

**Assessment of Off -Time the Job Training and Development
The Case of National Microfinance Bank (NMB), Arusha and Moshi
Branches
By
Sikawa Gideon Yona
[MBA (Human Resources Management), University of Dar es Salaam]
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Abstract

This study sought to assess the off-the-job training and development of employer,, commercial banks in Tanzania. The study was prompted by the practice that postgraduate students who were working in various commercial banks had first to their posts before embarking on studies. They thus had to attend 'off-job-training' at their costs. The study cases were the Arusha and Moshi branches of the National Microfinance Bank (NMB).

The specific objectives of this study were to:

- i) find out whether or not banks did develop appropriate off-the-job training development programmes;
- ii) determine whether or not those programmes were well implemented;
- iii) establish the benefits of training and development to banks; and
- iv) identify factors which hindered the implementation of effective training and development programmes.

This research was based on a case study method whereby the selected NMB branches were subjected to an intensive investigation. The targeted population of the study included all NMB staff members. But, due to resource constraints, the study involved staff from only two branches (Moshi and Arusha. The population size was estimated at 389 employees.

A purposeful or judgemental non-probability technique was used to select managers and all personnel officers. To ensure that all categories of employees (managers and nonmanagers) were included in the sample, a stratified random sampling technique was used. The sample consisted of 78 respondents which included 8 respondents from the management cadre (heads of departments and units, 37 from the loan unit, 8 from the customer care unit, 13 tellers, 6 respondents from the HR department, and 6 from the corporate department.

As indicated earlier on, the study areas were in Moshi and Arusha municipalities. The areas were selected due to the fact that:

- The researcher had developed good relations with managers and employees of the NMB branches in the areas. This made it easy for the researcher to access data
- The researcher's work station was based in Moshi, which neighbours Arusha. It was, thus, easy for the researcher to visit the branches in those areas; and
- The branches had high staff turnover.

The study made use of both primary and secondary data. The sought data aimed at describing the training methodologies, training policies, plans, programmes and other training-related issues. The primary data were gathered through interviews and administered questionnaires

Sources for secondary data were mainly bank publications and other external sources. Bank publications included: training reports, training programmes, the corporate plan, manpower plan and personnel records. External sources comprised various data repositories on such as the Tanzania Institute of Bankers (TIOB) and Bank of Tanzania (BoT). Three main techniques were used to gather data for this study, namely: administering conducting interviews and reviewing relevant documents. The questionnaires mainly of two parts. One part explored the demographic characteristics of and the other part was mainly concerned with bank policies and plans regarding training of employees.

The gathered data were processed using the Statistical Package for social Sciences (SPSS). The package was used due to its extensive analytical capacity. For the purpose of explaining and interpreting other findings, descriptive statistics were used. Data were recorded on a numerical scale to facilitate quantitative analysis. Instruments such as percentages and pie charts were used to add insight and support the analytic conclusions. Also, tables and other narrative models were used to represent results obtained from data analysis.

Editing was done so as to detect errors and omissions. These were corrected or rectified accordingly in order to ensure that maximum data quality standard was achieved. In the process of data cleaning, the responses were studied and compared to assess their accuracy and consistency with other information. Data cleaning was also done to ensure uniformity of responses as well completeness of the questionnaires. In ensuring the completeness of the given information, some respondents were visited again so as to get the missing information.

The study findings showed that training and development activities for NMB employees existed only in documents, but were not implemented. They were poorly coordinated, and the

top management did not support these activities. It was also found out that NMB often preferred short and on-the-job training to long courses. Also, a large number of employees attended seminars during orientation days.

Regarding the attitudes of employees towards training and development, the findings showed that the majority (87%) of employees understood the idea of training and development. While a great number of employees were aware of the existence of training and development programmes at NMB, these respondents were of the view that these programmes were not well conducted. They were not given priority. Further, the findings revealed that NMB had a training and development policy for its employees, but was rarely put into practice due to lack of top management support.

According to this study, poor and inadequate training and development NMB employees was a result of many factors including:

- Lack of management support,
- Lack of budget for off-the-job training and development,
- Poor participation of employees,
- Poor training methods,
- Many employees not trainable, and
- Lack of off-the-job training needs assessment.

Given the foregoing findings, the study recommended that:

- i) NMB should put in place the means through which it will ensure the effective implementation of the training and development programme
- ii) NMB should put more emphasis on the off-the-job training and development than on-job training and development in order to provide employee with good learning environment in planned stages
- iii) The bank should devise a mechanism of collecting loans from the indebted employees instead of using a loan factor as a criterion for disqualifying one from attending studies
- iv) The bank should conduct TNA from time to time to determine employees who need training
- v) There is need to include training and development activities in the bank's budget. These activities should form an integral part of each budget,
- vi) The bank should involve employee in designing and implementing relevant training and development programmes.