation, 'new way of working principles' for working relations and enhancing employees' capability. Training and Development is an important aspect of HRM. It is important for organization to get skilled and capable employees for better performance, and employees will be competent when they have the knowledge and skill of doing the task. Training and Development would provide opportunities to the employees to make a better career life and get better position in organization. According to above assuming, the researcher of (Neelam et al., 2014) described the conceptual framework of impact of training and development on employee performance and productivity (Figure 2.3).

Figure (2.3) Impacts of Training and Development on Performance and Productivity



Source: Neelam et al., (2014)

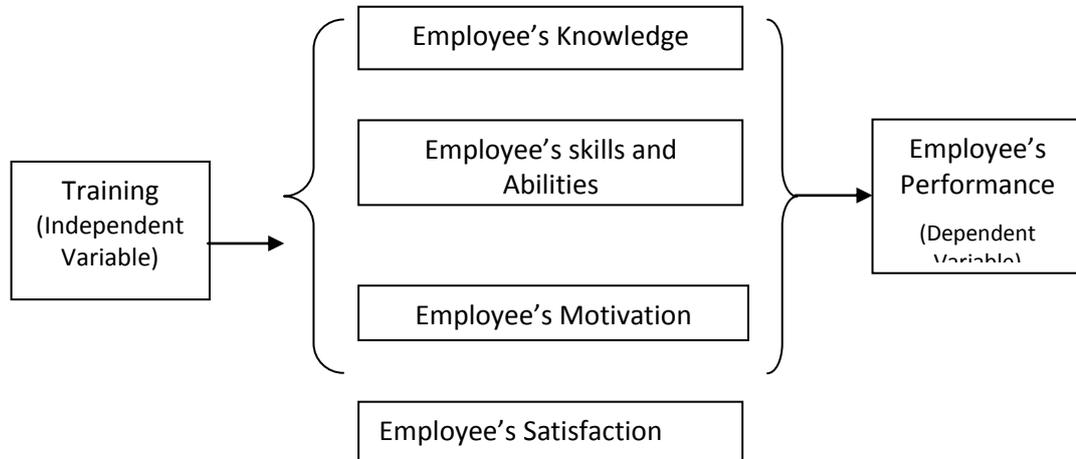
This study contributes to the body of research on training and development in United Bank Limited in Region Peshawar. There is a lot of research on training and development, but these studies have mainly taken place in western countries. Findings of the study indicated that employees working in United Bank Limited in region Peshawar considered the training and development as a main factor of employees' performance and productivity and were in favor of it. This study revealed that banks' administrations interested in their productivity and efficiency is left with no other option than to adopt training and development.

Poor performance of the employees happens when they are not sure about what, when and how they are supposed to do a particular task. Training helps to solve these performance problems by explaining the details of the job and equipping the employees with the necessary skills to perform well. This reduces duplication of effort in the workplace and time spent in correcting the mistakes. Thus, it saves time and costs which in turn improves the employees' productivity.

Athar and Shah (2015) observed that how training needs establish, how effective the training methods of banks and their influence of employee performance. Literature review revealed that training is one of the key element that helps employees to gain knowledge and confer motivation ad satisfaction. Training enhances skills and abilities of employees. Through training employee learn teamwork and integrity. On

the other hand, it also contributes positively towards development of employee performance along with other factors.

Figure (2.4) Impact of Training on Employee Performance



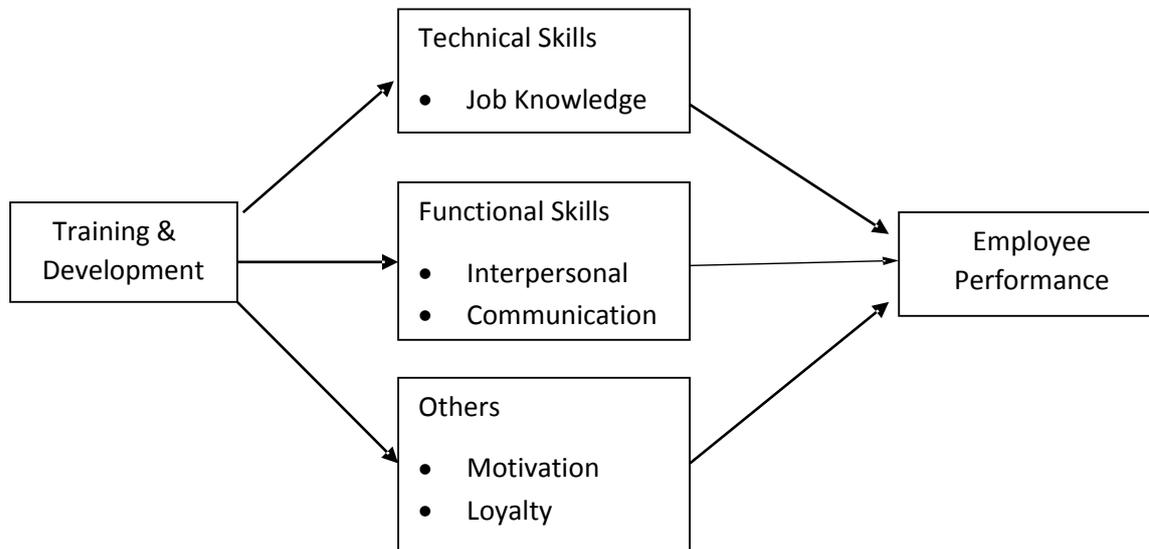
Source: Athar and Shah (2015)

According to (Athar and Shah , 2015), training is one of the key elements that help employees to gain knowledge and confer motivation and satisfaction. Moreover, employee's performance is strongly depending on training. Generally, it can be debated that the effect of training program on employee outcomes such as motivation, job satisfaction and organizational commitment, not received much attention so far. Rare work was done to test whether firms can affect their workers attitude through proper training interventions. They make the conceptual framework base on above assumption that is shown in Figure (2.4).

Imran and Tanveer (2015) stated that training and development for skill enhancement is important in delivering quality services to customers for all organizations particularly in banking industry. This is due to globalization, technology changes and increased expectations of customers. Employees need to be provided with a continuous learning atmosphere to keep themselves on track with the organizational mission and vision. The study was carried out to check the impact of training and development on job knowledge, functional skills, motivation and loyalty

that are linked to performance levels of employees working in the banks of Pakistan. The conceptual framework was presented a relationship between training and development and different elements of employee performance in Figure (2.5).

Figure (2.5) Impact of T&D on Different Elements of Performance



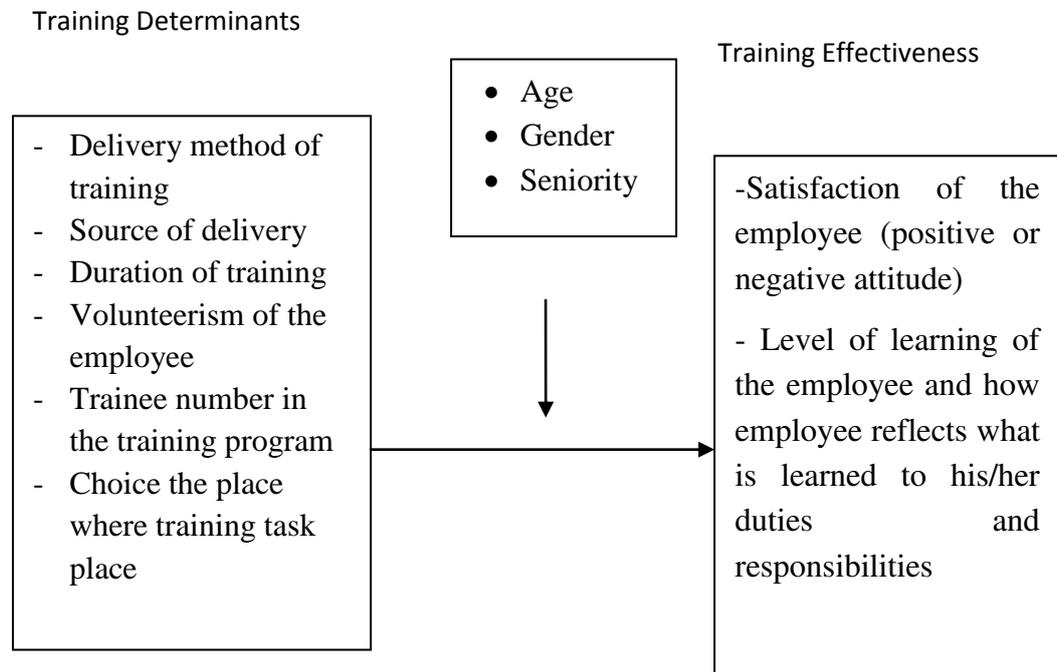
Source: Imran and Tanveer (2015)

According to (Imran and Tanveer, 2015), the capabilities of employees increase by improving various existing skills and introducing new skills that can aid in performing their tasks. Also, performance is indicated by motivation to work better and loyalty with the organizations being served. The findings indicated that training and development has a positive impact on the performance related factors. The study concluded that there is a strong relationship between training and development and employee performance, and training and development prepare the employees to contribute more to the organization.

Zel and Dede (2015) defined the moderating effect of age, gender and seniority on the relation between the content and delivery of training programs and training effectiveness. In this study, workforce attitudes toward training programs and the outcome of training programs on ability, job skill and knowledge of the workforce are investigated, and the opinions, beliefs and perceptions of employees about the

training programs and their effectiveness are asked directly of the employees. That is show in following Figure (2.6).

Figure (2.6) Moderating Factor Effecting on Training Determinants and Training Effectiveness



Source: Zel and Dede, 2015

According to (Zel and Dede, 2015) ,a lot of year of experience of the trainee in the organization effect on levels of satisfaction about the training content and the learning outcome and reaction do change. Moreoverthe results show satisfaction of employees with the content, delivery method and other determinants of the training program are not dependent on the gender of the employees. Senior employees are strongly satisfied with the training programs where the trainers are outside of the organization. Moreover, he point the female employees agree more with learning outcome effectiveness of the face-to-face training programs than the male employees.

According to previous studies, the direct and indirect effects of several training and development on employee performance or organization performance are briefly described in Table (2.1).

Table (2.1) Summary of Previous Studies

No.	Authors	Sample and Industry	Focus	Finding
1	Neelam et al (2014)	All levels of 50 employees in United Bank Limited Peshawar City, Parkistan	Impact of training and development on employees performance and productivity : A case study of United	This study revealed that banks' administrations interested in their productivity and efficiency is left with no other option than to
2	Ali, A., Sherwani, M., & Ali, A. (2015).	All levels 140 employees in samall and medium enterpries.	Impact of training & development and competencies on employees" switching intentions: the moderating effect of psychological ownership.	The study confirms that there is need to streamline the needs assessment process before the training process, endeavor to clearly define training objectives and have a strict monitoring and evaluation process on trainees.
3	Weerakkody&Ediriweera (2015)	200 managers working in SMEs located at Gampaha district. Sri Lankan .	Impact of training and development on business performance with reference of SMEsinGampahadistrict	This study reveals that there is a positive relationship between training and development such as training policy, procedure, and practice and competencies of employees such as knowledge and skills, and business performance such as financial management, efficiency, effectiveness,

				innovation, and quality.
4	Athar and Shah (2015)	All levels of 50 employees in Commercial Bank	Assessing the Impact of Training on Employees' Performance in Commercial Banks	Training enhances skills and abilities of employees and that are important factors on employees' performance.
5	Muhammad Imran & Aiman Tanveer (2015)	104 of all level employees from banks in Pakistan.	Assessing the impact of training and development on the elements associating to employee performance level in banks of Pakistan.	The study concluded that there is a strong relationship between training and development and employee performance. Training and Development prepare the employees to contribute more to the organization
6	Zel and Dede (2015)	149 people in multinational company operating in Turkey	Assessing the how individual factors have moderating factors effects on the relation between training determinants and training effectiveness	The study concluded that age only effect on satisfaction, and gender and experience is positively effect on relationship of training determinant and training effectiveness.

Source: Previous Studies, 2018

According to above previous studies, identifying training and development process is important for improving performance in any organization. To implement the study, the following conceptual framework is drawn based on the previous studies and four hypotheses for this study were explored.

2.9 Conceptual Framework of the Study

To implement the study, the following conceptual framework is drawn based on the previous studies. According to the reviewed of Weerakkody and Ediriweera (2015), training policy, procedures, and practices are effect on competencies of employee and employee performance. Ali, Sherwan, Ali (2015) also mentioned the mediation role of competencies. The relationship of training and development and employee performance are presented the Neelam et al., 2014; Athar and Shah ,2015; Imran andTanveer ,2015. Moreover, the moderation factor was based on Zel and Dede (2015). These are base on the conceptual framework perform.

Weerakkody and Ediriweera (2015) examined the training and development policy, procedures, and practice are strongly affected on employee performance via the meditating role of employee competencies (Figure 2.2). Moreover, these are also point out the training policy, procedures, and practices are base on the increasing of performance.

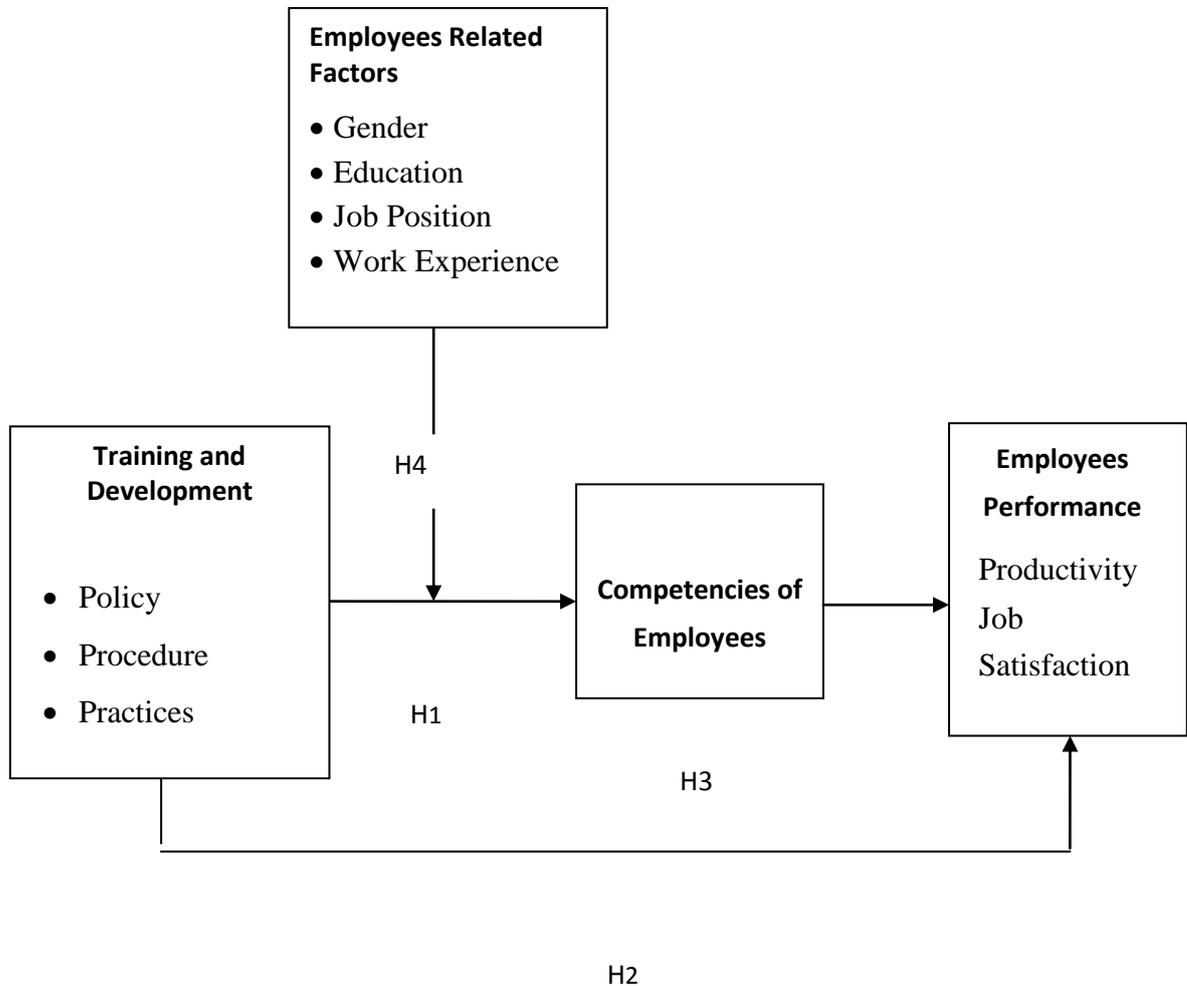
According to Athar and Shah (2015) and Imran andTanveer (2015) training is one of the key elements that help employees to improve skills and that effect on increasing employee performance. Moreover, employee's performance is strongly depending on employees' skills. (Figure 2.7).

Neelam et al (2014) defined enhancement, job knowledge, ability, skill , and morale are key factors affecting for training and development and employee's productivity and performance are strongly dependent on these factors (Figure 2.3). That is shown in research conceptual framework and it can be seen from the following diagram. According to Zel and Dede (2015) concluded that age only effect on satisfaction, and gender and experience is positively effect on relationship of training determinant and training effectiveness.

In this study the training and development is the independent variable and employee performance is the dependent variable. These two variables have been chosen to see the relationship between these variables i.e. to see the impact of training and development on the employee performance. Based on the results of the previous empirical studies, four hypotheses for this study were explored. That is shown in

research conceptual framework. The conceptual frame work can also be seen from the following diagrams.

Figure (2.6) Conceptual Framework of the Study



Source: Own Compilation, 2019

CHAPTER 3

TRAINING AND DEVELOPMENT OF PRIVATE BANKS

This chapter discusses the training and development policy, procedures, and practices of private banks in Myanmar. There are five sections which are overview of banking sector in Myanmar and training and development institutions of the banking industry in Myanmar, training and development of private banks, training and development procedures and practices of private banks, and training types in private banks.

3.1 Overview of Banking Sector in Myanmar

Myanmar's banking history dated back to the 19th century, when Myanmar was under the British colonial rule and the Indian Presidency Bank of Bengal opened its Yangon branch (1939-1947). After Myanmar's independence in 1948, the banking sector, including domestic and foreign banks, developed quickly under the democratic government and accounted for at least one-third of Myanmar's GDP (Tin, 2013).

The Union Bank of Burma was established on April 1948 by the Act of Union Bank of Burma 1947 and took over the functions of the Yangon branches of the Reserve Bank of India. It did not have the full power of a central bank. In 1st July 1952, the Union Bank of Burma Act was enacted.

In accordance with this Act Burma Currency Board was abolished. The Union Bank of Burma was established with an authorized capital of 40 million Kyats and a paid-up capital of 10 million Kyats by the Government. The People's Bank of the Union of Burma Act was enacted in 1967 and a monolithic bank known as the People's Bank of the Union of Burma was established in 1969 with the initial paid-up capital of 200 million Kyats that was fully contributed by the State.

After Myanmar adopted the socialist economic system in 1962, all banks were nationalized. After reformed the administrative system in 1972, the Union Bank of

Burma Law of 1975 was promulgated and the banking system was recognized. The name of the People's Bank of Union Bank of Burma was changed to the Union of Burma Bank. Consequently, four banks, namely the Union of Burma Bank, Myanmar Economic Bank, Myanmar Foreign Trade Bank and Myanmar Agriculture Bank had emerged. Accordance with the 1975 Bank Law, initial paid-up capital of the Union Bank of Burma was 200 million Kyats that was fully contributed by the State.

After 1988, Myanmar economic system has been transformed from the planned economic system to market oriented system. To develop the financial system which is in line with the market oriented by the Government, and to promote the efficiency of financial activities, the Central Bank of Myanmar(CBM) Law was enacted in 2nd July 1990. The CBM was established with the paid-up capital of 500 million Kyats and of which 200 million Kyats were fully paid-up by the State. In 2011, CBM has to become independently laid down the policies.

Central Bank of Myanmar needs to enact monetary policy independently to control the price stability in domestic market and to preserve the internal and external value of the Myanmar currency 'kyat'. According to the new law of Central Bank (Draft), CBM set up with paid up capital of 300 Billion kyat and of which 100 billion kyat will fully paid up by state (CBM site,2015).

The aim of the Central Bank is to control the price stabilities in domestic market and to preserve the internal and external value of the Myanmar Currency, the kyat. The Central Bank of Myanmar (CBM) has taken over the role as the regulator and supervisor of the banking sector. The legal framework for the banking sector has come under revision during the last five years: the laws that have been enacted are the new Foreign Exchange Management Law (August 2012), the revised CBM Law (July 2013), and the new Financial Institutions Law (January 2016).

In the financial sector, several laws replaced the remnants of the socialist area in 1990: the Financial Institutions of Myanmar Law liberalized the financial sector, resulting in the re-emergence of private banks starting from 1992; the Central Bank was given a certain degree of authority over the monetary policy via the Central Bank of Myanmar Law. The Financial Institutions Supervision Department (FISD) within the CBM is responsible for the supervision of the local and foreign banks. It issues necessary instructions and conducts both on-site examination and off-site monitoring.

The off-site monitoring entails that the banks regularly report to the FIRD (daily, weekly, monthly, quarterly and annually). The on-site supervision is conducted at least once in two years and covers announced visits to the banks' headquarters and branches in order to assess their internal control systems, corporate governance, their financial data, measures of Anti-Money Laundering and Combating of the Financing of Terrorism, and other compliances. Furthermore, other characteristics of a modern financial sector were introduced to Myanmar in the 1990s, such as a primary government bond market, cash machines and credit cards (Foerch et al., 2016).

The Myanmar banking industry experienced a severe crisis in early 2003 (Turnell, 2009). This crisis originated in the collapse of a number of trading companies that were acting as informal financial institutions. After three major banks (Asia Wealth Bank, Mayflower Bank, and Myanmar Universal Bank) had been closed down and the crisis eventually subsided, the Central Bank issued stringent prudential measures, such as a high capital-to-deposit ratio and strict collateral requirements, which impeded credit growth for the next decade (True, 2015 and Turnell, 2014).

In 2011, the Myanmar Payment Union (MPU) was formed by Myanmar banks "to stand as a National Payment Switch for Myanmar", i.e. a system supporting non-cash payments originating from electronic channels such as Automated Teller Machines (ATMs), Point of Sale (POS) terminals, mobile banking, etc. Since 2013, banks and other stakeholders have been working on introducing and/or expanding payment services, internet and mobile banking.

In April 2016, a newly elected government, under the National League for Democracy came into power. According to the party's election manifesto and economic plan, the continuing liberalization of the financial sector will be a cornerstone of their future political agenda. In January 2016, Central Bank of Myanmar network (CBM-Net), Myanmar's first real-time gross settlement system (RTGS), was implemented. Large payment transactions can be made through CBM-Net, while the MPU provides the facilities for retail payments (Foerch et al., 2016).

Nevertheless, Myanmar's financial sector is still at a rudimentary level and has a long way to go to meet international standards, and capital and insurance markets still only play a minor role, and the financial sector continues to be dominated by banks. However, due to the recent reform process, the sector has already undergone tremendous changes. Steps to develop the capital market are under way, the Yangon

Stock Exchange was established in late 2015, and the insurance market, formerly monopolized by the state, has been liberalized. The main challenges ahead for the banking sector are the management of the reforms, including the pace thereof, the development of human resources such as employee performance, and the trust of the public.

As Myanmar's banking sector grows in terms of size and complexity, so will the demand for additional human resources for the banks. Based on discussions and surveys with local banks, the banking sector in Myanmar currently employs around 70,000 staff. At the current growth rate of banks and including the regular retirement process, about 10,000 new employees are joining the sector every year. Banks are attempting to bridge the training gap with in-house training schools or classes, which might be sufficient to train entry-level staff but which usually lacks more specialized trainings. Domestic banks need more structured, comprehensive, and needs-based trainings for all hierarchy levels to learn more about innovative approaches and international banking practices which can enable them to better deal with the changing environment and foreign competitors in the future (Foerch et al., 2016).

Banks in Myanmar are often classified as state-owned banks, semi-government banks, and private banks. This classification is, however, often blurry as state ownership and state influence are not clearly separated. In order to provide a better understanding of the banking structure, this report takes a different approach and strictly classifies them according to ownership. The domestic banks are classified in this report in terms of three categories: (i) 100% government-owned, (ii) government-ownership of less than 100% and (iii) non-government-owned institutions. The classification of bank types and names are shown in appendix – C.

At present (2018), in Myanmar have four State-run banks, three Municipality owned banks, five Semi-Government owned banks, nineteen private banks, thirteen international banks. In nineteen private banks, six banks try to transform public listed banks (CBM,2018).Over the past years, Myanmar has taken important steps to reduce cash transactions. So far, 21 out of 28 Myanmar banks have joined the Society for Worldwide Interbank Financial Telecommunication system (SWIFT).Through SWIFT, local banks can make secure and reliable financial transactions efficiently with their foreign correspondent banks(Foerch et al., 2016).

Among the private banks, Kanbawza Bank has 42 percent market share, Ayarwadey Bank has 14 percent, and Corporate Bank has 10 percent market share owned (GIZ,2016).This three private banks are largest private banks such as assets (MMK billion) and branches in Myanmar . It is shown in Appendix B.After election (2016), Myanmar's financial sector better stable and many foreign banks contact in Central Banks of Myanmar. In appendix C, figures are shown the types of domestic banks in Myanmar and name of banks in Myanmar under Central Bank of Myanmar.

3.2 Training and Development Institutions of Banking Industry in Myanmar

There are four institutions which form a supporting network for banks in Myanmar. They are Myanmar Bankers Association (MBA), the Myanmar Institute of Banking (MIB), the Yangon University of Economics (YUE) and the Myanmar Payment Union (MPU).

The Myanmar Bankers Association (MBA) was established in April 1999 to provide a platform for addressing domestic banking-industry issues and to cooperate on an international level (e.g. with the ASEAN Bankers' Association). Apart from three state-owned banks, namely the Myanmar Economic Bank, the Myanmar Investment and Commercial Bank, and Myanmar Agricultural Development Bank, all local banks are members of the Myanmar Bankers Association .Until early 2013, the MBA were chaired by the CBM Governor, and representatives of local banks assumed vice-chairmen and secretary functions. In September 2013, the MBA for the first time since its inception elected a Board of Directors that was independent from the CBM (CBM, 2014).

In Myanmar banking industry the lack of qualified staff available to the rapidly developing banking sector is the result of the long isolation of the country as well as of inadequate education and training possibilities. The primary, secondary, and tertiary education systems of Myanmar are not up to regional or international standards, and at the same time, the hands-on vocational training in the banking sector is virtually non-existent. Therefore, entrants to the banking sector lack the fundamental knowledge required to work in the banking sector, including mathematics or basic accounting and business skills.

The outreach of training providers able to impart banking and financial knowledge, such as the MIB and the YUE, has not significantly increased over the past years. Training is too general and theoretical to either close the wide knowledge gaps of local bank employees or to adequately prepare the large number of new staff to enter the market. Other domestic training institutes are emerging, but these will require time to develop further until they reach a considerable size and expand the scope of their training programs. The training institutes in the banking sector are struggling to attract qualified full-time trainers at affordable prices as potential candidates find it more profitable to work as consultants to private banks.

The Myanmar Institute of Banking was established in 2002 and is a quasi-department within the MBA. The MIB provides banking training, in particular for entry to middle-level management. Various training courses on general banking topics are being conducted at the MIB in Yangon to upgrade local banking through full-time and part-time training courses on banking. The MIB's core trainings include a one-month General Banking Training course and a one-year full-time Diploma in banking as well as a two-year part-time Diploma in Banking. With the regular and structured Diploma and General Banking course, the MIB trains about 250 participants per year. About 30 short-term courses are offered per annum, mostly in an ad-hoc manner, together with international institutions and banks such as the Overseas Chinese Banking Corporation (OCBC), the Sumitomo Mitsui Banking Corporation (SMBC) and also the GIZ. In addition, the MIB is increasing the number of certificate-level courses which focus on technical banking topics including SME Finance (developed jointly with the GIZ), International Trade, Bank Accounting and English. Most trainers at the MIB are former and current lecturers from the Yangon University of Economics as well as (often retired) local senior bankers. The MIB does not have a pool of full-time lecturers, but has the potential to further extend courses on specialized banking topics targeted at specialists and the management of banks as the demand for classes greatly exceeds the current supply (Foerch et al., 2016)

The YUE has been offering a three-year part-time Master of Banking and Finance (MBF) since December 2012. The demand for the Master's program exceeds the available places as the YUE receives about 350 applications for each batch. Currently, there are 10 full-time lecturers and 15 part-time lecturers working for the MBF program. General business training courses which are also attended by bankers

are offered by several other private training institutes, including the Myanmar Institute of Finance, PS Business School, the Myanmar Institute of Business and the Strategy First Institute. A main constraint to these institutes is the lack of adequately-trained local trainers and developed training courses specifically tailored to the Myanmar context (Foerch et al., 2016).

Some private banks support for the smooth functioning of a banking system through training school. Some private banks have special training schools while others banks provide training in their head office and branches.

3.3 Training and Development Policy of Private Banks

This section shows the descriptive information on training and development policy conducted by selected private banks in terms of (a) training policy for training procedure (b) training policy for employee competencies. However, some of the private banks not separately training policy and procedures. Moreover this section shows the descriptive information on training policy.

All of the selected private banks have the human resources department and training and development department are making the training and development policy. In the selected private banks, 80% of them have formal training policy and pay training support for their employees. Moreover, 50% of private banks have separate training school and remainders of banks do not have separate training school.

In selected private bank, the primary focus of the learning and development or HR department is to develop comprehensive training and development content or curriculum across all functions in the bank through training policy. In general, some of the pillars are: mandatory and compliance learning, functional and technical competency, virtual banking academy, leadership and behavioral competency, talent management, leadership succession planning.

All of the selected private banks' training and development policy specified that the trainees need both on job training development and off job training and development. The aim of the training policy is to improve employee skills and knowledge level about the not only for banking sector but also financial sector.

Moreover, all of the selected private banks prepared training budget and training evaluation methods in training policy. According to the specification of training policy majority of the private banks, training schedule are prepared to open the training course during the off seasons. The entire recruited employees are giving induction training. During the training course period, all of the selected private banks' to allow employees have financial support (wages and salaries) and also accommodation support to follow the training and development lectures.

The training policy provided a lot of improvement in the relationship of employee and organization, competencies of employees, employee productivity, and employee job satisfaction through the formal training such as induction and instruction and special training for improve position.

3.4 Training and Development Procedures and Practices of Private Banks

In private bank's training department or human resource department must considered about the training and development procedures that include training objectives, time schedule for training, training facilities, and trainer types for their employees' improving performance. Moreover, training and development practices included training needs assessment, training methods, trainers' types, and training evaluation. The training and development procedure and practices is important for increasing employee performance and that training plan that provide a banks training and outline sketch of what the training address, as well as considering aspects such as time, facilities, and trainer types base on their specified plan.

All of the banks made the corporate training and development it means organization provide employee through training and development. They are formal kindsof training and development and special kinds of training and development. Theinduction training andinstruction training are formal training and career development training is special training. Moreover,equal employment opportunity training, leadership training for managers, and conflict resolution training for employees are included in special training.

In the selected private banks, 60 percent of banks are making to develop comprehensive learning curriculum across all functions in the Bank. Furthermore, in

selected private banks, 70 percent of banks have training and development procedures with three major objectives. They are to support the development of employees' competencies, to support the employees' career development and growth, and to support the development of a continuous learning culture in the banks. Before starting the training procedures, training and development department or learning and development department are made objectives in firstly. And then, organization provide for schedule of time for training and development.

According to the study of selected private banks, most of the private banks use the effective trainer for their trainees. The type of trainers are human resource manager, managerial role person in organization, training professionals in outside the firm and these types of trainers are learn in all of the selected private banks.

In training and development procedure, the training facilities are important for the training effectiveness. To be able to give effective trainings, the bank provides facilities such as T-centers, i-Cubes, 103 learning hubs with air-conditioners, internet wifi, projectors, laptops, microphones, and speakers.

Before starting the training courses, most of the banks making the analyzing training needs for identification of needed skills and training to be effective. The bank provides training and development practices depending on the training needs of their staff. All the employees are to get some training programs and it provided to all levels of staff that are in need for training. In general, all new employee pay induction training although no experience employees and experience employees are distinguish for training times and methods.

After defining the trainees' needs, the training methods are selected for the training courses which are one of the most important decisions. Among the training practices, the bank provides employees with on-the-job and off-the-job training methods such as Youtube channel, classroom, workshop and E-learning.

Training and development of the selected private banks aims are createto skills and talented person and building development for improving employees' performance. Training practices to be performed and the employees' development is evaluated by performance assessment, potential assessment, productivity and feedback from Head of departments through answering questionnaires survey. All of the employees answered e-exam for their in-house training. Moreover, the bank as

well provides on-duty policy for the employees who are attending the program. In training and development program, trainers are selected from internal or external, evaluated based on specialization and based on skills and knowledge. All of the selected banks used test and examination evaluation method and observation performance evaluation method. Some banks also used peers or managers evaluation method.

3.5 Training Courses Provided by Private Banks

Private Banks have several types of training courses; there are three major training courses. They are induction training, job instruction training, and development training. It is shown in Table 3.1. In three types of training, induction training and job instruction training are regular training for all employees and Career development training was trained for specific requirement such as promotion for employees, and launching the new product services. As Table (3.1) shows the training courses provided by private banks which are classified by level of employees, type of training, main subject of training, and period of training are shown.

Induction training course as a basic level are taught for new employees whatever their positions, assistant supervisors, senior assistants (SE) and junior assistants (JA). In this course attend three months and many topics are learning in this course. The main subjects of this training are bank and staff rules, employee ethics, branches' guideline, computerized banking practices, and cash recording.

After finishing the induction course all these employees attend undergoing the instruction training in relevant times. The second category of this courses was arranged regularly for employees as they enter into that function at the branch or other division of office level in case they have not attended a program in that function earlier. All of the managerial level staff in private banks should not hold a post in functional area for more than three years unless has attended a program in that function.

Development training course is taught of head of department of training in Banks. In this course lecture, game, role play and classroom methods are being used. Actually, this course is special training for promotion employees. Moreover, the third

categories of courses are special program depending on the specific requirements of the particular level or the group. Training and development of private banks is based on up gradation of competencies and skills. It is an integral part of their business strategy.

English training course is one of the subjects in development course. That is to give the employees' skill in English so as to improve English proficiency. All of the private banks pay external training by attend diploma or master of banking course that conducted by the Myanmar Banking Association.

Table (3.1) Private Banks Training and Development Courses Provided by Selected Private Banks

Sr No.	Level of Employees	Training Types	Main Subjects of Training	Period of Training
1	Junior Assistant Senior Assistant Assistant Supervisor Supervisor Manager	Induction training (Role orientation courses in functional areas)	<ul style="list-style-type: none"> • Introducing of Bank and Staff Rules • Ethics • Law related to Banking • General Branch Guidelines • Computerized Banking, and all Bank's transactions • Cash and Currency calculating and recording 	3 months
2	Junior Assistant Senior Assistant Assistant Supervisor	Job Instruction training(Standard program on repetitive basis)	<ul style="list-style-type: none"> • In Digital Banking Practices • Branch Transition Practices 	3 months
3	Supervisor Manager	-Carrere Development Training (Special courses and seminars)	<ul style="list-style-type: none"> • Risk management and Compliance in Bank • Conflict Resolution Management • Occupational Safety and Health • Legal, Law, and regulatory aspects • English Training Course • Equal Employment Opportunities Course 	One day (or)one week (or) one month

Source: Private Banks Survey Data (2017-2018)

According to above Table,private banks' training and development have within one week and six months.Almost all employees have undergone training to enhance their technical skills or the softer behavioral skills to be able to deliver the service standards that the company has set for itself. The selected private bank's training and development success is highly depending on the HR department, and Training and Development department. The selected banks numbers of branches in Yangon, and number of employees in Yangon are shows in Appendix (B). The next chapter discusses the research methodology and data analysis of selected banks in Myanmar.

CHAPTER 4

ANALYSIS ON EMPLOYEE PERFORMANCE

OF PRIVATE BANKS

This chapter presents the analysis of employee performance of private banks that consists of research design, research variables used in this research, analytical methods and tools used in this research, and multiple linear regressions. Moreover, 400 employees are selected and given structured questionnaires in selected private banks. Based on data, the demographic characteristics of respondents, validity and reliability test for training and development policy, procedure, practices, employee competencies, and employee performance are performed by using descriptive statistics and data analysis.

4.1 Research Design

There are four main parts in research design: research variables used in this research, sampling technique, unit of analysis, and multiple linear regressions. The following are important for research design and that are strongly effective on analysis of employee performance of private banks. According to Kothari (2004) a research design stands for advance planning of the methods to be adopted for collecting the relevant data and the techniques to be used in their analysis, keeping in view the objective of the research and the availability of staff, time and money.

Banking staffs who attended the training course during the three training course is provided by training in selected banks. The respondents of this study based on the employees who attended the training and operation level employed in the selected private banks This study sample population was shown in Table (4.1).

Before choosing the sample from the population, the sampling technique is needed to carefully consider avoiding any problem of data analysis. Sampling is the selection of a subset of individuals or sample from a population for inclusion in the study (Daniel, 2012). This study used simple random sampling to select the respondents to reduce any biased problem.

The purpose of this study is to explore the effect of training and development on employee performance based on the perceptions of employees. The unit of analysis of this study was employees. Those employees were from the selected private banks in Yangon, Myanmar that shows in table (4.1).

Table (4.1) Selected Private Banks Profile and Sample Population

Sr No.	Name Of Banks	Market Share (%)	Assets (MMK billion)	Total Employees	Total Branches	No. of Branches (Yangon)	No. of Employees (Yangon)	Number of Sample Employees
1	K B Z	42	8693	80000	500	124	20000	172
2	A Y A	14	2913	20000	250	115	10500	91
3	C B	10	2061	11000	224	56	5000	43
4	Myawaddy Bank	6	1305	3500	74	26	1400	12
5	M A B	6	1194	4000	94	28	1300	11
6	Yoma Bank	6	1191	5000	125	38	2000	17
7	U A B	3	662	1800	78	44	1400	12
8	G T B	3	657	6000	129	39	2000	17
9	A G D	2	448	2600	65	30	2000	17
10	M O B	2	320	1800	37	20	900	8
	Total			135700	1539	500	46500	400

Source: Survey data (2019)

In this research descriptive statistics is used to describe demographic background of employees, training and development policy, procedure, and practices, employee competencies, and employee performance. Regression analysis was used to analyze the influencing factors and explain the influencing on the dependent variable-training policy, training procedure, on independent variable – productivity, and satisfaction, mediating factor is employee competencies, and moderating factor is employee related factors.

From selected private banks in Yangon, all the total population (selected private banks' employee) was 46500. To get the size of sample from the population Taro Yamane (1973) formula is taken in a consideration. The following formula used to get the samples from population of the 9 banks.

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

N = population size = 46500

e = the level of precision (A 95% confidence level or 5% level of precision, was assumed)

$$n = \frac{46500}{(1 + 46500 * .05^2)}$$

n = 400

Different data sources can be used depending upon the nature of study. Before conducting full scale survey, a pilot test has been conducted on a small group of respondents to examine the potential problems with research. According to the pilot test, the minor changes were made for some wordings in the questionnaire were made. The reliability of the questionnaire was test with this pilot data and some adjustments were made to the original questionnaires. Having done all the amendments, the full questionnaire surveys were distributed to arrive at the required sample size.

(d) Multiple Regression Analysis

The multiple regression analysis was applied to investigate training and development policy, procedure, and practices and employee performance. To explore the training and development policy and procedure was used the independent variable and employee performance indicators of productivity and satisfaction was used dependent variables. The statistical using SPSS Version 23 Windows is used prior to multiple regression analysis. The data analyzed by using the same statistical software.

The estimate multiple regression model

$$\hat{Y} = b_0 + b_1X_{1i} + b_2X_{2i} + b_3X_{3i} + b_4X_{4i} + \epsilon_i$$

In constructing the model, the variables are noted as :

$$Y_i = \text{Dependent Variables} = [Y_{1i} Y_{2i} Y_{3i}]$$

$$X'_{1i} = \text{Independent Variables} = [X_{1i} X_{2i} X_{3i} X_{4i}]$$

The moderation effect analysis was carried out using hierarchical multiple regression (Coakes, Coakes, and Rosenberg, 2008). The multiple regressions has been

advocated as more appropriate method for determining whether a quantitative variable has a moderating effect on the relationship between two other quantitative variables.

The estimate multiple regression model:

$$\hat{Y} = b_0 + b_1X_{1i} + b_2M_{1i} + b_3X_{3i} + X_{1i} * M_{1i}$$

In constructing the model, the variables are noted as :

Y_i = Dependent Variables

X_i = Independent Variables

M_i = Moderating Variable

4.2 Demographic Characteristics of Respondents

The initial phase of analysis is to determine the characteristics of the respondents involved in the study. A profile of the respondents is developed in terms of background information of the personal characteristics relating to training and development. Firstly 400 employees' profile including general information of the employees such as gender, age, position, department, service year and education are identified. Each characteristic has been analyzed in terms of absolute value and percentage, and the summary table of demographic characteristics is used to display these data more clearly. Table (4.2) shows the summary table of demographic characteristics of banks' employees.

The sample includes 286 female staff and 114 male staff indicating that the female employees are the majority with the response rate of 71.5 percentages while the remaining are male (28.5%) . Age of respondents is divided into six groups such as between 21 and 25 years old, between 26 and 30 years old, between 31 and 35 years old, between 36 to 40 years old and, above 40 years old. The age level between 26 and 30 years old is largest share (32.3%) while bank's employee with above 40 years old share is the smallest.

Table (4.2) Demographic Characteristics of Private Bank's Employees

Gender	Number of Respondents	Percent
Male	114	28.5
Female	286	71.5

Age(Years)	Number of Respondents	Percent
21-25	93	23.3
26-30	129	32.3
31-35	99	24.7
36-40	68	17
>40	11	2.7
Occupation	Number of Respondents	Percent
Manager	31	7.8
Supervisor	63	15.8
Senior Staff	117	29.3
Junior Staff	113	28.3
Guard	60	15.0
Others	16	4.0
Department	Number of Respondents	Percent
Reception	125	31.3
Treasuring	150	37.5
Exchange	25	6.2
Remittance	100	25
Working Experience(Years)	Number of Respondents	
< 2	125	31.3
2- 4	96	24.0
5-7	141	35.3
8 -10	38	9.5
Education	Number of Respondents	
Master	35	8.7
Graduate	328	82.0
Other	37	9.3

Source: Survey Data, 2019

Position of employees is classified into six groups ranking from manager to operating staff. Among them, senior staff shares the largest with 30 percent while other (general staff) share the smallest with 4 percent.

The respondents were approximately distributed among the different department with 31 percent admin and reception, Cash at 38 percent that is the largest share of department of respondents, exchange department share the smallest with 6 percent, and then remittance at 25percent. In term of number of respondents, cash department number the highest with 150 while exchange department number the smallest with 25 respondents.

Working experiences or year of services is classified into four groups. The survey include the employee who have working experience 4-6 year account for 35 percent (the largest), and the employees who have working experience 6.1-10 years account for 10 percent (the smallest).

In this study, education levels of employee is divided into four groups; graduate, master degree, PhD, and others. Almost are graduated(82%).

4.3 Reliability and Validity Test

Reliability and validity test is important for analysis of the study. After conduction the survey reliability and validity test for training and development policy, procedures, practices, and employee competencies are performed. Moreover, employee performance such as employee productivity and satisfaction is also performed of reliability and validity test. Reliability and validity have been subtly replaced by criteria and standards for evaluation of the overall significance, relevance, impact, and utility of completed research (Janice et al., 2002).

Reliability refers to the degree to which measures are free from random error and therefore yield consistent results (Zikmund 1997). The study uses Cronbach's Alpha as a measure of internal consistency. Cronbach's Alpha is a reliability coefficient that indicates how well items in a set are positively correlated to one another (Sekaran, 2003). Based on the survey data, the reliability or the internal consistency among the variables was checked with the Cronbach's alpha. The result of Cronbach's alpha coefficient in survey study was shown in table (4.4).

Confirmatory Factor Analysis (CFA) was performed in order to validate the measures of the latent constructs (Cheng, Jiang, Sun, and Wang, 2001). In this study, CFA with varimax rotation was performed. The Kaiser-Meyer-Oklin (KMO) value varies between 0 and 1. A value of 0 indicates that the sum of partial correlations is

large relative to the sum of correlations, whilst a value close to 1 indicates that patterns of correlations are compact, and so factor analysis will yield reliable factors (Akbulut,2008). For each measured variable, the value of factor loading of each variable above 0.50 was retained to do the final analysis.

In this analysis, 7 items of training policy,7 items of training procedure, 14 items of training practices, 10 items of competencies, and 10 items of productivity, 7 items of satisfaction with factor loading less than 0.60 were removed from the analysis. The significant factor loadings provide the acceptable convergence validity. After inappropriate items were removed, training and development policy and procedures were 14 items, employees’ competencies 9 items, and employee performance such as productivity and satisfaction was conducted 14 items. Finally, the factors with the factor loadings above 0.60 were included in this study. Reliability, validity test and factor analysis of training and development, competencies of employees and employee performance are shown in the following.

(a)Training Policy

In this survey, training and development policy questionnaires include ten items. According to CFA, some variables show poor factor loading results. However, all items of training policy with factor loading are more than 0.60 from the analysis. The detail results of factor analysis for training policy are shown in Table (4.3).

Table (4.3) Factors Loading of Training and Development Policy

Factors and Items Loaded in Each Variables	Loadings
The training and development policy is guide line for employee and organization success.	0.776
Organization objective and strategies are important for building training and development policy and procedures, and implement of training practice.	0.819
International banks come in banking industry has affected for organization’s training and development policy.	0.808
In banking industry, technology changes are one of the important factor for building training and development policy.	0.846

In this organization, employee knows about training policies before attending training and development course.	0.796
The training and development budget is sufficient to achieve well training and development outcomes through training policy.	0.731
Demand for skillful labour is providing factor for training and development policy.	0.787
Eigenvalue	4.468
Chi-Square value	1527.564
Kaiser-Meyer-Oklin (KMO) value	0.917

Source: SPSS Outputs,2019

Based on the results of Table (4.3), the Kaiser-Meyer-Oklin (KMO) value is 0.917 and Eigenvalue of 4.468. The Eigenvalues greater than 1.0 are maintained Bartlett's Test of Sphericity revealed an Approx. Chi-Square value of 1527.564 with a significance value of 0.000, which meant that the factorability of the correlation matrix was proper.

(b) Training Procedures

Training procedure includes seven items. According to CFA, all of the variables about of training procedures with factor loading are more than 0.60 from the analysis and there is a good result. The detail results of factor analysis for training procedure are shown in Table (4.4).

Table (4.4)) Factors Loading of Training Procedure

Factors and Items Loaded in Each Variables	Loadings
Training and development procedure provide the most of the skills development.	0.617
The objectives of training and development procedure should cover the topics related to the objectives.	0.615
The schedule for the training provided sufficient time to cover all of the proposed activities.	0.723

Training time is coverage for attending trainees.	0.702
In training and development procedure, choosing qualified trainers is important for trainees.	0.786
The international standard training facilities is effective support for trainees.	0.771
Good refreshment support is providing for trainees' satisfaction.	0.762
Eigenvalue	3.593
Chi-Square value	934.239
Kaiser-Meyer-Oklin (KMO) value	0.877

Source: SPSS Outputs,2019

According to Table (4.4), the Kaiser-Meyer-Oklin (KMO) value is 0.877 and Eigenvalue of 3.593. The Eigenvalues greater than 1.0 are maintained. Chi-Square value of 934.239 is with a significance value of 0.000, which meant that the factor ability of the correlation matrix was proper. After extracting the two items which are lower than 0.6, the remaining items are considered as acceptable level.

(c) Training and Development Practices

Training and development practices include fourteen items. According to the confirmatory factor analysis (CFA), all measured variables show strong factor loading results as all factor loading more than 0.60. However, three of the items are poor factor loading result. Thus, three items of training practices with factor loading less than 0.60 is removed from the analysis. The deleted item is “A training and development practice supports to be improving performance” “In this organization using a detail examination of particular training and development practices”, “Training needs are identified through a formal performance appraisal mechanism”. The detail results of factor analysis for training practices are shown in Table (4.5).

Table (4.5) Factors Loading of Training and Development Practices

Factors and Items Loaded in Each Variables	Loadings
Training needs assessments helps for measuring effectiveness of the training in knowledge, skills and attitudes expected of trainees.	0.766
Training needs assessments standards must be confirm level of	0.778

competence.	
Training contents is provision of platform to showcase technical skills.	0.835
Training contents is updating existing skills and acquiring new technologies.	0.627
The training content is relevant to achieving personal needs, goals and self development.	0.648
Training contents is utilization of information gathered to support and assist top management.	0.714
On the job training is the most important for training and development practices.	0.685
Off the job training is the most important for training and development practices.	0.758
Combinations of on-the-job and off-the-job training methods are important for training.	0.719
Well training and development methods are useful and effective for employees in current work place.	0.636
Organization emphasizes cost effectiveness evaluation to access the effectiveness of training.	0.673
Eigenvalue	6.109
Chi-Square value	2402.726
Kaiser-Meyer-Oklin (KMO) value	0.917

Source: SPSS Outputs,2019

According to Table (4.5), the Kaiser-Meyer-Oklin (KMO) value is 0.917 and Eigenvalue of 6.109. The Eigenvalues which are greater than 1.0 are maintained. Chi-Square value of 2402.726 is with a significance value of 0.000, which meant that the factor ability of the correlation matrix was proper. After extracting the two items which are lower than 0.6, the remaining items are considered as acceptable level.

(d) Employee Competencies

Employee competencies include ten items. According to the confirmatory factor analysis (CFA), all measured variables show strong factor loading results as all factor loading more than 0.60. However, one of the items is poor factor loading result. Thus, one item of employee competencies with factor loading less than 0.60 is removed from the analysis. The deleted item is “Satisfying for improving my skills by after training”. The detail results of factor analysis for competencies of employees are shown in Table (4.6).

Table (4.6)) Factors Loading of Employee Competencies

Factors and Items Loaded In Each Variables	Loadings
Training learns taking responsibility for actions.	0.793
Training and development procedure support skills improvement in current work place.	0.798
Seeing that departmental training courses reflect higher management directives/policies.	0.842
Training gives professional growth and career development opportunities in the organization.	0.632
Skills development support to reduce my time consuming.	0.670
A detail examination of particular training and development practices provide for trainees.	0.726
The training can develop my interpersonal relationship.	0.679
Skills improvement is based on training and development support.	0.724
Improving knowledge and skills are supported to get more promotional opportunities.	0.619
Eigenvalue	4.981
Chi-Square value	1809.160
Kaiser-Meyer-Oklin (KMO) value	0.899

Source: SPSS Outputs,2019

According to Table (4.6), the Kaiser-Meyer-Oklin (KMO) value is 0.899 and Eigenvalue of 4.981. The Eigenvalues greater than 1.0 are maintained. Chi-Square value of 1809.160 is a significance value of 0.000, which meant that the factor ability of the correlation matrix was proper. After extracting the two items which are lower than 0.6, the remaining items are considered as acceptable level.

(d) Productivity

Employee productivity includes ten items. According to the confirmatory factor analysis (CFA), some measured variables show poor factor loading results. Thus, two items of productivity with factor loading less than 0.60 are removed from the analysis. The deleted items are “Increasing my productivity after I have any training program in my organization”, “After attending the training and development program; my contribution towards achieving the organizational goals”. The detail results of factor analysis for employee productivity are shown in Table (4.7).

Table (4.7)) Factors Loading of Productivity

Factors and Items Loaded In Each Variables	Loadings
I can reduce my time consuming to conduct my main tasks.	0.603
Increasing the speed of achieving targets after having training.	0.703
I can increasemy competency level after having training.	0.643
I can reduce my absenteeism rate after training.	0.698
I can handle any problem after having training and development practices.	0.780
I meet the target quotas and goals more easily than before.	0.727
Training has improved my skills to work with others at work.	0.784
I can work more initiatively after having training.	0.787
Eigenvalue	4.145
Chi-Square value	1425.750
Kaiser-Meyer-Oklin (KMO) value	0.844

Source: SPSS Outputs,2019

Based on the results of Table (4.7), the Kaiser-Meyer-Oklin (KMO) value is 0.844 and Eigenvalue of 4.145. The Eigenvalues greater than 1.0 are maintained. In addition, the proportion of variance criteria can be met to satisfy the criterion of explaining 41.454. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 1425.750 with a significance value of 0.000, which meant that the factorability of the correlation matrix was proper.

(e) Satisfaction

Satisfaction includes seven items. According to the confirmatory factor analysis (CFA), all measured variables show strong factor loading results. In satisfaction items, one factor loading less than 0.60 and remove from the factors. These are “satisfying with the variety of activities my job offers”. The detail results of factor analysis for employee satisfactions are shown in Table (4.8).

Table (4.8)) Factors Loading of Satisfaction

Factors and Items Loaded In Each Variables	Loadings
I am satisfied for increasing confidence when performing work related tasks after training.	0.700
I am satisfied with the training facilities such as training material and good refreshments in training period.	0.671
I am satisfied with the opportunities provides me to interact with others.	0.781
I am satisfied with the effective training methods in training period.	0.775
I am satisfied with training and development practices that provide the chance to use skills and talents better.	0.796
I am satisfied with the security my job provides me.	0.811
Eigenvalue	3.746
Chi-Square value	1078.639
Kaiser-Meyer-Oklin (KMO) value	0.878

Source: SPSS Outputs,2019

As shown in Table (4.8), the Kaiser-Meyer-Oklin (KMO) value is 0.878 and Eigenvalue of 3.746. The Eigenvalues greater than 1.0 are maintained. Bartlett’s Test of Sphericity revealed an Approx. Chi-Square value of 1078.639 with a significance value of 0.000, which meant that the factorability of the correlation matrix was proper. The summary results for the reliability and validity test are shown in following Table (4.9).

Table (4.9) Reliability and Validity Test from Employee Responses

Factors	No. of Items	Items Retained	Cronbach's Alpha	Validity KMO
Training and Development Policy	7	7	0.905	0.917
Training and Development Procedure	7	7	0.830	0.877
Training and Development Practice	14	11	0.865	0.917
Employees Competencies	10	9	0.898	0.899
Productivity	10	8	0.863	0.844
Satisfaction	7	6	0.876	0.878

Source: SPSS Outputs,2019

According to Table (4.9), it could be observed that training policy, training procedures, employee competencies are more than 0.8 and all of the employee performance factors are also more than 0.8. Alpha value for employee needs and productivity is higher than 0.9. According to above results internal consistency of items to the concept is excellent. Moreover, six factors are included in training and development program, all KMO value are greater than 0.5. Thus the patterns of correlation are relatively compact and the factor analysis will yield distinct and reliable factors. Bartlett's test is highly significant ($p < 0.001$), and therefore factor analysis is appropriate.

According to the mean values of the items, the respondents generally agree the two key factors of training and development and three factors of employee performance. Each factor includes different number of items and is measured on five-point Likert scale. As shown in following Table (4.10), training and development policy is 7 items, and training procedures is 12 items, respectively. Moreover, productivity 10 items, satisfaction 7 items, and mediating factor of employee competencies include 10 items also respectively. All of these are using Likert Scale;

therefore the respondent can fill up their answer by selecting one from the five options. The high averaging scores suggest that employee have high perception on these dimensions. The means value are categorized into the three levels. Means value of less than 2 are as low level, means value between 2 and less than 3.5 are as moderate level and means value of 3.5 or higher are as high level of perception towards a particular variable (Sekaran, 2003).

Table (4.10) Average Mean and Standard Deviation of Variables

Factor	Mean	Standard Deviation
Training Policy	4.1282	.51052
Training Procedures	4.2364	.47237
Training Practices	4.2825	.46266
Employee Competencies	4.2881	.46281
Productivity	4.5122	.39036
Satisfaction	4.1554	.49722

Source: SPSS Outputs,2019

4.4 Overview the Training and Development of Selected Private Banks

In this section included the general information of training and development in selected private banks. These are time schedule for training and training methods. According to these results, details facts of training and development in selected private banks are known.

(a)Attending Time Schedule for Training and Development Program

The following Table (3.3) illustrates the frequency of attending time schedule of training in bank.

Table (4.11) Training And Development Schedule of Private Banks

Training Schedule	No. of employees	Percentage
Monthly	42	10.5

Quarterly	83	20.75
Semi-Annually	40	10
Annually	149	37.25
No specific schedule	110	27.5
Others(Depend on situation)	18	4.5
Total	400	100

Source: Survey Data, 2019.

The results indicate that the majority of the respondents represented by 37.25% response that there is annually attending training schedule in private banks and it is highest percent. The 4.5% of the respondents are seem to participate in others training schedule such as base on situation of banks policy, procedures, and practices. 27.5% participate on not specific schedule basis and it is second highest.

(b) Selection for Training Method of Private Banks Bank's Training

The following table shows the response the use of training methods in selected private banks.

Table (4.12) Training and Development Methods

Item	Measures	No. of employees	Percentage
Training method	On the job	181	45.25
	Off the job	219	54.75
	Total	400	100

Source: Survey Data, 2019

According to Table (4.12), training program in select private bank used 54.25 percent of off-the-job training method. That is 10 percent more than on-the-job training method. The difference is not much it means the bank should practice both methods from time to time.

4.5 Effect of Training and Development on Competencies of Employees in Private Banks

Multiple regression analysis was performed to observe the relationship between the independent variables and dependent variable. The result of multiple regression analysis is shown in Table 4.13 to 4.15.

To identify the relationship between training and development (policy, procedure) and employee competencies, employee competencies is regress with training and development (policy, procedure). The results of the relationship between training and development (policy, procedure) and employee competencies are presented in the following Table (4.13).

Table (4.13) Effect of Training and Development (Policy, Procedure, and Practices) on Employee Competencies

Dependent Variable: Competencies	Unstandardized Coefficients		t	Sig	VIF
	B	SE			
(Constant)	0.030	0.033	0.908	0.365	
Policy	-0.048***	0.010	-5.020	0.000	2.407
Procedures	0.042***	0.011	3.985	0.000	2.286
Practices	0.999***	0.011	89.457	0.000	2.439
R ²	0.980				
Adjusted R ²	0.980				
F statistics	6387.889***				

Source: SPSS Output (Appendix-C)

Statistically significant indicate ***at 1%, ** at 5%, * at 10% level respectively

In this Table(4.13) the value of the F test, the overall significance of the model, is highly significant at 1% level. The specified models explain that the variation of employee competencies is predicted by three independent variables as the value of R^2 is 97.9 %.Themulticollinearity statistics by using variance inflation factors (VIF) are also checked, indicating that there are no variables exceeding our “rule of thumb” of 10 for VIF.

According to the result, training procedure, and practices provide for employee skills development and positive significant. Employee learned effective training and development and follow the training objectives and organization its make the skills development.

4.6 The Effect of Training and Development on Employee Performance

In this section, presented the multiple regressions analysis was performed to observe the relationship between the independent variables (training and development policy and procedures), competencies of employees and dependent variable(employee performance: productivity, satisfaction). The results of multiple regression analysis are shown in Table 4.14 to 4.15.

(a) Effect of Training and Development on Productivity

To identify the relationship between training and development (policy, procedure, and practices) and productivity, productivity is multiple regression analysis used with training and development (policy, procedure, and practices). The results of the relationship between training and development (policy, procedure, and practices) and productivity are presented in the following Table (4.14).

Table (4.14) Effect of Training and Development on Productivity

Dependent Variable: Productivity	Unstandardized Coefficients		t	Sig	VIF
	B	SE			

(Constant)	2.465	0.163	15.155	0.000	
Policy	0.182***	0.047	3.856	0.000	2.407
Procedures	0.068	0.052	1.302	0.194	2.286
Practices	0.234***	0.055	4.240	0.000	2.439
R ²				0.306	
Adjusted R ²				0.301	
F statistics				58.210***	

Source: SPSS Output (Appendix-C)

Statistically significant indicate ***at 1%, ** at 5%, * at 10% level respectively

According to Table (4.14) the relationship between training and development (policy, procedure, and practices) and productivity, productivity is analyzed with the multiple regression. In this table, the F statistics is 58.210 and its significant level is at 1% (p-value= 0.000). The multicollinearity statistics by using variance inflation factors (VIF) are checked.

The specified models explain that the variation of employee performance is predicted by two independent variables as the value of R² is 30.6 %. In the regression analysis shown in Table (4.14), among three variables in training and development, policy and practices has a significant and positive effect on productivity. However, training and development procedure has not significant level, it not effect on productivity. According to the result, training policy provide for employee productivity such as reducing time consuming, good communication on customer, and so forth.

(b)Effect of Training and Development on Job Satisfaction

To identify the relationship between training and development (policy, procedure, and practices) and satisfaction, satisfaction is regress with training and development (policy, procedure and practices,). The results of the relationship between training and development (policy, procedure, and practices) and satisfaction are presented in the following Table (4.15).

Table (4.15) Effect of Training and Development (Policy, Procedure, and Practices) on Satisfaction

Dependent Variable: Job Satisfaction	Unstandardized Coefficients		t	Sig	VIF
	B	SE			
(Constant)	-0.069	0.072	-.950	0.343	
Policy	0.598	0.021	28.544	0.000	2.407
Procedures	0.401	0.023	17.250	0.000	2.286
Practices	0.008	0.025	0.317	0.752	2.439
R ²	0.915				
Adjusted R ²	0.915				
F statistics	1670.764***				

Source: SPSS Output (Appendix-C)

Statistically significant indicate ***at 1%, ** at 5%, * at 10% level respectively

In this table, the F statistics is 1670.764 and its significant level is at 1% (p-value= 0.000). The multicollinearity statistics by using variance inflation factors (VIF) are checked and not have the multicollinearity because it is not more than 10.

. The specified models explain that the variation of employee competencies is predicted by two independent variables as the value of R² is 91.5 %.As a result, among three variables in training and development, policy, procedure , and practices has a significant and strongly positive effect on satisfaction. According to the result, training policy, procedures, and practices provide for employee satisfaction. It mean employee have a lot of benefit for training policy, procedures, and practices.

4.7 Mediation Effect of Employee Competencies on Employee Performance

To identify the relationship between employee competencies and employee performance, employee performance is regress with employee competencies. The results of the mediation effect of employee competencies on relationship between training and development and employee performance are presented in the following

Table (4.16) and the direct and indirect effect of mediation factors effect on relationship of training and development and employee performance shown in Appenix.

Table (4.16) Effect of Employee Competencies on Performance

Dependent Variable: Employee Proformance	Unstandardized Coefficients		t	Sig	VIF
	B	SE			
(Constant)	1.146	0.086	13.275	0.000	
T_D	0.929****	0.042	22.158	0.000	4.396
M_Compe	-0.173****	0.040	-4.336	0.000	4.396
R ²	0.791				
Adjusted R ²	0.790				
F statistics	749.263****				

Source: SPSS Output ,(Appendix-C)

Statistically significant indicate ****at 1%, ** at 5%, * at 10% level respectively

In Table (4.16) the effect of employee competencies on productivity, productivity is analyzed with the multiple regression. In this table,the F statistics is 759.2971 and its significant level is at 1% (p-value= 0.000).

The specified models explain that the variation of employee competencies is predicted by two independent variables as the value of R² is 79 %. Inthis table, variable of employee competencies has a significant and positive effect on productivity. According to the result, employee competencies such as skills development provide for employee performance such as reducing time consuming, good communication on customer, and so forth.

4.8 The Moderating Effect of Employee Related Factors

The moderating effect analyzed using SPSS multiple regression and the results are as follow. To verity the above possible moderation effect in a clear manner 1

multiple regression analysis was performed and the results are shown in respective tables. In the first step, only the predictors' variables are entered into the model. Then, the multiplication of these two variables is added to the model, i.e., model 2.

Before the analysis the moderating effect analyzed of multiple regression, firstly analysis the relationship between training and development and employee competencies , secondly analysis the relationship between employee competencies and moderating variables (employee related factors: Gender, Education, Occupation, Service), and then analysis the multiple regression of moderating effect of training and development and employee competencies(Table 4.17).The correlation results of employee related factors and employee competencies, and training and development and employee competencies are show in Appendix C .

Moderating Effect of Education on Employee Competencies

According to the table 4.17 results, training and development is positively correlated of employee competencies and education within employee related factors is correlated to employee competencies. Other employee related factors are not correlated in employee competencies. The analysis on moderating effects of education on training and development and employee competencies is show in Table (4.17).

Table (4.17) Moderating Effect of Education on Training and Development and Employee Competencies

Source	Model 1				Model 2			
	B	SE	t	Sig	B	SE	t	Sig
(Constant)	0.420	0.114	3.688	0.000	1.126	0.401	2.807	0.005
T and Dev	0.911	0.026	35.615	0.000	0.744	0.095	7.850	0.000
Edu_ 1	0.026	0.039	.670	0.503	-0.722	0.418	-1.728	0.085
Edu_ 2	-0.076	0.052	-1.460	0.145	-0.996	0.573	-1.740	0.083
Training * Edu_ 1					0.178	0.099	1.799	0.073
Training* Edu_ 2					0.222	0.140	1.583	0.114
ΔR^2	0.001							
R^2	0.777				0.778			

F value	458.631***	276.952***
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Source: SPSS Outputs,2019

Statistical significance Indicate *** at the 1% level,** 5% level and* 10% level

Table 4.17 confirmed that education level of respondents have no moderation effect on the relationship between training and development(policy and procedure) and employee performance although there is a few increment of R^2 (ΔR^2) and the regression coefficient of the interaction term is not significant after adding the interaction terms of any moderating variable to the regression models. The results suggest that the education level of respondents is correlated but cannot affect on the relationship between training and development program and employee competencies.

CHAPTER 5

CONCLUSION

Based on the results of the data analysis, the last chapter is devoted to draw the conclusion on the results of this study. In this chapter the finding from the effect of training and development on employee performance of private banks in Yangon are presented. At first, discussion on the results of training and development on competencies of employees and employee performance and its consequences are stated. In the later part, suggestions and recommendations, contribution of the study, and recommendations for conducting further study are presented.

5.1 Findings and Discussion

With the aim of analyzing training and development on employee performance of private banks, to evaluate the training and development policy, procedures, practices, and competencies of employees, analysis the direct and indirect effect of training and development policy, procedure, practices on competencies of employees and employee performance, analysis the mediating effect of competencies of employees in the relationship between training and development and employee performance, the moderating effect of employee related factors on the relationship between training and development and competencies of employees are explored.

The selected banks did not completely satisfy with the application of training outcomes to obtain the higher firm's performance after costly training programs and banks faced a lot of risk such as liquidity risk, market risk for skillful labour, and competition risk which was the problem of this study.

According to literature training and development (policy, procedure, and practices) promoted employee performance which was the dependent variable or the expected outcome of this study. Based on the importance of these factors, four main hypotheses were explored to gain the expected employee performance through training and development and competencies of employees.

In selected private banks employees, this study selected from the population of 400 employees who attended the training program(s) base on. The questionnaires with five-point Likert scale items were used to collect the primary data and questionnaire was based on previous literature.

After carrying out this study, the conclusion is that training and development is important factor to employee performance because it helps them to adapt better and faster technological changes that are rapidly occurring and leads to improving employee productivity and satisfaction. The reason of training and development are to be ensuring that the skill level of employee is sustainable. According to these effects, the following section discusses the result of each hypothesis.

Firstly, training and development policy, procedures, and practices of private banks in the study are explored according the variables such as objectives, organization support, market demand, training schedules, training facilities, trainer's types, training needs assessment, training delivery, training evaluation. When analyzed the training schedule of private banks, employees are not sure about when they get training since it is not included in their working schedule. According to the analysis of training schedule of private banks employees, the largest percent of training schedule is annually basis and the lowest percent of training schedule is other training schedule such as base on situation of banks policy, procedures, and practices. Regarding with training methods of selected banks employees, private banks provide both on-the-job and off-the-job training programs for employees among them off the job training methods are used two third of all training methods. All the selected private banks, most of the employees are provided induction training if they start working at the bank. Moreover, employees are also satisfied with the materials provided in training program such as training facilities and equipment, trainers, food and amenity, time duration and training location. For trainers, the majority of employees are preferred to be trained by professionals.

By using the Statistical Packages for Social Science 23, the collected data are checked for reliability, and validity. Some of the items with lower factor loading are moved for the final analysis of the data to strengthen the reliability of the variables in the study. All of the independent items that have relatively high loadings (greater than .60) are retained for the final analysis.

According to survey results questionnaires, based on training attended employees and answering respondents of seven training policy questionnaires, seven training procedures questionnaires, eleven training practices, and nine competencies of employees most of the respondents were agree and strongly agree (average above 50 percent) . It means that respondents like their banks' policy, procedure, and practices. Moreover, according to regression analysis the value of the F test, the overall significance of the model, is highly significant at 1% level. According to the result, training policy, procedure, and practices was strongly provided for competencies of employees. From the study (Imran and Tanveer, 2015) there is a strong relationship of training and development and employee skills development. Ali, Sherwan&Ali (2015) also mentioned the role of training and development programs are increasing the employees' competencies and ultimately their intentions to leave. The finding from the study of Weerakkody and Ediriweera (2015) also proved that training policy, procedures, and practices are positively impact on competencies of employees.

Secondly, training and development policy, procedure, and practices are positively related to employee productivity and satisfaction. In this section presented finding of the multiple regressions analysis was performed to observe the relationship between the independent variables (training and development policy, procedures, and practices)and dependent variable(employee performance: productivity, satisfaction). According to regression analysis results, three variables in training and development, among them policy and procedures has a significant and positive effect on productivity and policy, procedures, and practices are strongly related on satisfaction of employees. This finding is in line with the precious studies Neelam et al., (2014). In this study, described the training and developments are strongly effect on employee performance and productivity.

As the results, employees of private banks feel that the training and development can improve speed and productivity in processing work, and thus, generally make less mistakes and more productive. Furthermore, employees believe that training programs can enhance their skills in achieving customer satisfaction, increasing self-confidence and having good relationship with co-workers. They also believe that they are able to adjust well to technological changes happening within the bank because of training programs.

Therefore, employees feel that the result of training and development programs can give job satisfaction. Moreover, employees feel that they become more emotional attachment towards bank and start feeling as a part of organization after they had joined the training program. Therefore, they become committed to the current job and will keep working at current banks in the future, even if there is another better job offer. From the findings, it is clear that there are numerous benefits of training and development of employees at private banks and thus, this can enhance employee performance.

Thirdly, mediation effect of employee competencies is positively related to training and development and employee performance. According to process procedures regression results, employee training and development factor correlated and caused to depend with competencies of employees which “moderately related”. Moreover, direct and indirect effects are analysis for mediation effect of employee competencies on relationship of training and development and employee performance (Appendix C).Based on the result from data analysis and findings, it can be concluded that there is positive relationship between training and development and employee performance and competencies. Moreover, training and development and employee competencies are strongly influence in employee performance. In addition, majority of the respondents are appreciating the outcomes of training and development. Therefore, it can be said that private banks certainly has a well-established training and development policy, procedures, and practices. Furthermore, the employees’ perception is that trainings offered by private banks are high quality and very effective trainings to boost their skill set. The courses are also relevant with the current job and they receive enough practice during training. As the result, they show a lot of improvement in day to day performance and have good relationship with the organization customers and problem solving skills, technical skills, and communication skills. Therefore, in this study, employee competencies of skills is positive relationship for employee performance, means they are correlated to each other. This finding is in line with the previous studies Weerakkody and Ediriweera (2015). In this study, mediation effect of competencies of employees effect on relationship of training and development (policy, procedure, practices) and business performance.

Finally, moderating factors of demographic characteristics of the employees include gender, position, education level and year of services is presented. Among the respondents, there were more female than males, but gender imbalance did not influence the study in any way. The positions of respondents were separated into manager, supervisor, senior staff, junior staff, security and the departments include exchange, admin and reception, cash, and remittance. Among the positions of respondent, senior staff is highest 30 percent and others such cleaner is lowest 4 percent. It means most of the respondents' position is moderating level and there answer is reliable and valid. Moreover, the data are also compiled from employees of different years of service to obtain different perceptions that were held by the bank employees of the different trainings that have been undertaken. Most private banks employees had been in service for long and thus understand the effects of training and development to their job performance. In this study, the respondents' service highest percent is 35 within in 5years to 7 years. It means one third of respondents knowing training benefit and need to training and development for their career life success. From the data on education level of the respondents, most of them had attained a university bachelor degree because the practice of private banks is that employees have to attain a minimum of a bachelor degree.

According to survey results, moderation analysis of this study performed employee related factors among education is the effect the relationship of training and development and employee competencies. Education factor only the correlated between relationship of the training and development and employee competencies and analysis the multi regression analysis.

In conclusion, the bank should focus on training by giving most effort in conferences and discussions, without ignoring the workshops and seminars, as well as equally emphasizing on case studies, role plays and classroom lectures. Therefore the effectiveness of the training can be improved if the bank could emphasize more in coaching training method as well as job rotation and computer-based trainings.

5.2 Suggestion and Recommendations

Based on the findings of the study, the following factors including productivity, job satisfaction through training and development are needed to consider increasing employee performance.

The private banks should also have a structured training and development program that will allow employees to have a better job performance in banking industry. According to data survey, employees strongly accept that they need clear training policy and procedures because they like to improve their skills and to be able to adapt organizational changes like information technology.

This study recommends that selected private banks should mainly focus on training and development since employee competencies effect on employee performance. It also shows that the needs of the employees' competencies and training should be valued and private banks should take more effort to make them better in day to day job performance. It is also recommended that private banks should take into account both individual and operational needs when carrying out organizational assessment.

According to the result, not all the employees in private banks take induction training when they start to work at the bank. They usually start to attend training within one year after employment. Thus, selected private banks should offer induction training to every employee when they start work at the bank in order to know the organizational objectives, goal, culture and policy.

Today, many organizations have also come to the realization of the role of training and development programs as it increases the staff efficiency, skills and productivity. In order to achieve the benefits of training, private banks should ensure that the following are instituted at the workplace.

First, identification of training needs should be done more professionally with line manager as well as the individuals involved together with HR personnel. Everyone involved should agree exactly to what the trainees are lacking, what skill is needed and what attitude needs to be changed toward work performance. Private Banks should identify the training needs in the organization that also covered departmental or team and individual plans. Only when the expectations of the employees and employers meet the organization was more sustainable.

Secondly, banks should focus on learning, training and development as well as training policy and procedures for organizational development and survival. Organizational career planning involves matching an individual career aspiration with the opportunities available within the organization. The banking sector will improve the necessary skillset and deliver the best service to customers.

Thirdly, motivation generally seeks to boost employee morale to work hard and thus, increase productivity. Instituting proper training and development program, banks should initiate policy for motivation attached to training. Motivation includes both extrinsic, such as more pay, allowance, other benefits and intrinsic such as recognition, appreciation, acceptance by fellow worker, opportunities for promotion, career development and consultation for important matters. Morale, on the other hands, increases productivity indirectly reducing absenteeism, accidents, employee turnover and etc. Therefore, motivation can lead to job satisfaction which in turn leads to the development of employee performance.

Fourthly, it is vital to monitor and evaluate training in order to assess its effectiveness in the specified outcomes and to indicate where improvements or changes are required to make the training even more effective. The basis upon which each category of training is to be evaluated should be determined at the planning stage while considering how the information required to evaluate learning events would be obtained and analyzed.

Finally, it is very important to attend training and development procedures and that is positively related to employee performance. There is organization support for location. At present, private bank's training class or training school has in Yangon and all employees came and attended training and development program. It is not convenience for employees and makes higher cost for organization. This suggestion is not only for employees but also for organization.

Moreover, banks should take into consideration that each and every employee needs to be developed. Therefore, private banks should allow all the employees to involve in training procedures that will help them for improving their performance. Their training and development programs ensure that the employees are more professional and developing the skillset. By continuously improving their training program, higher employee performance and morale attachment to the bank can occur,

and there will be lower turnover rate. This is the reason why private bank should formulate quality and effective training programs that will improve their employee performance.

Employee learned effective training and development and follow the training objectives and organization its make the skills development. This study expected to fulfill the research gap to the literature and the country context based on the private banks of Myanmar. The HRM of the banks are mostly responsible for scheduling the policy, procedures, and practices .Therefore, they should provide specific training procedures for the employees.

Banks should take into consideration that each and every employee needs to be developed. Therefore, private banks should allow all the employees to involve in training procedures that will help them for improving their performance. Their training and development programs ensure that the employees are more professional and developing the skillset. By continuously improving their training program, higher employee performance and morale attachment to the bank can occur, and there will be lower turnover rate. This is the reason why private bank should formulate quality and effective training programs that will improve their employee performance.

5.3 Contribution of the Study

The current study contributes to the existing research knowledge by introducing novel data and findings from different researchers, as well as improving the performance of private banks employees through the training and development policy, procedures, practices, and competencies. It also proposes ideas about how private banks employees' competencies and employee performance such as productivity and job satisfaction in the banking industry can be improved.

In addition selected private banks in Yangon will benefit directly from this research, because they will become aware of the banks' policy, procedures, and practices that affect the competencies of employees and employee performance of banks' employees. Invariably, this study will improve whole of the banking industry understanding the effect of training and development on competencies of banks' employee and productivity and job satisfaction of employee performance.

Furthermore, the bank employees who do not have enough competencies do not improve their performance such as productivity and job satisfaction in organization, and they expend searching for a new bank and adjusting to new situations. Moreover, the customers also searching for a new bank for their financial transaction is presented because they don't have satisfied services. Thus the issue is obviously relevant to banks' administration, managers, and researchers, while the prevention can be perceived as better than the cure. Hence it is more advantageous to manage cases of subsequent employee turnover or to control employees' intention to leave instead of spending money and time on solving its detrimental effects. Moreover, protect of above issue as better way for organization success.

It can be stated that this current study contributes methodologically to understandings of the nature of the chosen sample, which is represented by employees in private banks in Yangon. There is no research concerning with effect of training and development on employee performance of private banks in Myanmar. Thus by attempting to understand the phenomenon of the training and development and employee performance of employee in private banks, and the training policy, procedure, and practices influences on the private banks' employees' competencies, and performance of their private banks, the finding of the present study will act a bridge, filling a gap in the training and development policy, procedures, and practices and employee performance literature for private banks in Yangon, Myanmar.

5.4 Need for Further Research

This section will attempt to explain the requirements of the further studies for the impact of training and development program on employee performance. Firstly, this study only focuses on selected 16 branches of Private Banks and includes 400 employees from managerial and non-managerial levels. It does not cover all the branches of Private Banks. Hence , the first recommendation for further research should expand the study on the training and development and should also try to expand the study on employee performance of all branches of Selected Private Banks and others Banks. Therefore, the data obtained from the whole nation of Banks will

generate the result more accurate and comprehensive picture to capture the key factors of training and development practices in banking industry from the respondents.

The study on key factors of training and development program and its effect on performance employees are very attractive due to the importance of human resources and potential income earning opportunity of banking industry for Myanmar. As most of the studies are carried out in the Western world which necessitated this study, it is important that more researchers, especially, those in Asia continue to explore the area empirically.

Another recommendation is that the further study can be done by focusing on other human resources management areas such as performance appraisal, equal employment opportunities, and other related factors such as leadership style, job security and so on. The main factors in this research are training policy and procedure, and employee companies. Therefore, this is a limitation in this study owing to the other factors such as external environment; organization support and government support that affect on the employee performance in banking industry have not been covered.

Moreover, further research should also try to obtain the sufficient data, and should adjust the numbers of independent variables questions and dependent variables questions. This study main focus is effect of training and development on employee performance. However, some environmental factors also affected on employee performance such as corporate culture, organizational structure, job design, performance appraisal systems, power and politics prevailing in the firm and the group dynamics. Therefore, this study can be further investigated by adding other variables which contributes for performance of employees.

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APPENDIX A

Questionnaire I

(For HR Manager or Learning and Development Department Manager)

-----Dear Sir/Madam

The purpose of this questionnaire is to collect information on the Impact of Training and Development on Employee Performance as part of a study for the award of PhD at Yangon University of Economics. I will be me grateful if you could take off your busy schedule to respond to the questions. This is only an academic exercise and you are assured of anonymity and confidentiality. Thank You.

Please answer the questions correctly as they apply to you. Some of question please makes a tick.

1. What is your bank group and when did your bank establish and operate?

.....
.....

3.How many people work in training and development program?

.....
.....

4. Your Information:

a. Age:

b. Gender:

c. Position:

d. Education:

e. How long have you been employed in this organization?.....

4.Are you aware of the training and development policy of the Bank?

Yes ()

No ()

Not Sure ()

5. If yes, how did you know about it?

a. Official communication to me

b. Through Bank publications

- c. Information from colleagues
- d. I'm one of the training policy maker

6. In terms of the following measures, how much larger or smaller the bank is today as a result of the T&D it has provided?

1. A lot smaller 2. A little smaller 3. No difference 4. A little larger 5. A lot larger

A	Labour productivity	1	2	3	4	5
B	Pre-tax profit margin	1	2	3	4	5
C	Employees turnover rate	1	2	3	4	5
D	Total workforce, including working directors	1	2	3	4	5

7. In each of the following areas, how the bank is currently performing compared with other businesses in the sector.

(1) A lot below average ----- (5) a lot better than average

(N) No comparison possible (R) Relevant data not available

Financial Performance	1	2	3	4	5	N	R
Labour Productivity	1	2	3	4	5	N	R
Quality of Service	1	2	3	4	5	N	R
Employee Turnover Rate	1	2	3	4	5	N	R

Bank's Training and Development Information Questionnaires

No	Items	Answer	Remark
1	How many training schools or training place has in your bank (the whole country)?		
2	Training Policy (Have/Not)		
3	Training Under Human Resource Policy (Have/Not)		
4	Using Stable Policy or Contingency Policy or Both		
5	Have the training procedure or not?		
6	What are included in training procedure? 1. Training Plan 2. Training Need Assessment 3. Training Objectives 4. Training Methods 5. Trainers Types 6. Training Facilities 7. Training Evaluation 8. Others(.....)		
7	How many times per year does your organization conduct training for employees? 1. Not Regularly 2. Annually 3. Semi Annually 4. Quarterly 5. Monthly		
8	Have a training plan via training policy which includes training mission, needs, goals, and objectives? (Yes or No)		
9	Have conduct training needs assessment before providing training? (Yes or No)		
10	On the Job Training (1) Induction (2) Coaching (3) Mentoring (4) Apprenticeship (5) Job Rotation (6) Management Training		

11	Off the Job Training (1) Classroom Lectures (2) Computer Based Training (3) Simulation(4) Role Play (5)Conferences (6)Case Study		
12	Have provide external training in your bank?(yes/no)		
13	Trainers Types 1.Manager 2.Supervisors 3.Professional(external) 4. Professional(internal) 5.All of this 4.Others.....		
14	Traing Facilities (accept for choosing more than one) 1.Support Electric Devices 2.Support Referesfremment 3. Well Layout Plan 4.All of this 5. Others.....		
15	Evaluation method of training and development 1. Test and Examination 2. Interview 3. Co-workers evalute 4. Maganger evaluate 5. Observation performance 6. Others		
16	Knowledge improvement is based on employee own experienced and skills improvement is based on training and development support. (Agree or Not)		
17	Purpose special knowledge development program		
18	Purpose of special skill development program		
19	What is your opinion about the extent did T&D in the Bank has influenced: (a) Employee turnover intention (b) Employees commitment (c) Job satisfaction, (d) Employee retention, (e) Improve performance (both at individual and organizational level)		
20	How often does your bank perform performance appraisal		

	(per year)?		
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.....**Thank You For Your Answer**.....

(Employees)

Dear Respondents,

I am a lecturer from the Department of Business and Economics at National Management Degree Collage currently working on PhD student of the Yangon University of Economics. The title of my research is “**Effect of Training and Development on Employee Performance of Private Banks**”. Therefore I need to do questionnaire survey in your bank. To be completed the research; I need your help in completing this questionnaire form. This questionnaire will take your time about five minutes to ten minutes. Your participation in this survey is completely voluntary and you may skip any question if you wish. The study is basically for academic purposes, thus I guarantee that your responses will be kept strictly anonymous and confidential. If you have any queries or wouldlike further information about this study, please do not hesitate to contact me on the address below.

Thank you very much for your participation.

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Part – (A)

Employees Related Information

1. Bank Name and Branch Name

2. Identify Gender

Male Female

3. Employee’s Age

Below 20 years 21-35 years

21 – 25 years 36-40years

26-30 years Above 40 years

4. Occupation

Manager Supervisor

Senior Staff Junior Staff

Guard Others

5. Department

Reception Measuring Change Finance

6. Year of services in this bank

____ Years _____ Months

7. Education

Graduate Doctoral Degree

Master Degree Other

Part – (B)

Training and Development Policy ,Procedures , and Practices

Please write (✓) at cell which you would prefer in the table and answer.

1.How often are training programs organized in your bank?

Not Regularly Semi-annually

Monthly Annually

Quarterly Others

2. How many times did you attend training program after entering into this bank?

Never 1-3 times 4-6 times 7-9 times 10 and above

3. What "Off the Job" training methods are used by your Bank? (You can choose more than one)

(4) Classroom Lectures (4) Role Play
(5) Computer Based Training (5) Conferences
(6) Simulation (6) Case Study

4. What "On the Job" training methods are used by your Bank? (You can choose more than one)

(2) Induction (4) Apprenticeship
(3) Coaching (5) Job Rotation
(4) Mentoring (6) Management Training

5. What subjects do you especially want to know in training and development program? (You can choose more than one)

(1) Workplace Ethics (2) Sexual Harassment (3) Presentation Skills
(4) Conflict Management Stress Management (6) Talent Management

6. Are you aware of the training and development policy of the Bank?

Yes () No () Not Sure ()

7. If yes, how did you know about it?

(1) During orientation
(2) Official communication to me
(3) Through Bank publications

(4) Information from colleagues



Please write in the cell which you would prefer in the table and answer. Where

1- Strongly Disagree, 2- Disagree, 3 – Average, 4- Agree, 5 – Strongly Agree

Training and Development Policy						
1	The training and development policy is guide line for employee and organization success.	1	2	3	4	5
2	Organization objective and strategies are important for building training and development policy and procedures, and implement of training practice.	1	2	3	4	5
3	International banks come in banking industry has affected for organization's training and development policy.	1	2	3	4	5
4	In banking industry, technology changes are one of the important factor for building training and development policy.	1	2	3	4	5
5	In this organization, employee knows about training policies before attending training and development course.	1	2	3	4	5
6	The training and development budget is sufficient to achieve well training and development outcomes through training policy.	1	2	3	4	5
7	Demand for skillful labour is providing factor for training and development policy.	1	2	3	4	5
Training and Development Procedure						
1	Training and development procedure provide the most of the skills development.	1	2	3	4	5
2	The objectives of training and development procedure should cover the topics related to the objectives.	1	2	3	4	5
3	The schedule for the training provided sufficient time to cover all of	1	2	3	4	5

	the proposed activities.					
4	Training time is coverage for attending trainees.	1	2	3	4	5
5	In training and development procedure, choosing qualified trainers is important for trainees.	1	2	3	4	5
6	The international standard training facilities is effective support for trainees.	1	2	3	4	5
7	Good refreshment support is providing for trainees' satisfaction.	1	2	3	4	5
Training and Development Practices						
1	Training needs assessments helps for measuring effectiveness of the training in knowledge, skills and attitudes expected of trainees.	1	2	3	4	5
2	Training needs assessments standards must be confirm level of competence.	1	2	3	4	5
3	Training contents is provision of platform to showcase technical skills.	1	2	3	4	5
4	Training contents is updating existing skills and acquiring new technologies.	1	2	3	4	5
5	The training content is relevant to achieving personal needs, goals and self development.	1	2	3	4	5
6	Training contents is utilization of information gathered to support and assist top management.	1	2	3	4	5
7	On the job training is the most important for training and development practices.	1	2	3	4	5
8	Off the job tainting is the most important for training and development practices.	1	2	3	4	5
9	Combinations of on- the- job and off the job training are the important for training.	1	2	3	4	5
10	Well training and development methods are useful and effective for employees in current work place.	1	2	3	4	5

11	A training and development practice supports to be improving performance.	1	2	3	4	5
12	In this organization using a detail examination of particular training and development practices.	1	2	3	4	5
13	Organization emphasizes cost effectiveness evaluation to access the effectiveness of training.	1	2	3	4	5
14	Training needs are identified through a formal performance appraisal mechanism.	1	2	3	4	5

Part- (C)

Competencies of Employee

Please tick at cell which you would prefer in the table and answer. Where 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree						
1	Training learns taking responsibility for actions.	1	2	3	4	5
2	Training and development procedure support skills improvement in current work place.	1	2	3	4	5
3	Seeing that departmental training courses reflect higher management directives/policies.	1	2	3	4	5
4	Training gives professional growth and career development opportunities in the organization.	1	2	3	4	5
5	Skills development support to reduce my time consuming.	1	2	3	4	5
6	A detail examination of particular training and development practices provide for trainees.	1	2	3	4	5
7	The training can develop my interpersonal relationship.	1	2	3	4	5
8	Skills improvement is based on training and development support.	1	2	3	4	5
9	Improving knowledge and skills are supported to get more promotional opportunities.	1	2	3	4	5
10	After training, I really satisfied for improving my skills.	1	2	3	4	5

Part- (D)

Employee Performance

Please write (✓) at cell which you would prefer in the table and answer. Where 1 = Never Improve, 2 = Somewhat Improve, 3 = Neutral, 4 = Improve, 5 = Very Improve.

I	Productivity					
1.	I always increase my productivity after I have any training in my organization.	1	2	3	4	5
2.	I can reduce my time consuming to conduct my main tasks.	1	2	3	4	5
3.	Increasing the speed of achieving targets after having training.	1	2	3	4	5
4.	I can increase my competency level after having training.	1	2	3	4	5
5.	I can reduce my absenteeism rate after training.	1	2	3	4	5
6.	I can handle any problem after having training and development practices.	1	2	3	4	5
7	I meet the target quotas and goals more easily than before.	1	2	3	4	5
8	Training has improved my skills to work with others at work.	1	2	3	4	5
9	I can work more initiatively after having training.	1	2	3	4	5
10	After attending the training and development, my contribution towards achieving the organizational goals.	1	2	3	4	5

Please write (✓) at cell which you would prefer in the table and answer. Where 1 = Strongly Dissatisfy, 2 = Dissatisfy, 3 = Neutral, 4 = Satisfy, 5 = Strongly Satisfy.

II	Satisfaction					
1.	I am satisfied with the variety of activities my jobs offers.	1	2	3	4	5
2.	I am satisfied for increasing confidence when performing work related tasks after training.	1	2	3	4	5
3.	I am satisfied with the training facilities such as training material and good refreshments in training period.	1	2	3	4	5
4.	I am satisfied with the opportunities provides me to interact with others.	1	2	3	4	5
5.	I am satisfied with the effective training methods in training period.	1	2	3	4	5
6.	I am satisfied with training and development practices that provide the chance to use skills and talents better.	1	2	3	4	5
7	I am satisfied with the security my job provides me.	1	2	3	4	5

Opinion and Suggestion Question

What problems do you face with regard to training and development within your organization?

.....
.....
.....

Please specify any ways you think training and development in your organization can be improved.

.....
.....

.....Thank You.....

Appendix - B

List of banks in Myanmar (2018)

State-Run Banks

1. Myanmar Agricultural Development Bank
2. Myanma Economic Bank
3. Myanma Foreign Trade Bank
4. Myanma Investment and Commercial Bank

Semi-Government Banks

1. Construction and Housing Development Bank^[2]
2. Mineral Development Bank Limited
3. Myanmar Citizens Bank Ltd
4. Naypyitaw Sabin Bank
5. Rural Development Bank Ltd
6. Small & Medium Industrial Development Bank Ltd
7. Yadanabon Bank Ltd
8. Yangon City Bank Ltd

Private Banks

1. Asia Green Development Bank Ltd
2. Asia-Yangon Bank Ltd
3. Ayeyarwady Bank Ltd
4. Ayeyarwaddy Farmers Development Bank (A Bank)-SEMI Gov
5. Co-operative Bank Ltd (CB Bank)
6. First Private Bank Ltd

7. Glory Farmer Development Bank Limited (G Bank)
8. Kanbawza Bank Ltd
9. Myanma Apex Bank Ltd
10. Myanmar Microfinance Bank Limited
11. Myanmar Oriental Bank Ltd
12. Myanma Tourism Bank
13. Shwe Rural and Urban Development Bank (Shwe Bank)
14. Tun Commercial Bank (Former: Tun Foundation Bank Ltd)
15. United Amara Bank Ltd
16. Yoma Bank Ltd
17. Global Treasure Bank (former Myanmar Livestock and Fisheries Development Bank Ltd)(Private- public not list)
18. Innwa Bank Ltd (Military share)
19. Myawaddy Bank Ltd (Military share)

Foreign Banks

(notified by Central Bank of Myanmar)

1. State Bank Of India
2. The Bank of Tokyo-Mitsubishi UFJ, Ltd
3. Sumitomo Mitsui Banking Corporation
4. Oversea-Chinese Banking Corporation Ltd
5. United Overseas Bank Limited
6. Bangkok Bank Public Company Limited
7. Industrial and Commercial Bank of China
8. Malayan Banking Berhad (Maybank)
9. Mizuho Bank Limited
10. Australia and New Zealand Banking Group Limited
11. The Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV)
12. Shinhan Bank
13. E.Sun Commercial Bank Limited

Source: Central Bank of Myanmar (2018), GIZ (2018)

Table: Selected Private Banks Profile and Sample Population

Sr No.	Name Of Banks	Market Share (%)	Assets (MMK billion)	Total Employees	Total Branches	No. of Branches (Yangon)	No. of Employees (Yangon)
1	K B Z	42	8693	80000	500	124	20000
2	A Y A	14	2913	20000	250	115	10500
3	C B	10	2061	11000	224	56	5000
4	Myawaddy Bank	6	1305	3500	74	26	1400
5	M A B	6	1194	4000	94	28	1300
6	Yoma Bank	6	1191	5000	125	38	2000
7	U A B	3	662	1800	78	44	1400
8	G T B	3	657	6000	129	39	2000
9	A G D	2	448	2600	65	30	2000
10	M O B	2	320	1800	37	20	900
	Total			135700	1539	500	46500

Source: GIZ (2016) and Survey data (2019)

Appendix- C

(a) Reliability Tests

Training Policy

Reliability Statistics

Cronbach's Alpha	N of Items
.905	7

Training Procedures

Reliability Statistics

Cronbach's Alpha	N of Items
.830	7

Training Practices

Reliability Statistics

Cronbach's Alpha	N of Items
.898	11

Competencies of Employees

Reliability Statistics

Cronbach's Alpha	N of Items
.876	9

Productivity

Reliability Statistics

Cronbach's Alpha	N of Items
.863	8

Satisfaction

Reliability Statistics

Cronbach's Alpha	N of Items
.857	6

(b) Validity Tests

Training Policy

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.917	
Bartlett's Test of Sphericity	Approx. Chi-Square	1531.280
	df	21
	Sig.	.000

Training Procedures

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.877	
Bartlett's Test of Sphericity	Approx. Chi-Square	934.239
	df	21
	Sig.	.000

Training Practices

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.917	
Bartlett's Test of Sphericity	Approx. Chi-Square	2402.726
	df	91
	Sig.	.000

Competencies of Employees

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.899	
Bartlett's Test of Sphericity	Approx. Chi-Square	1809.160
	df	45
	Sig.	.000

Productivity

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.844	
Bartlett's Test of Sphericity	Approx. Chi-Square	1425.750
	df	45
	Sig.	.000

Satisfaction

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.878
Bartlett's Test of Sphericity	Approx. Chi-Square
	1078.639
	df
	21
	Sig.
	.000

(c) Component Matrix

Component Matrix^a

	Component
	1
Policy_4	.849
Policy_2	.822
Policy_3	.811
Policy_5	.800
Policy_7	.791
Policy_1	.780
Policy_6	.734

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix^a

	Component
	1
Pro_5	.790
Pro_6	.775
Pro_7	.765
Pro_3	.727
Pro_4	.708
Pro_2	.620
Pro_1	.609

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix^a

	Component
	1
Practic_1	.768
Practic_2	.780
Practic_3	.836
Practic_4	.622
Practic_5	.654
Practic_6	.717
Practic_7	.689
Practic_8	.746
Practic_9	.724
Practic_10	.643
Practic_11	
Practic_12	
Practic_13	.677
Practic_14	

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix^a

	Component
	1
Conpe_1	.794
Conpe_2	.799
Conpe_3	.843
Conpe_4	.625
Conpe_5	.676
Conpe_6	.729
Conpe_7	.684
Conpe_8	.729
Conpe_9	.627
Conpe_10	

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix^a

	Component
	1
Productivity_1	
Productivity_2	.609
Productivity_3	.705
Productivity_4	.647
Productivity_5	.698
Productivity_6	.779
Productivity_7	.720
Productivity_8	.786
Productivity_9	.789
Productivity_10	

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Component Matrix^a

	Component
	1
Satisfaction_1	
Satisfaction_2	.707
Satisfaction_3	.679
Satisfaction_4	.784
Satisfaction_5	.778
Satisfaction_6	.799
Satisfaction_7	.815

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

(d) Factor Analysis

Training Policy

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.467	63.808	63.808	4.467	63.808	63.808
2	.614	8.770	72.579			
3	.470	6.708	79.286			
4	.433	6.186	85.472			
5	.406	5.807	91.279			
6	.337	4.810	96.089			
7	.274	3.911	100.000			

Extraction Method: Principal Component Analysis.

Training Procedures

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.593	51.335	51.335	3.593	51.335	51.335
2	.794	11.347	62.682			
3	.745	10.643	73.324			
4	.594	8.486	81.810			
5	.486	6.949	88.759			
6	.427	6.102	94.861			
7	.360	5.139	100.000			

Extraction Method: Principal Component Analysis.

Training Practices

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.109	43.639	43.639	6.109	43.639	43.639
2	1.076	7.685	51.324			
3	.917	6.553	57.877			
4	.897	6.406	64.282			
5	.872	6.226	70.509			
6	.755	5.394	75.902			
7	.651	4.649	80.551			
8	.545	3.894	84.445			
9	.495	3.537	87.982			
10	.450	3.211	91.193			
11	.412	2.943	94.136			
12	.355	2.535	96.671			
13	.241	1.724	98.395			
14	.225	1.605	100.000			

Extraction Method: Principal Component Analysis.

Competencies of Employees

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.981	49.809	49.809	4.981	49.809	49.809
2	1.081	10.806	60.615			
3	.786	7.865	68.480			
4	.623	6.232	74.712			
5	.601	6.012	80.725			
6	.577	5.770	86.494			
7	.456	4.564	91.058			
8	.394	3.941	94.999			
9	.269	2.688	97.687			
10	.231	2.313	100.000			

Extraction Method: Principal Component Analysis.

Productivity

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.145	41.454	41.454	4.145	41.454	41.454
2	1.638	16.382	57.836			
3	.773	7.734	65.570			
4	.749	7.490	73.060			
5	.628	6.279	79.339			
6	.537	5.369	84.708			
7	.470	4.702	89.410			
8	.400	4.000	93.410			
9	.344	3.445	96.855			
10	.315	3.145	100.000			

Extraction Method: Principal Component Analysis.

Satisfaction

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.746	53.513	53.513	3.746	53.513	53.513
2	.933	13.335	66.848			
3	.653	9.325	76.173			
4	.504	7.200	83.373			
5	.445	6.357	89.730			
6	.393	5.620	95.350			
7	.326	4.650	100.000			

Extraction Method: Principal Component Analysis.

(d) Regression Analysis

Hypothesis 1

Effect of Training and Development (Policy, Procedures, Practices) on Competencies of Employees

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.990 ^a	.980	.980	.06610	1.658

a. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

b. Dependent Variable: M_Compe

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	83.734	3	27.911	6387.889	.000 ^b
	Residual	1.730	396	.004		
	Total	85.464	399			

a. Dependent Variable: M_Compe

b. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.030	.033		.908	.365		
	X1_Policy	-.048	.010	-.056	-5.020	.000	.416	2.407
	X2_Procedures	.042	.011	.043	3.985	.000	.438	2.286
	X3_Practices	.999	.011	.999	89.457	.000	.410	2.439

a. Dependent Variable: M_Compe

Hypothesis 2

Effect of Training and Development on Productivity

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.553 ^a	.306	.301	.32642	1.535

a. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

b. Dependent Variable: Y_Productivity

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.607	3	6.202	58.210	.000 ^b
	Residual	42.193	396	.107		
	Total	60.800	399			

a. Dependent Variable: Y_Productivity

b. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.465	.163		15.155	.000		
	X1_Policy	.182	.047	.250	3.856	.000	.416	2.407
	X2_Procedures	.068	.052	.082	1.302	.194	.438	2.286
	X3_Practices	.234	.055	.277	4.240	.000	.410	2.439

a. Dependent Variable: Y_Productivity

Effect of Training and Development on Satisfaction

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.957 ^a	.915	.915	.14511	1.760

a. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

b. Dependent Variable: Y2_Satisfaction

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	90.305	3	30.102	1429.514	.000 ^b
	Residual	8.339	396	.021		
	Total	98.644	399			

a. Dependent Variable: Y2_Satisfaction

b. Predictors: (Constant), X3_Practices, X2_Procedures, X1_Policy

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.069	.072		-.950	.343		
	X1_Policy	.598	.021	.647	28.544	.000	.416	2.407
	X2_Procedures	.401	.023	.381	17.250	.000	.438	2.286
	X3_Practices	.008	.025	.007	.317	.752	.410	2.439

a. Dependent Variable: Y2_Satisfaction

Hypothesis 3

Mediation Effect of Competencies of Employees on Relationship of Training and Development and Employee Performance

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.889 ^a	.791	.790	.17557	1.646

a. Predictors: (Constant), M_Compe, T_D

b. Dependent Variable: Performance

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	46.192	2	23.096	749.263	.000 ^b
	Residual	12.238	397	.031		
	Total	58.430	399			

a. Dependent Variable: Performance

b. Predictors: (Constant), M_Compe, T_D

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.146	.086		13.275	.000		
	T_D	.929	.042	1.067	22.158	.000	.227	4.396
	M_Compe	-.173	.040	-.209	-4.336	.000	.227	4.396

a. Dependent Variable: Performance

Matrix

Mediation Effect of Competencies of Employees on Relationship of Training and Development and Employee Performance

Run MATRIX procedure:

```
*****  
PROCESS Procedure for SPSS Version 3.4  
*****
```

```
Written by Andrew F. Hayes, Ph.D. www.afhayes.com  
Documentation available in Hayes (2018).  
www.guilford.com/p/hayes3
```

```
*****  
*****
```

```
Model : 4  
Y : Performa  
X : T_D  
M : M_Compe
```

```
Sample  
Size: 400
```

```
*****  
*****
```

OUTCOME VARIABLE:

M_Compe

Model Summary

	R	R-sq	MSE	F	df1	df2
p	.8789	.7725	.0488	1351.5710	1.0000	398.0000
	.0000					

Model

	coeff	se	t	p	LLCI
ULCI					
constant	.3747	.1070	3.5018	.0005	.1644
.5851					
T_D	.9255	.0252	36.7637	.0000	.8761
.9750					

```
*****  
*****
```

OUTCOME VARIABLE:

Performa

Model Summary

	R	R-sq	MSE	F	df1	df2
p	.8891	.7906	.0308	749.2630	2.0000	397.0000
	.0000					

Model

	coeff	se	t	p	LLCI
ULCI					

```

constant      1.1458      .0863      13.2753      .0000      .9761
1.3155
T_D           .9291       .0419       22.1581      .0000      .8467
1.0115
M_Compe      -.1727      .0398      -4.3361      .0000      -.2509      -
.0944

```

Test(s) of X by M interaction:

```

          F          df1          df2          p
3.5851      1.0000      396.0000      .0590

```

```

***** DIRECT AND INDIRECT EFFECTS OF X ON Y
*****

```

Direct effect of X on Y

```

Effect      se          t          p          LLCI          ULCI
.9291      .0419      22.1581      .0000      .8467      1.0115

```

Indirect effect(s) of X on Y:

```

          Effect      BootSE      BootLLCI      BootULCI
M_Compe      -.1598      .0442      -.2480      -.0742

```

```

***** ANALYSIS NOTES AND ERRORS
*****

```

Level of confidence for all confidence intervals in output:
95.0000

Number of bootstrap samples for percentile bootstrap confidence intervals:
5000

NOTE: Variables names longer than eight characters can produce incorrect output.
Shorter variable names are recommended.

----- END MATRIX -----

(f) Correlations

Mediation Effect of Competencies of Employees on Relationship of Training and Development and Employee Performance

		Correlations		
		T_D	M_Compe	Performance
T_D	Pearson Correlation	1	.879**	.884**
	Sig. (2-tailed)		.000	.000
	N	400	400	400
M_Compe	Pearson Correlation	.879**	1	.729**
	Sig. (2-tailed)	.000		.000
	N	400	400	400
Performance	Pearson Correlation	.884**	.729**	1

Sig. (2-tailed)	.000	.000	
N	400	400	400

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

Correlation of Training and Development, Employee Related Factors , and Competencies of Employees

		Gender	Edu	Occu	Service	T_D	M_Compe
Gender	Pearson Correlation	1	-.359**	-.717**	.591**	.038	.022
	Sig. (2-tailed)		.000	.000	.000	.446	.661
	N	400	400	400	400	400	400
Edu	Pearson Correlation	-.359**	1	.280**	-.258**	-.108*	-.133**
	Sig. (2-tailed)	.000		.000	.000	.030	.008
	N	400	400	400	400	400	400
Occu	Pearson Correlation	-.717**	.280**	1	-.814**	-.020	.009
	Sig. (2-tailed)	.000	.000		.000	.696	.851
	N	400	400	400	400	400	400
Service	Pearson Correlation	.591**	-.258**	-.814**	1	.028	-.005
	Sig. (2-tailed)	.000	.000	.000		.580	.918
	N	400	400	400	400	400	400
T_D	Pearson Correlation	.038	-.108*	-.020	.028	1	.879**
	Sig. (2-tailed)	.446	.030	.696	.580		.000
	N	400	400	400	400	400	400
M_Compe	Pearson Correlation	.022	-.133**	.009	-.005	.879**	1
	Sig. (2-tailed)	.661	.008	.851	.918	.000	
	N	400	400	400	400	400	400

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

* Correlation is significant at the 0.05 level (2-tailed).

Hypothesis 4

Moderating Effect Education Effect on Training and Development and Competencies of Employees

Model 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.881 ^a	.777	.775	.21962

a. Predictors: (Constant), Edu_2, T_D, Edu_1

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	66.364	3	22.121	458.631	.000 ^b
	Residual	19.100	396	.048		
	Total	85.464	399			

a. Dependent Variable: M_Compe

b. Predictors: (Constant), Edu_2, T_D, Edu_1

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.420	.114		3.688	.000
	T_D	.911	.026	.865	35.615	.000
	Edu_1	.026	.039	.022	.670	.503
	Edu_2	-.076	.052	-.048	-1.460	.145

a. Dependent Variable: M_Compe

Model 2

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882 ^a	.778	.776	.21920

a. Predictors: (Constant), TD_Edu2, T_D, Edu_1, Edu_2, TD_Edu

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	66.533	5	13.307	276.952	.000 ^b
	Residual	18.930	394	.048		
	Total	85.464	399			

a. Dependent Variable: M_Compe

b. Predictors: (Constant), TD_Edu2, T_D, Edu_1, Edu_2, TD_Edu

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.126	.401		2.807	.005
	T_D	.744	.095	.706	7.850	.000
	Edu_1	-.722	.418	-.600	-1.728	.085
	Edu_2	-.996	.573	-.625	-1.740	.083
	TD_Edu	.178	.099	.647	1.799	.073
	TD_Edu2	.222	.140	.551	1.583	.114

a. Dependent Variable: M_Compe

(g) Frequency Tables

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	114	28.5	28.5	28.5
	Female	286	71.5	71.5	100.0
	Total	400	100.0	100.0	

Edu

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	graduate	328	82.0	82.0	82.0
	Master degree	37	9.3	9.3	91.3
	other	35	8.8	8.8	100.0
	Total	400	100.0	100.0	

Occu

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	manager	31	7.8	7.8	7.8
	supervisor	63	15.8	15.8	23.5
	senior staff	117	29.3	29.3	52.8
	junior staff	113	28.3	28.3	81.0
	guard	60	15.0	15.0	96.0
	other	16	4.0	4.0	100.0
	Total	400	100.0	100.0	

Service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than or equal 2 yrs	125	31.3	31.3	31.3
	(2.1-4)yrs	96	24.0	24.0	55.3
	(4.1-6)YRS	141	35.3	35.3	90.5
	(6.1-10)YRS	38	9.5	9.5	100.0
	Total	400	100.0	100.0	

(h) Descriptive Test

Descriptive Statistics

	N	Mean	Std. Deviation
Policy_1	400	4.08	.708
Policy_2	400	4.15	.704
Policy_3	400	4.24	.620
Policy_4	400	4.05	.710
Policy_5	400	4.02	.732
Policy_6	400	4.39	.606
Policy_7	400	4.23	.627
Valid N (listwise)	400		

Descriptive Statistics

	N	Mean	Std. Deviation
Pro_1	400	4.00	.881
Pro_2	400	4.55	.513
Pro_3	400	4.12	.738
Pro_4	400	4.29	.574
Pro_5	400	4.16	.698
Pro_6	400	4.24	.632
Pro_7	400	4.31	.591
Valid N (listwise)	400		

Descriptive Statistics

	N	Mean	Std. Deviation
Practic_1	400	4.50	.539
Practic_2	400	4.43	.604
Practic_3	400	4.39	.615
Practic_4	400	3.91	.873
Practic_5	400	3.98	.848
Practic_6	400	4.52	.515
Practic_7	400	4.42	.552
Practic_8	400	4.10	.770
Practic_9	400	4.21	.664
Practic_10	400	4.24	.561
Practic_11	400	4.10	.694
Practic_12	400	4.09	.686
Practic_13	400	4.41	.564
Practic_14	400	4.20	.992
Valid N (listwise)	400		

Descriptive Statistics

	N	Mean	Std. Deviation
Conpe_1	400	4.50	.539
Conpe_2	400	4.43	.604
Conpe_3	400	4.39	.615
Conpe_4	400	3.91	.873
Conpe_5	400	3.98	.848
Conpe_6	400	4.52	.515
Conpe_7	400	4.42	.552
Conpe_8	400	4.21	.664
Conpe_9	400	4.24	.561
Conpe_10	400	3.94	.711
Valid N (listwise)	400		

Descriptive Statistics

	N	Mean	Std. Deviation
Productivity_1	400	4.20	.992
Productivity_2	400	4.44	.545
Productivity_3	400	4.57	.530
Productivity_4	400	4.49	.617
Productivity_5	400	4.48	.520
Productivity_6	400	4.49	.525
Productivity_7	400	4.52	.584
Productivity_8	400	4.57	.511
Productivity_9	400	4.54	.533
Productivity_10	400	3.90	.546
Valid N (listwise)	400		

Descriptive Statistics

	N	Mean	Std. Deviation
Satisfaction_1	400	3.94	.711
Satisfaction_2	400	4.05	.739
Satisfaction_3	400	4.24	.561
Satisfaction_4	400	4.10	.694
Satisfaction_5	400	4.20	.626
Satisfaction_6	400	4.27	.586
Satisfaction_7	400	4.07	.683
Valid N (listwise)	400		

Summary Table

Descriptive Statistics

	N	Mean	Std. Deviation
X1_Policy	400	4.1654	.53772
X2_Procedures	400	4.2364	.47237
X3_Practices	400	4.2825	.46266
M_Compe	400	4.2881	.46281
Y_Productivity	400	4.5122	.39036
Y2_Satisfaction	400	4.1554	.49722
Valid N (listwise)	400		