

Career Development and Employee Performance in Commercial Banks In Illala District Dar Es Salaam Tanzania

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Abstract

Lack of leadership skills, management and business knowledge in core business areas of commercial banks is an area of great interest and concern. And this has affected the performance of employees in most commercial banks of Illala District in Tanzania. The study analyzed the relationship between career development and employee performance in commercial banks.

The study adopted a quantitative paradigm with cross sectional and correlation designs. Regression was used to test the predictive power of the variables and indicate precisely what happens to the model as different predictor variables are introduced in the model fit

The findings revealed that career development carried out in banking institutions has a great impact on motivation of the employees which leads to good performance. If employees are not encouraged and guided to develop their special abilities through effective supervision, it can demotivate them. Some employees do not perform well because they lack regular and effective supervision by their managers.

It is recommended that policy makers should develop programs directed towards the sensitization of staff about career development. The staffs that are trained regularly and continuously should also be encouraged to work harder on their own by increasing on the rewards extended to the best performers.

Managers, who are the link between the bank owners and other Stakeholders like the customers, Government, must have superior perspective of the goals of the bank to be able to monitor the progress of the banking institution as a whole.

Key Words : career development, employees performance, commercial banks

Introduction.

Significant portion of the business of banking has moved beyond the balance sheet and as a result of career development which has improved employee performance in commercial banks in their asset. A salient feature of commercial banking over the last several decades has been the growth and evolution of off balance sheet activities. Commercial banks are seen as a driving force for the promotion of an economy (khan et.al 2004) and they contribute immensely to the economic development of any country. According to the bank of Uganda 2008 release, the following were the guidelines for supervision These Guidelines are formulated in pursuance with applicable provisions of the law of the republic of Uganda on Banking Regulation ,supervision and career development, the principles for Sound Compensation Practices issued by the financial stability Board and other applicable international standards, for the purposes of highlighting the role of compensation in cooperate governance and risk control of commercial banks, and thereby promoting sound operation and sustainable development of banking sector.

According to the press release, a commercial bank shall design a uniform compensation system and the compensation package shall comprise fixed compensation, variable compensation and welfare benefits. Fixed compensation refers to the base salary. Variable compensation refers to the performance –linked compensation (merit pay) and the medium and long term incentives. Welfare benefits include insurance benefits, housing provident fund. There should be a base salary; the payment made by a commercial bank to its employees to cover their basic living expenditure, which includes allowance and subsidies. The amount of the base salary shall be mainly determined by the employee's input, length of service, job responsibilities and risks induced. Allowance and subsidies refer to the monetary grants provided in accordance with relevant state regulations a commercial bank for its employees to compensate for their special or extra labor consumed, and for the practical loss in their real income due to the changes in commodity prices. A commercial bank shall determine the amount of allowance and subsidies in compliance with the applicable standards and policies issued by the state.

Commercial banks shall appropriately design the layout of positions and posts, and define the compensation package for each position ad post reasonably. Commercial banks are not encouraged to

provide guaranteed minimum bonuses. Where the minimum bonus is necessary I practice, such bonus shall only apply to the first –year payout of compensation for newly recruited employees. The base salary provided by a commercial bank shall in principle be no more than 35% of the total compensation. Globally, banking system began in 1800, and since then, commercial banks and other financial Institutions in the U.S and other parts in the world like Japan also started expanding their economy through lending and offering of other Banking products and services. In the US, the term commercial bank was often used to distinguish it from an investment bank. One of the most significant developments in the banking industry in recent times is the increasing importance given to human resources. Torrington and Hall (1987) agree and point out that due to their use of labor intensive activities and increasing competition within the industry, financial services in general and banks in particular have embarked on considerable investment in training. More and more attention is being paid to motivational aspects of human personality, particularly the need for self-esteem, group belonging and self- actualization.

This new awakening of humanism and humanization all over the world has in fact enlarged the scope of applying principles of human resource management in the banking industry. The development of people, their competencies and the process of development of the total organization are the main concerns of human resource management (Pareek and Rao, 1992).

In Asia, career development is among the factors the determine effectiveness outcomes. Proper planning and management of human resources within the banking industry is essential to increase the capabilities, motivation and overall effectiveness of employees. Special training for career development and employee performance undertaken by supervisors as: Career planning and Development for personnel (Stones and Freeman, 1992). Manuela (2005) argues that financial sector human capital, in form of competent professional bankers contributes to the stability of Banks. Unfortunately developing countries, both pre- and post- liberation, often suffer for an inadequate supply of capable professionals. This situation threatens the potentially positive relationship between financial liberalization and economic growth. Human capital represents the value that each employee brings to the table, according to his or her studies, knowledge, capabilities and skills (Mannuela,2005).

In Africa, United Bank of Africa (UBA) reported that, the growth of organization is impossible without employee career advancement and empowerment in the Bank. Training encourages employees to participate in benefit from both economic and social opportunities (UBA, 2010). The financial sectors in Zambia (These include universities, accountancy/business colleges, commercial banks and the Zambian Institute of Bankers(ZIOB) recognize that their trained employees are the most valuable of their assets and that the successful attainment of their ambitions are directly related to the quality of staff, their expertise and commitment (Boz,2004). In East Africa, Bank of Uganda (BOU) has developed training and career development policies and over the years many employees (both senior and junior staff) have trained. According to the BOU Training Policy (2001) this has been done to facilitate among others, the promotion of career and professional development of staff, preparation of staff for higher responsibilities and the synchronization of required knowledge, skills and attitudes to the need for performance improvement.

Theoretically, according to Donald Super (1957), explains the changes that people go through as they mature; socioeconomic factors, mental and physical abilities, personal characteristics and the opportunities to which persons are exposed determine the career patterns. People seek career satisfaction through work roles in which they can express themselves and implement and develop their self-concepts. Could this be true with the case of employees of commercial banks in Ilala district, Dar es salaam city in Tanzania? No study has been done in Ilala district on the same therefore it has left a gap to investigate the cause of poor performance of commercial bank's employees in the said area of study. Another theory based on this study is performance theory by John Campbell (1990). This theory is related to this study because it explains job performance depend on employees' performance. Employees' performance determine in terms of their effort in day to day work activities. This theory also explains that employees' performance must be directed towards organizational goals that are relevant to the job or role. To measure the employees' performance is direct look at performance of the organization.

Career development is of great importance to both the individual employee and organization. This is so because it involves training on new skills, moving to higher job responsibilities, making a career change

within the same organization, moving to a different organization or starting one's own business. An employee develops his/her career through a continuous acquisition of managerial or professional skills and experience which may bring about rewards and promotion (Armstrong, 1999). Career advancement would involve the existence of alternative career paths based on the individual employee's and organizational needs. When employees get to know each other one of them has an equal chance of making it on top and it becomes easy for them to put in their best effort and this might also motivate employees to work hard (Graham, 1995). According to different Scholars, Employee performance looks at the rating system used in most organizations to determine the abilities and output of employee. Organizations need highly performing individuals in order to meet their goals, deliver the products and services they specialized in, and finally to achieve competitive advantage. Performance is important for individuals in accomplishing tasks and performing at higher level can be a source of satisfaction.

The United Republic of Tanzania, comprising of Mainland and Zanzibar, The Tanzania Institute of Bankers (2003) points out that training is work oriented, and that it changes attitudes and imparts knowledge. Employees grow and develop through a continuous process of learning and training. Identifying and developing talents becomes a key factor in organizations in which employees are facilitated to realize their professional ambitions. The employees in commercial Banks in Tanzania have abilities to do their job well but there is a gap in their performance (Kithuku 2012). Employee's performance influences the organization performance. Banking is among the financial institutions, every bank is trying to enhance its performance by improving its quality service according to customers' expectations (Chase, 2004).

Lack of leadership skills, management and business knowledge in core business areas of banking has affected the performance of employees in most commercial banks in Tanzania. Many people have remained stagnant due to challenges for continuous development for all staff. There is a level from which employees (whether clerical staff or managerial cadre) find it difficult to move upwards or get promoted yet the banks needs employees who perform their duties well. However lack of career advancement affects the performance of employees remains not well understood in these selected commercial banks in Dar es Salaam.

Most studies undertaken in the past few years have focused mainly on employee performance improvement plans that are supposed to focus on training needs assessment and their impact on performance (Mwenibirinda, 1998). Hence for any organization in order to succeed it requires a quality, reliable and efficient employee base which can most effectively be attained through proper training and support of its staff and it's through this, that they can be able to maintain adequate skill competencies vital for effective and efficient service delivery for their customers (Conroy, 1994).

Therefore career development activities are important for employees, as the activities are performed, it indicates that the organization cares about their employees and wants them to develop (Elena, 2000). When organizations are contributing towards the employee developments activities, the employees work hard; utilize their full skills and efforts to achieve the goals of the organizations. Cole (2002) states that some of the reasons employees may not perform their duties well, include: conflict between co-workers; conflict with supervisors; poor pay; lack of proper equipment; lack of opportunities for promotion; having little or no say in decisions that affect you; fear of losing your job through downsizing or outsourcing.

Literature Review

Training and employee performance

According to the Tanzania Institute of Bankers (2003) points out training is work oriented; and it changes attitudes and imparts knowledge. Employees grow and develop through a continuous process of learning and training. According Cole (2002), in his book Personnel and Human Resource Management, training is a learning activity directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or task. The focus of training is the job or task for example, the need to have efficiency and safety in the operation of particular machines or equipment, or the need for an effective sales force to mention but a few.

Training is the planned and systematic modification of behavior through learning events, activities and programs which results in the participants achieving the levels of knowledge, skills, competencies and abilities to carry out their work effectively (Gordon 1992). Pheesey (1971) defines training as the systematic process of altering the behavior and or attitudes of employees in a direction to increase the achievement of organizational goals. This means for any organization to succeed in achieving the

objectives of its training program, the design and implementation must be planned and systematic, tailored towards enhancing performance and productivity since Employee training is a tool that managers can utilize to help Employees Bridge the gap between their present level of performance and their desired level of performance.

The benefits of training can be summed up as: Improves morale of employees, Training helps the employee to get job security and job satisfaction. The more satisfied the employee is and the greater is his morale, the more he will contribute to organizational success and the lesser will be employee absenteeism and turnover. Less supervision, a well trained employee will be well acquainted with the job and will need less of supervision thus exhibiting performance. Thus, there will be less wastage of time and efforts. Fewer accidents, errors are likely to occur if the employees lack knowledge and skills required for doing a particular job. The more trained an employee is, the less are the chances of committing accidents in job and the more proficient the employee becomes. Chances of promotion, employees acquire skills and efficiency during training. They become more eligible for promotion. They become an asset for the organization. Increased productivity, Training improves efficiency and productivity of employees. Well trained employees show both quantity and quality performance. There is less wastage of time, money and resources if employees are properly trained. Training is generally imparted in two ways: On the job training, on the job training methods are those which are given to the employees within the everyday working of a concern. It is a simple and cost-effective training method (Mathaeur, 2011).

Mahdi S, (2009) states that management strategy has to recognize that corporate performance is totally dependent upon the performance of the people. This leads to a clear commitment to invest in these people through training. The results of this study showed that training has positive effect on managers' creativity, achieving organizational objectives, economical benefits. With such advantages that training dedicates to organizations, any organization those have high ambitions, have to conduct such training for achieving those benefits. Organization which implements training gives emphasis on; what percentage of employees have individual challenge, growth and learning plans, the number of hours of training that the average worker gets each year. A training program is not complete until you have evaluated methods and results. A key to obtaining consistent success with training programs is to have a

systematic approach to measurement and evaluation. Recognition of the training methods and measurement techniques are crucial for the organization's training success.

The in proficient as well as semi-proficient employees can be well trained by using such training methods. The employees are trained in actual working scenario. The motto of such training is "learning by doing." Instances of such on-job training methods are job-rotation, coaching, and temporary promotions. Off the job training, off the job training methods are those in which training is provided away from the actual working condition. It is generally used in case of new employees. Instances of off the job training methods are workshops, seminars, conferences, etc. Such method is costly and is effective if and only if large number of employees have to be trained within a short time period. This training is geared to develop employee's careers and hence enhance performance (Ali, 2010).

Poor unsafe working conditions, low remuneration and poor development strategies do not only reduce performance of the health systems but also constitute a serious push factor for migration of health workers, both from rural areas to the cities, and to other counties (Mathaeur, 2011). It is therefore an important goal of human resources management in the health sector to strengthen the motivation of health workers, from heads of health facilities to auxiliary staff. Highly motivated staff will not only perform better but also provide a higher quality of health services. Medical doctors or nurses who are motivated in their current job may also be as less inclined to leave their job or even their country behind in search of alternatives, such as higher salary as well as better working conditions. Despite interest in the issues of human resource for health workers in developing countries has so far not received as much attention as the subject merit. Banks have a lot to focus on the performance of their employees.

Job Performance= (ability) Performance means both behavior and results. Behaviors emanate from the performance and transform performance from abstraction to action. Not just the instruments for results, behaviors are also outcomes in their own right-the product of mental and physical effort applied to tasks and can be judged apart from results (Kaplan, 1996). This definition leads to the conclusion that when managing the performance of teams and individuals, both inputs (behavior) and output (results) need to be considered. Training and development is any attempt to improve current or

future employee performance by increasing an employee's ability to perform through learning, usually by changing the employee's attitude or increasing his or her skills or knowledge.

Job Rotation and employee performance

Job rotation involves assigning an employee to a series of jobs in different functional areas of the organization. These assignments typically involve lateral rather than vertical moves, and can involve serving on task forces or moving from a line to a staff position. Job rotation is a good way to introduce variety into an employee's career, particularly if an employee has become bored with the current work assignment, as may be the case to help an employee to build up networks within the organization, and be better prepared for future promotion opportunities when care should be taken to ensure that the job assignments used in job rotation offer developmental opportunities, rather than just patterns in terms of new product development, customer service, an efficient supply chain and quality excellence; management (Köpke, 2000). It is essential for this midcareer employee. In addition, it provides employees with a chance to learn and use new skills and to learn to understand better how different organizational functions work. It can also serve Or become available. In implementing job rot a chance to do something different (White, 1992).

Job Rotation is a human resource strategy where companies move employees around to various jobs within the organization. Intended to provide benefits to both employees and the employer, job rotation is supposed to increase employee interest level and motivation. With job rotation in place, employees can move around and avoid falling into a rut in one position. Over time employees develop more skills in a wider array of positions. This provides job stability and equips them for better opportunities to earn promotions (Neil, 2004).

In another related Article of (Neil, 2004) titled training and career development for business partners. Business owners know that when employees are not satisfied with professional endeavors, they feel demotivated, unhappy, and irritated, which are detrimental to productivity. However, by allowing employees to engage in job rotation, employees are likely to experience greater satisfaction by identifying strengths and weaknesses. Furthermore, employees are able to test many positions and subsequently focus on rotating between positions that enhance performance capacity, which increases their sense of worth and importance within the company.

Origo (2011) Article of training and development. This article has already established that job rotation strategies reduce employee burnout, increase employee satisfaction, and increase employee motivation and organizational commitment. These three benefits cumulatively influence a business's turnover rate and workplace injuries. Turnover is greatly reduced because employees do not experience the fatigue, boredom, and dissatisfaction associated with performing the same job every day. This, in turn, greatly increases an employee's level of awareness and attention to detail, which decreases the likelihood of workplace injury or stress.

Furthermore, Origo and Pagani consider job rotation system as an effective operational system to improve human capital performance and productivity, they claim that it is an effective option in order to facilitate and accelerate operations, save time and resources. Sullivan and Au define job rotation as systematic replacement of employees from a job to another or a project to another within the organization to train qualified human resources for competitive advantage. Thus, job rotation system causes enhancing productivity of human resources and improves organizational performance in both organization and individual level by training multi-skilled employees, creating a logical efficient interaction between skill and motivation and providing practical participation for employees whose greatest advantage is increased job satisfaction of employees.

Mentorship/Coaching and employee performance

Coaching and mentoring serve as learning tools in the work place that can lead to empowering your employees. Mentoring consists of establishing formal relationships between junior and senior colleague or peers. The employees who are coached and mentored often receive the greatest benefit, but the coach or mentor also benefits and may feel a sense of empowerment from the relationship. It also gives new employees a hands-on training program to learn job expectations. And may often feel a greater sense of understanding of what is required of them in their jobs because they get one-on-one job training, support and the advice of an experienced employee (Shelley, 2007).

Bramely, (2003) in the article of performance management study found out that mentoring can change attitudes, skills, knowledge and behaviors of the workers through a range of activities to achieve effective performance. Employees are trained to satisfy current or future needs of the organization. The current study also seeks to see that people's

attitudes change towards work especially after training.

Bower (2007), expressed that mentoring is one of the factors which can add value in processing of tasks of employees, which further can work for making them able to produce healthy results through proper guidance and support from more trained and professional employee heads. This will result in better performance from employees.

Terrie, (2001) asserts that Staff development programs can give organizations a competitive advantage by linking the strategic interests of the organization with the interests of their employees. For the employee, human capital theory justifies time spent at the workplace on regenerative activities. Coaching has thus, added value to human resource hence become skilled.

Smail. (2006), in his article "Training Trends in India" has shared his experience of his study aimed at identifying emerging trends in training and development in India. He has found that the strategic linkage of training, application of the technology in training, systematic evaluation, needs assessment and rapid changes in training delivery and rapid changes in training delivery are the top five training trends in India. The author finds that the organizations in private sector and services sector have been doing better with respect to almost all critical aspects of training when compared with public sector and manufacturing organizations. Muna (2005), in the article titled as "Training: The Emerging Trends in the Changing Scenario" has explored a new trend of training. a role of "Cognitive dynamics" in training which is not apparent but drives the forces to the greater degree of competency and commitment and play an immense role necessary for learning to occur. The article further discusses the interplay of coaching and learning principles for congenial learning climate. In conclusion, author says that the drastic changes in the business scenario call for a speedy transformation of organizations. Coaching plays important role in helping organizations achieve change that is desired towards the performance of any organization perhaps commercial banks.

Raju T (2005), conducted a survey on the various aspects of mentoring viz., management's attitude, selection process, quality of training, Impact on individuals, impact on productivity and post-training assessment in different categories of banks in Coimbatore. His article "Training as an Effective human resource development Technique in Banking Sector an Opinion Survey" revealed that by

and large the employees of different categories of banks appeared to be satisfied with most of the aspects of the training programmes. He further states that the attitudes of the employees towards the various components of mentoring differed based on gender, position, age, educational background and experience.

Employee performance

Reduced employee turnover. Employees are the most valuable assets of the organization. A successful and highly productive business can be achieved by engaging employees in activities that can improve on their performance. Ajila (1997) notes that, there is a high likelihood for employees to search for new pastures elsewhere in case of poor working conditions in the incumbent company. This should therefore be defined by creating focus areas for employees for example clarifying the super ordinate goals and working round for talent retention. Many small companies do ignore the concept of employee motivation and yet it has much to be considered when it comes to labor turnover. A well motivated employee has minimal chances of quitting his/her job as opposed to the one that is not motivated. Improved employee morale. Its hard to have a standard measure for employees performance. However its relatively easy to measure performance for those workers who are supposed to achieve quantified targets such as sales. A happy worker is a productive worker. The Hawthorne studies conducted at an electoral point in Chicago from 1924-1932 revealed that employee morale and satisfaction increases performance. Low morale may lead to reduced concentration which in turn can cause mistakes, poor customer service and missed deadlines. It can also contribute to high turnover rate and absenteeism. Employee morale proves to be detrimental to the business in these respects. Morale can drive an organization forward or can lead to employee discontent, and poor job performance (Ewton, 2007).

Promotion. The management of individual performance within the organization has traditionally centered on assessing performance and allocating rewards. These range from promotions, delegations to empowerment. Milner (2011) Article on *performance review* cited that, many companies have decided to promote their employees that do excel in

performance. This motivates employees and makes them work harder towards the attainment of organization goals. Taks (2012), in his study conducted on the performance of councilors in Chanika found out that, performance determinants though many, promotability chances are key for any kind of competence to be exhibited from the employee. Most employees are only motivated to work if they feel recognized and respected in such a manner.

Relationship between career development and employee performance

Workforce is an important and inseparable part of organization. Productivity mostly depends on qualified workers. So boosting employee behavior means strengthening employee performance and ultimately benefiting the company. To strengthen performance offering only monetary rewards cannot be a useful tool. Sometimes these rewards can work negatively. For example, when employees see that a drop in productivity results in monetary incentives for a return to normal productivity levels, they may repeatedly reduce their performance. At present day employees give less emphasis on monetary rewards and put more value to their professional development. If the company nurtures the growth and development of employees, they positively work for the company. By creating a sense affiliation within the organization, management can ensure higher levels of productivity and a higher retention rate. There is a close relation between career development and performance of employees in the organization. Demotivated and frustrated employees typically leave the job which has a negative impact on production. Money is not the ultimate solution, Rather job enrichment, affiliation, and even simply expressing thanks can motivate employees and foster their performance (Maslow, 1954).

Career development programs enable a deeper focus on an employee's aims and aspirations from identification of the handicaps being faced by an employee in accomplishing his goals to the solutions in terms of re-skilling or reassignment. This focus acts as the significant motivator for an employee to excel and exceed the targets. "It facilitates powerful personal and professional development. As per the motivational theories, achievement orientation, growth and development are the basic human needs. Possibility and hope for career development motivates employees to perform better. It is an ongoing, dynamic process; employees may need encouragement and support in reviewing and re-

assessing their goals and activities,” explains Ulhas Aher, Head HR, Compass Connections.

Armstrong (2001) emphasizes that people who are motivated when they expect that a course of action is likely to lead to the attainment of a goal and a valued reward-one that satisfies their needs. He further asserts that the organization can provide the frame work that can facilitate high levels of motivation through the provision of incentives and rewards, satisfying work opportunities for learning and growing.

The choice of career development scheme is dependent upon the nature of the organization, its employees and management approach. Cush way (1994) observed that the importance of career development has led many bankers and practitioners to create types of career developments and he also argued that most of these types are direct attempt to minimize some particular problems found in other approaches. On the other hand, Kamwine (2004), supported the above argument as he noted that none of the schemes is perfect as each has advantages and disadvantages and therefore the choice of one should depend on the organizational leadership and culture.

However Cushway (1994) observed that every employee has a right to know well he or she is doing all the year round and not just at career development time, he further noted that it is an obligation on the part of management to let them know. Similarly it is primarily management’s responsibility to ensure that there are no surprises at career development time and this implies that managers should discuss both positive and negative of employee performance throughout the year. Unfortunately, this is not the universal practice because in most cases it is the employee’s interest to open up discussions about performance even if the manager does not initiate it.

Thus it is important to remember that even if managers are not creating that communication, employees can and should because it is a shared responsibility. The above argument is in line with Dessler (2003), pointed out that when properly conducted, career development does not only let the employee know well they are also influences the employees future level of effort, activities, results and task direction. Account should be taken that career development therefore involves establishment of a plan of improvement of employee’s performance. Ideally, of all the activities in the human resource management, career development is arguably the most contentious and least popular among those who are involved. Managers do not seem to like it, employees see no point in it and personnel and

human resource managers as guardians of the organization’s appraisal policy and procedures have to stand by and watch their work fall into disrepute (Bratton et al 1999).

Despite the poor record of appraisal with organizations, it is an accepted part of management orthodoxy that there should be some means by which performance can be measured, monitored and controlled. Thus failure to show that management is in control would be regarded as highly ineffective by those with an interest in the affairs of an organization. Career development will be interpreted by an employee as a feedback and will have a potentially strong impact on an employee’s view of self, for instance self-belief, self-esteem (Bratton and gold 1999).

However, Flippo (1984) is of the view that better managers will work with employees to help them do their jobs more effectively but they cannot know they can help unless employees provide them with good factual information or even better concrete ideas about their performance. However, Dessler (2003), observed further that , one of the greatest difficulties any manager experiences in appraising staff is being objective about the individual and this is because there is a tendency , naturally , to want to give better ratings to people they like than those they are less keen on. Similarly, the judgment of an employee can be influenced by the “hell effect” in which an impressive attribute can tend to make the supervising rate higher than they perhaps deserve.

Kamwine (2004) presented important issues that are related to the current study for example when they suggest that bankers seem generally to appreciate the opportunity to reflect on their professional role on one to one basis with one another’s colleague.He further pointed out that manager, as professionals are willing to seek feedback from those the respect to attempt to learn new skills and improve their performance. Cush way (1994), as in agreement with the above view pointed out that it is important to leave the supervision meeting having a good understanding of what has been said and if that is not possible, clarification can offer the meeting. However although many scholars have shown great support for this argument, research has unfortunately proved that many employees walk into supervision meeting unprepared to present their points of view and being unprepared means being a reactive participant or passive participant and this makes it almost impossible to create dialogue for performance improvement.

Torring et al (2002), on the other hand, noted that very few managers know how to inform an employee that their performance is less than required and less than they are capable of giving or that they have an attitude or behavior problem that is limiting their contribution or adversely affecting their colleagues. The consequence is that even if the supervision system design is effective, so often the supervision outcomes are disappointing because the process is mismanaged. All this may not be universal, for there are also good supervisors who will work actively with their people to ensure that benefit will flow the process. Nevertheless supervision system is therefore at the center of organizational life and without it effective supervision change and development lacks purpose, direction and commitment.

According to international monetary fund (IMF) Report Oct 3, 2010 (Bloomberg) Regulators around the world must be more aggressive in their effort to prevent banks and other financial companies from taking on too much risk. International Monetary Fund staff said in a report today. "Career development needs to be more intensive and intrusive, as well as more focused on cross-border exposures," the IMF report said. It also called for further consideration of a stabilization fund to be created among banks to cover the cost of cleaning up the future crises.

The report said that, three years after the start of the global financial crisis, concerns remain that many of the structural characteristics that contributed to the build-up of symmetric risks are still in place today. The report "Shaping the New Financial System" urges countries to give regulators a clear legal mandate to oversee their financial markets and companies as well as sufficient funding authority. Supervisory agencies should issue public reports of their work and be able to share information "with domestic regulators and foreign counterparts", the report said. The paper also focuses on private –sector cooperation. "Business models and practices will need to be aligned and boards of directors will need to be equipped with powers to rein in excessive risk taking and be held accountable for it", it said. According to the release, a commercial bank shall design a uniform compensation system and the compensation package shall comprise fixed compensation, variable compensation and welfare benefits. Fixed compensation refers to the base salary. Variable compensation refers to the performance –linked compensation (merit pay) and the medium and long term incentives. Welfare

Findings and Discussion

benefits include insurance benefits, and housing provident fund.

There should be a base salary; the payment made by a commercial bank to its employees to cover their basic living expenditure, which includes allowance and subsidies. The amount of the base salary shall be mainly determined by the employee's input, length of service, job responsibilities and risks induced. Allowance and subsidies refer to the monetary grants provided in accordance with relevant state regulations a commercial bank for its employees to compensate for their special or extra labor consumed, and for the practical loss in their real income due to the changes in commodity prices. A commercial bank shall determine the amount of allowance and subsidies in compliance with the applicable standards and policies issued by the state.

Methodology

The study adopted a quantitative paradigm with cross sectional and correlation designs. Correlation design was used to establish relationships between the study variables. Logical quantitative designs were applied in data collection, analysis and presentation which also helped to test hypothetical deductive generalizations. The study sample size of 135 respondents was used which was consistent with the sample size guidelines of Ntoumanis (2001) and Field (2006). Ntoumanis (2001) and Field (2006), multistage, simple random sampling and purposive techniques were used. Primary and secondary data sources were used in the study.

Cronbach's alpha was used to test the reliability of the instruments and the instruments were found to be reliable at 0.78. Content validity of the two instruments was ensured through use of valid concepts which measure the study variables. Content validity was used to ensure that the questionnaire was content valid. The content validity results were obtained and for all the constructs were above 0.7 as recommended by Sakaran (2000). The study used Means and standard deviations in order to summarize the results. The means were used because they show a summary of data and standard deviation clearly shows how well the means represent the data (Field, 2009). Hierarchical regression was used to estimate the predictive power of the predictor variable on the criterion variable in the model fit.

In order to answer the objectives and to test the hypotheses of this study, zero-order correlation analysis was carried out. The aim was to assess whether linear relationships existed between career development and employee performance. In effect, bivariate-correlation analyses were performed and Pearson correlation coefficients were generated to measure the magnitude of the relationship between the study variables

Correlation between Career Development elements, and Employee performance

	Mean	Std. Deviation	Job rotation	Mentoring	Training	Employee performance
Job rotation	3.20	.28	1			
Mentoring	3.23	.36	.323**	1		
Training	3.21	.33	.499**	.131*	1	
Employee performance	3.10	.25	.388**	.249**	.183**	1

** Correlation is significant at the 0.01 level(2-tailed) * Correlation is significant at the 0.05 level(2-tailed)

Source: Primary data, 2017

Results show the correlation matrix which provides a summary of correlation Coefficients of study variables. It is evident that there is a positive significant correlation between Training and employee performance ($r = .388^{**}$, $p < 0.05$). This finding means that Efficiency in Training associated with greater career development leads to greater employee performance. It is evident from the findings that a positive and significant relationship between Job rotation and employee performance exists ($r = .249^{**}$, $p < 0.05$). From correlation matrix the results indicate that the relationship between Mentoring and employee performance, exists but the findings further indicate the relationship is not significant ($r = .183^{**}$, $p > 0.05$).

Training and Employee performance are positively related in Commercial Banks (H_1).

The findings revealed that appositve and significant relationship between Training and employee performance exist in Commercial Banks($r = .388^{**}$, $p(0.000) < 0.01$). This shows that a maintaining strong and efficient Training is highly associated with high employee performance in Commercial Banks.

Job rotation and Employee performance are positively related in Commercial Banks (H_2).

In a related case, the relationship between Job rotation and employee performance is significant ($r = .249^{**}$, $p(0.000) < 0.01$). This implies that efficient Job rotation is associated with higher performance levels

of employees in Commercial Banks. The hypotheses above, in general, posit that there is a significant and positive effect of Job rotation on employee performance

Mentoring and Employee performance are positively related in Commercial Banks (H_3).

It is evident that there is a significant and positive correlation between Mentoring and employee performance ($r = .183^{**}$, $p(0.001) < 0.01$). This is a sign that a strong relationship exists between Mentoring and employee performance. This, therefore, lends support to hypothesis H_3 .

Analysis was conducted to assess the relationship between Career Development and employee performance. Career Development, in this case, is the average of Training, Job rotation and Mentoring and employee performance encompasses employee turnover, promotion and employee morale. The following hypothesis was tested:

Career Development relates to employee performance in Commercial Banks (H_4).

Results further show a positive and significant relationship between Career Development and employee performance. The findings further revealed that there is a strong significant relationship between

the level of Career Development and the degree of employee performance $r = .335^{**}$ 'sig = 0.000 indicating a strong positive co-relation ($r > 0$) which indeed was big since its sig value = 0.000 < $\alpha = 0.01$ leading to acceptance of the hypothesis to the effect that the level of Career Development has a strong relationship with the degree of employee performance of Commercial Banks in Ilala District Tanzania. One of the objectives of this study was to establish the extent to which Career Development can influence the employee performance of Commercial Banks in Ilala District Tanzania. Specifically, the tested hypotheses were:

H₁: Training positively influences employee performance in Commercial Banks in Ilala District Tanzania

H₂: Job rotation positively influences employee performance in Commercial Banks in Ilala District Tanzania

H₃: Mentoring positively influences Employee performance in Commercial Banks in Ilala District Tanzania

The researcher deemed it fit to test these hypotheses by carrying out multiple regression analysis, with the aim to establish the influence of each variable. By doing so, the relative importance of career development is judged on the basis of how much it adds to the prediction of employee performance.

The regression results are provided below:

Model estimates

The hypothesis was structured to ascertain the extent to which Career Development can influence employee performance. This was expressed as:

$$Y = a + bx$$

$$EPM = f(CD)$$

$$Y = \alpha_0 + \beta_1 \text{Training}_1 + \beta_2 \text{Job}$$

$$\text{rotation}_2 + \beta_3 \text{Mentoring}_3 + \mu \dots \dots \dots$$

Where

Y = Employee performance (proxied by Employee turn over, Promotion, employee morale)

$$Y = 1.746 + 0.381X_1 + 0.095X_2 - 0.045X_3$$

$$X_1 = \text{Training}$$

$$X_2 = \text{Job rotation}$$

$$X_3 = \text{Mentoring}$$

$$\text{Employee performance} = 1.746 + 0.381 \text{ Training}$$

$$+ 0.095X \text{ Job rotation} - 0.045 \text{ Mentoring}$$

The predictor influences employee performance by 27.7%

Hierarchical regression with Career Development elements on employee performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.499 ^a	.249	.247	.18025
2	.522 ^b	.272	.268	.17771
3	.524 ^c	.275	.269	.17763

a. Predictors: (Constant), Training

b. Predictors: (Constant), Training, Job rotation

c. Predictors: (Constant), Training, Job rotation, Mentoring

In the Model, Training accounted for 24.9 % of variance in employee performance that caused a statistically-significant standardized coefficient ($B = 0.381$, $P < 0.01$); In Model 2, the introduction of Job rotation in the equation yielded 27% to the explanatory power of the model. This implies that Job rotation accounted for an additional 2% of the

variance in employee performance and caused a statistically-significant coefficient ($B = 0.095$, $p < 0.01$) the inclusion of Mentoring, yielded an insignificant additional 0.3% to the explanatory power of the model. This finding means that Mentoring accounted for only 0.3% of the variance in employee

performance and caused a statistically insignificant coefficient ($B = 0.045$, $p > 0.05$)

It is, therefore, evident that the overall predictive or explanatory power of the model is 27.7%. This indicates that Training, Job rotation, and Mentoring when combined, explain up to 27.7% of the variance

in the employee performance of Commercial Banks in Tanzania

The order of importance of these variables in explaining the variance in employee performance (basing on their standardized beta values) is: Training, then Job rotation, and lastly mentoring.

Summary results of testing hypothesis

Hypothesis	Supported/not supported
H₁: Training positively influences Employee performance in Commercial Banks in Ilala District Tanzania	Supported
H₂: Job rotation positively influences Employee performance in Commercial Banks in Ilala District Tanzania	Supported
H₃: Mentoring positively influences Employee performance in Commercial Banks in Ilala District Tanzania	Supported
H₄: Career development positively influences Employee performance in Commercial Banks in Ilala District Tanzania	supported

It is recommended that policy makers should develop programs directed towards the sensitization of staff about career development. The staffs that are trained regularly and continuously should also be encouraged to work harder on their own by increasing on the rewards extended to the best performers.

Managers, who are the link between the bank owners and other Stakeholders like the customers, Government, must have superior perspective of the goals of the bank to be able to monitor the progress of the banking institution as a whole.

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