



ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

**EFFECTS OF MOTIVATIONAL FACTORS ON EMPLOYEES PERFORMANCE IN
COMMERCIAL BANK OF ETHIOPIA IN CASE OF SOUTH ADDIS ABABA DISTRICT
A THESIS PAPER SUBMITTED FOR THE PARTIAL FULFILLMENT OF MASTERS OF
BUSINESS ADMINISTRATION**

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ADDIS ABABA, ETHIOPIA

STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than Addis Ababa University in Addis Ababa for academic credit.

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**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT
MBA PROGRAM**

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Abbreviation and Acronym

CBE: Commercial Bank of Ethiopia

OLS: Ordinary Least Square

SAAD: South Addis Ababa District

SPSS: Statistical Package for social sciences

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Abstract

Motivational factors play an important role in increasing employees' performance. Motivated employees in return can improve their performance as well as company's productivity. The objective of the research is to analyze the effects of motivational factors on employees' performance in CBE in case of South Addis Ababa district. This study is based on both primary data and secondary data were collected from staff of commercial bank of Ethiopia in South Addis Ababa district through questionnaires'. Purposive sampling techniques was used in the study to select the respondents from the list of employees provided by the human resource department in order to capture the entire population, thus, the sample size of the study was 350. The data instrument that face to face interview and structured questionnaire developed by the researcher, particularly for this study. The questionnaire made use of a five-point Likert scale to rate the importance of various motivational factors. The research was analyzed using Statistical Package for Social Scientists (SPSS) version 22.OLS was used to investigate the relationship between dependent and independent variables. The results of the regression showed that most of the motivational factors like salary, bonus, allowance, job security and enrichment, job status, job promotion and transfer have positive impact on employees' performance. Furthermore, the results show that employees commitment, organizational structure, loan opportunities, job security and promotion as well as employees empowerment have a positive and statistical significantly effect on employees performance.

Key Words: motivational factors, employees' performance

UNIT 1: INTRODUCTION

1.1 Background of the Study

Motivation is an employee's intrinsic enthusiasm about and drives to accomplish activities related to work. Motivation is the internal drive that causes an individual to decide to take action (Filed, 2018). It lies dormant until the proper conditions make them active. That means there are different factors that create suitable conditions for motivation. These factors are intrinsic and extrinsic factors. Motivation starts to arise, if the right person with suitable skills is made responsible for the job or otherwise it brings wastage of resources and time, finally results in incapable and non-willing job performer.

Motivation can be expressed as what individuals attempt to achieve better. But the way every individual is motivated are not the same. The factors that motivate individuals are differing from one another. Every employee or worker has his or her own set of motivations and personal incentives that inspire him or her to work hard. Some are motivated by recognition whilst others are motivated by cash incentives. Whatever the forms of employee motivation, the key to promoting motivation for employer are understanding of the needs of employees and designing appropriate incentives schemes (McCoy, 2000).

Motivation is the key to creating an enabling environment where optimal performance is possible. This leads to the question how then do we ensure that individual motivation is at its peak within the organization or workplace (Chapman, 2004).

In simple words, motivation does not only encourage productive performance but also show employees how much the company cares. It also directly links to individual performance that gain to organization performance and as an energizer for all individual employees working for an organization to enhance their working performance or to complete task in much better way. Perhaps the most vital impact of employee motivation is that of increased productivity or Performance. This according to literature on the subject is the central aim of adopting employee motivational programs thus, if you can increase employee motivation, Productivity certainly will follow suit (Ryan, 2011).

The motivation of the employees' plays a major role in achieving high levels of satisfaction among its customers (Petcharack, 2004). Motivating employees is a challenge and keeping

employees motivated and even greater challenge (Levy, 2013). Organization runs because of people working for it, and each person contributes toward achieving the ultimate goal of an organization. Today, organizations are under intense pressure to identify and implement programs that will prove effective in improving employee productivity (Deci, 2013). It is no longer enough to increase salaries and expect increased performance; it is more complex than that (George and Jones, 2013). The ingredients of motivation lie within all and the internalized drive toward the dominant thought of the moment (Rabby, 2001).

Different researches are conducted on the effects of motivational factors on employees' performance in different countries. In Ethiopia Mohammedyasir (2011) conducted a research on the effects of motivation on employees' performance in Holeta Agricultural center. On his analysis he found that motivation has positive influence on the employees' performance. Even if a research is conducted on the effects of motivation on the employees' performance, it is important to examine it in a different context. The first one is the issue of place differences. The researcher conducted his research in Holeta whereas this research will be conducted in Addis Ababa. The second issue is time and sector difference. The sector in which the research conducted is not the same; the first one was in agricultural sector and this research is in the service sector.

1.2 Background of the organization

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942. CBE was legally established as a share company in 1963.

In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country. The bank is the Pioneer to introduce modern banking to the country. It has more than 1280 branches stretched across the country. CBE is the leading African bank with assets of 565.5 billion Birr as on June 30th 2018. It plays a catalytic role in the economic progress & development of the country. It is the first bank in Ethiopia to introduce ATM service for local users.

Currently CBE has more than 18.8 million account holders and the number of Mobile and Internet Banking users also reached more than 1,736,768 as of June 30th 2018. Active ATM card

holders reached more than 4.4 million. As of June 30, 2018, 1708 ATM machine and 11,796 POS machines were available.

The bank has strong correspondent relationship with more than 50 renowned foreign banks like Commerz Bank A.G., Royal Bank of Canada, City Bank, HSBC Bank and others. It has a SWIFT bilateral arrangement with more than 700 others banks across the world. CBE combines a wide capital base with more than 33,000 talented and committed employees.

CBE has reliable and a long-standing relationship with many internationally acclaimed banks throughout the world. It is the pioneer one to start the foreign money transfer. The bank also opened four branches in south Sudan since 2009.

In Ethiopia CBE have 15 districts .Those are North Addis, South Addis, West Addis, and EastAddis,Adama,Diredawa,WolataSodo,Jimma,Nekemt,Bahirdar,Gonder,Desse,Mekele,Hawassa ,Shashamene (CBE Public website) .From those districts my unit of analysis is South Addis Ababa District which has its own functional and operational structure with human personnel.

1.3 Statement of the problem

Motivating people is far from an exact science in most organizations. Most organizations are still living with traditional way of handling their employees. Scholars and researchers have been eagerly interested in knowing what factors are responsible for stimulating the will to work. An organization is only as strong as its workforce. Human resources need to be treated with great care, since they are a special resource that needs to be given special managerial attention and time (Storey, 2013).

In a highly competitive, global environment, organizations are constantly under pressure to retain their workforce (Deci, 2013). Highly skilled, reliable and experienced employees are a valuable asset for any organization. It is evident that highly motivated employees are more likely to have high productivity. The more motivated an employee is, the more likely they are to have organizational commitment and identify themselves with the organization.

In Ethiopia, the CBE is a booming service industry in terms of growth, investments, and employment. This financial institution is commonly known as the giant and back bone for Ethiopian economy. The bank has set its own vision to become world class commercial bank in 2025 G.C. The profitability and vision of the CBE are attained when employees are motivated to

actualize their potential and increase their performances. This in turn is possible when companies empower their workers. I work for CBE and my assessment through informal communication with CBE employees of the center shows they are demotivated as expressed by word of mouth. The continuous increase of customer dissatisfaction also indicate the service is provided by the demotivated employees .The bank tried to keep their employees motivated by implementing new structure with an increase in salaries ,benefits and rewards so as to remain competitive with other private banks.

CBE as state owned bank is one of the most profitable banks in Ethiopia. It has gone through different reforms and incentive schemes. However, the employees are dissatisfied but remain profitable . Therefore the intention of the study is to investigate the effects of motivational factors on employees' performance by taking Southern Addis Ababa district as a case .Therefore the study will clearly state some of the motivational strategies that will help them to motivate staffs and also achieve organizational goals.

1.4 Research Questions

To address the problem statement the following research question are set.

1. What is the effect of motivational factors on employees' performance?
2. What is the motivational factors that improves employees' performance in South Addis Ababa District?
3. What are the effects of new organizational structure implementation on employees' performance?
4. What are the possible solutions to the current motivational problems in south Addis Ababa

1.5 Objectives of the study

1.5.1 General objectives

The general objective of this study is to assess the effects of motivational factors on the employees' performance of SAAD and forward feasible solution that can help the districts to use motivational factors effectively and efficiently in terms of boosting employees' performance.

1.5.2 Specific objectives

Specifically the study will try to achieve the following objectives

1. To identify the effects of motivational factors on the employees performance.

2. To identify motivational factors that improve employees' performance in South Addis Ababa District.
3. To identify the effects of new organizational structure implementation to improve employees performance

1.6 Significance of the study

The study will be vital in so many ways. The findings from this study are beneficial not only to the workers of the bank but also the financial sector as a whole. That is, this study is useful at three levels namely, the individual level that is the workers of South Addis Ababa District are informed as to the incentive programs available to them and how best to utilize them for personal development and improved performance. Also, at the Bank level, it helped the bank review their employee motivational policies and strategies which increased staff productivity and enhanced growth and productivity. The final result of this study may instigate other researchers to do further works in large scale on the topic in the future in the organization under study or other similar organizations.

1.7 Scope of the study

There are many factors related to motivation that have effect on performance of employees. Since studying the effects of all factors on employees' performance is unmanageable, the researcher tried to limit the factors to salary and rewards, career development, participation and safety and healthy work environment. In addition, the study is also limited to only South Addis Ababa District, due to limited knowledge, skills and financial resource that the researcher had.

1.8 Limitation of the study

While conducting this study the student researcher encountered the following limitation.

- A. 32 questionnaires were not filled and returned by respondents.
- B. Data's needed for analysis concerning motivation can be gained from responses of employees using primary data since most of the data are related to attitude of employees.
- C. There was difficulty of getting secondary data from the center. Hence, the researcher wants to say that if future researchers make the study on the area using secondary data the result will be more significance, accurate and reliable.

UNIT 2: REVIEW AND RELATED LITERATURE

2.1 Conceptual definition of motivation

Studying motivation is very crucial factors for managers so as to determine the success or failure of their company. It helps them to study the behavior of their employees' and preparing conceptual tools for analyzing motivation problems in their organizations.

Motivation is the most important influential factors in determining organizational and employees' performance as well as employees' ability such as the resources given to help employees do their job. That means it has an impact on the performance of employees in some way or another through a variety of different motives. Motivation varies from people to people and from company to company. Therefore it is better to define motivation so as to know its implication on the productivity and overall efficiency of the given organization by considering needs, ages and time of their workforce. The concept of motivation is abstract because different strategies produce different results at different times and there is no single strategy that can produce guaranteed favorable results all the times (Halepota, 2005).

The term motivation is derived from English word "motive", and it is borrowed from the Latin word "Movere". The meaning of "Movere" is to move. Motives mean the drives, needs, desires, wants or impulses within the individuals.

Early definition of motivation is focused on instincts. Contemporary authors have defined the concepts of motivation in sophisticated manner and in different ways. Due to the complexity of the human behavior and world dynamism there is no single definition of motivation that is universally accepted. Motivation is not a magic, but a set of process that in flume behavioral changes (plunked, 1994). Motivation has been defined as "an internal drive to satisfy an unsatisfied need" (Higgins, 1994). According to Simon (1970:381-383), motivation is said to be when organization is observes that is created to "satisfy the need of individual members who work to achieve those objectives of the organization therefore, organization effectiveness can only possibly be assumed when there is an agreement between organizational objectives and individual needs". Motivation can also be expressed as "the psychological process that gives behavior purpose and direction" (Kreitner, 1995). In view of Bedian (1993), "it is the will to achieve". Ezeali (2009:153) maintain that is an "energetic force that compels or induces maintenance of a particular behavior. They however explained that motivation is not only

restricted to physical and tangible things like money or promotion but also intangibles like psychological factors.

Furthermore, according to Morehead and Griffin, cited in Onah (2008:279), “motivation is a set of forces that lead people to behave in particular ways”. McGregor, cited in Ogunna (1999:287) highlighted that “people love to work if conditions of work are quite satisfactory to them and they are recognized as human beings, not machines”. The most common motivation to any workforce is that which is built on human relations philosophy of management.

Motivation is not directly observable (it is internal to each employee or inner state energy), it is personal (what is arousing differs and how behavior is directed is often different), however the process is common and it is goal is directed. Motivated employees are willing to exert a particular level of effort (intensity), for a certain amount of time (persistence), toward a particular goal or direction (Mullin 1996).

The implication of explaining the definition of motivation for managers and employees recognizes to achieve goals; individuals must be sufficiently stimulated and energetic with a clear focus in mind and must be willing and able to commit their energy for a long period of time to realize their aim. The managers should make sure that employees are sufficiently motivated (intensity) in a continuous fashion (persistence) and provide a clear direction (goal specification) that is consistent with the goal of the organization. When one need gets fulfilled another need arises and again individual attempts to satisfy the same. This is a continuous process. It is the responsibility of a manager to create such environment that individual is motivated to achieve higher goals. It may be noted that high motivation leads to greater performance, higher cohesiveness and leads to higher job satisfaction. Employees accept change that leads to increased organizational image low turnover and absenteeism.

2.2 Types of Motivation

People are often motivated by external incentives as well as internal needs. It's important to understand that all people are not the same; thus effectively motivating your employees requires that you gain an understanding of the different types of motivation. Some people respond best to intrinsic which means "from within" and will meet any obligation of an area of their passion. On the other hands others will respond better to extrinsic motivation which, in their world, provides that difficult tasks can be dealt with provided there is a reward upon completion of that task. Both kinds of motivation take part equally in a day to day life of an individual and there are basic

similarities and differences between them. Therefore it is difficult to say intrinsic motivation is more beneficial than extrinsic motivation because both are affected by the situation, individual's motivation techniques, and time duration requirement. In conclusion both type of motivation are equally important for the organization in completing their goals. Wood, (1995:376) classified work place motivation in to two. These are presented below.

1. Intrinsic Motivation

Intrinsic motivation is motivation that is animated by personal enjoyment, interest, or pleasure. As (Deci, 1999:658) observe, "Intrinsic motivation energizes and sustains activities through the spontaneous satisfactions inherent in effective volitional action. It is manifest in behaviors such as play, exploration, and challenge seeking that people often do for external rewards". Intrinsic motivation defines the individual's motivational stimuli are coming from internal behavior. In short self-motivation which is comes from hobbies and passion. It can also express a person's internal desire to do something, due to such things as interest, challenge, personal satisfaction and concerned with opportunity for personal growth, development, and advancement, and deals with the quality of work performed. Traditionally, educators consider intrinsic motivation to be more desirable and to result in better learning outcomes than extrinsic motivation (Deci,1999).

2. Extrinsic Motivation

Extrinsic motivation is external motivation in which individual's motivational stimuli is coming from outsides (exterior factors) such as rewards and incentives and punishments. It arises when management provides such rewards as increased pay, praise or promotions (Armstrong, 2006).Praise or positive feedback, money, and the absence of punishment, employee of the month award, competition, benefit package, bonuses, workplace, level of pay, working conditions, fringe benefits and organized activities are examples of extrinsic motivation (Deci, 1980).

2.3 Importance of Motivation

Motivation according to (Rao, 2000 P. 517) is the process that influences people to act and determine the organizational efficiency. He stated that all facilities may go wasted if employees are not properly motivated. The same author describes as the importance of motivation can be judged from the following factors:

- a. **Need satisfaction:** Motivation helps in satisfying individual as well as group need employees. It results in the voluntary co-operation and co-ordination of employees. In addition the goal of the organization can be easily achieved.
- b. **Job satisfaction:** when employees are properly motivated, they use their skill and knowledge up to their maximum ability to show better results to the management
- c. **Productivity:** Motivation results in increased productivity since its basic objective is to achieve the goals to the enterprise and the being motivated workers give their best performance that helps in increasing the productivity of the organization
- d. **Acceptance of organizational changes:** Technological changes taking place in the world have brought about revolutionary changes on productivity. Generally, employees resist these changes but with proper motivation, they accept these changes, thereby keeping the organization in line with the other competing concerns.
- e. **Increasing all round efficiency:** The friction between the workers themselves and between the management and worker is decreased, resulting in an all-round efficiency. It helps in decreasing the wastages, accidents, complaints and grievances.
- f. **Reduction in labor turnover and absenteeism:** One of the most important contributions of motivation is that employees prefer to stay in the organization there by bringing the labor turnover to the minimum. Similarly, motivated employees tend to be regular and the problem of absenteeism is minimized.
- g. **Basis of co-operation:** Efficiency and output are increased through cooperation. The cooperation could not be obtained without motivation; thus, motivation is a basic of cooperation.

2.4 Motivational Theories and its Assumptions

Motivation theories provide an insight into what makes an employee perform better. It provides managers with a tool to motivate employees and helps them in understanding how the staff can be managed better.

Assumptions of motivational theory

1. Behavior has a starting point, a direction, and a stopping point.
2. Focus is on voluntary behavior under the control of the person.
3. Behavior is not random. It has purpose and direction.

2.4.1. Maslow's Need Hierarchy Theory

Abraham Maslow is among the most prominent psychologists of the twentieth century. The theory is based on a simple premise. Human beings have needs that are hierarchically ranked. It is based on the needs of the people states that an individual is motivated to satisfy certain unsatisfied needs. This theory is proposed by Abraham Maslow in his 1954 book Motivation and personality.

Maslow (1943) stated that employees had five levels of needs and that human needs were in the form of a hierarchy ascending from the lowest to the highest. The assumptions have pyramidal order in its structure. In this theory each need is substantially satisfied, the next need becomes dominant. The Maslow needs theory can be expressed as lower order needs and higher order needs. Lower-order needs are needs that are satisfied externally and consists physiological and safety needs. Higher order needs are need that is satisfied internally and includes social, esteem, and self-actualization needs. Overall the theory has five hierarchies

1 .Physiological Needs (Basic or Survival) needs:

Physiological needs include, needs for food, drink, clothing, shelter, rest (sleep), sex and breathing other similar basic requirements(Maslow,1954).Once an individual is satisfied reasonably well these needs, he thinks in terms of higher level needs

2. Safety needs (Security)

These are the needs for protection against danger, threat, deprivation and the need for job security.

- ✓ Economic security needs: a man wants economic security i. e fulfillment of basic needs.
- ✓ Physical security needs: these needs include protection against fire, accidents and other types of physical dangers.
- ✓ Social security needs: these include a need for state of illness or permanent incapacity to work caused by some disablement.

3. Social (Affiliation) needs

Social needs become important for all those who live in societies and work in the company of others. These needs include those of belonging, association, acceptance, friendship and love (Maslow, 1954).

4. Ego (Esteem) needs

These needs include those of self-confidence, independence, achievement, status and recognition. These needs dominate only when an individual is reasonably satisfied with the first three needs (Maslow,1954).

5. Self-Actualization (self-fulfillment) Needs or Self-realization

The needs concerned with the need to realize one's capacities and potentialities by achieving specific goals. In simple words, these needs reflect a desire to become what one is capable of becoming. The man accepts such work which is challenging and creative and also provides opportunities for self-development (Maslow, 1945).

The Maslow needs theory has both merits and demerits.

The merits include:

1. It possibly covers all human needs from birth till demise.
2. This system arranges human needs into a hierarchical manner which is quite logical.
3. Guide to management for launching motivational schemes.
4. Simple to comprehend- not only students but also a layman, this is quite understandable.

Demerits:

1. It is not universally applicable to all individual i.e. labor, professionals etc.
2. It excludes several important human needs such as need for mental peace, need for happiness in life, personal needs like for piety (devotion to God)
3. Global differences: the same human needs have different implication for different people in various countries (poor or rich).
4. An element of overlapping: human needs cannot be placed in watertight compartments things Maslow has done.
5. This theory does not recognize the simultaneous emergence of two or more needs, at the same time.

Managerial Implication of the theory is explained as follow

1. Physiological needs: Provide lunch breaks, rest breaks, and wages that are sufficient to purchase the essentials of life.
2. Safety Needs: Provide a safe working environment, retirement benefits, and job security.
3. Social Needs: Create a sense of community via team-based projects and social events.
4. Esteem Needs: Recognize achievements to make employees feel appreciated and valued.
 - Offer job titles that convey the importance of the position.

Self-Actualization: Provide employees a challenge.

2.4.2.ERG Theory (Clayton Alderfer)

ERG theory, developed by Clayton Alderfer, is a modification of Maslow's hierarchy of needs. Instead of the five needs that are hierarchically organized, Alderfer proposed that basic human needs may be grouped under three core needs namely

1. Existence: provision of basic material requirements.
2. Relatedness: desire for relationships.
3. Growth: desire for personal development.

As ERG theory Existence corresponds to Maslow's physiological and safety needs, relatedness corresponds to social needs, and growth refers to Maslow's esteem and self-actualization. This theory cannot rank the needs. It also suggests that more than one need can be operate at the same times. The theory has a "frustration-regression" hypothesis suggesting that individuals who are frustrated in their attempts to satisfy one need may regress to another.

The summary of ERG theory and Maslow's Need Hierarchy Theory

1. Need Hierarchy Theory: The needs can operate parallel.

ERG: more than one need can be operate at the same times.

2. ERG: Frustration-regression principle.

An already satisfied lower-level need becomes reactivated when a higher-level need is frustrated.

Need Hierarchy Theory: Stay there and try to satisfy.

The implication of this theory is that we need to recognize the multiple needs that may be driving individuals at a given point to understand their behavior and properly motivate them.

2.4.3. Two-Factor Theory (Frederick Herzberg)

Frederick Herzberg developed the two factor theory in 1959. The two-factor theory of motivation includes hygiene factors and motivators. Two factor theory states that there are certain factors in the work place that cause job satisfaction, while a separate set of factors cause dissatisfaction. Hygiene factors are needed to ensure an employee does not become dissatisfied. They do not lead to higher levels of motivation, but without them there is dissatisfaction. Motivation factors are needed in order to motivate an employee into higher performance (Plunket, 2001:421). Motivators are related to the job itself and factors derived from it. These factors result from

internal generators in employees. They create Satisfaction. Without them there is a state of “no satisfaction”.

Herzberg labels factors causing dissatisfaction of workers as “hygiene” factors which is extrinsic because these factors were part of the context in which the job was performed, as opposed to the job itself (Plunket, 2001:419). Hygiene factors included company policies and administration, supervision, working conditions, salary, interpersonal relations, safety, status and security on the job. In contrast, motivators are factors that are intrinsic to the job, such as achievement, recognition, interesting work, increased responsibilities, advancement, growth opportunities and promotion opportunities. According to Herzberg’s research, motivators are the conditions that truly encourage employees to try harder. The classification of the factors as hygiene or motivator is not that simple either. For example, the theory views pay as a hygiene factor. However, pay may have symbolic value by showing employees that they are being recognized for their contributions as well as communicating that they are advancing within the company.

In summary hygiene Factors are extrinsic and related to dissatisfaction whereas motivators are Intrinsic and related to satisfaction. Hygiene factors avoid job dissatisfaction where as motivation factors increases job satisfaction. High hygiene factors results low job dissatisfaction and vice versa. In addition high motivation factors result high job satisfaction and vice versa.

The managerial implication of the Two-Factor Theory

1. The organizations provide motivators so as to increase satisfaction.
2. The organizations provide hygiene factors so as to avoid dissatisfaction.

2.4.4. Theory X and Theory Y (Douglas McGregor)

Douglas McGregor proposed two distinct views of human beings: one basically negative, labeled Theory X and the other basically positive, labeled Theory Y.

Theory X : The assumption that employees dislike work, is lazy, dislikes responsibility, and must be coerced to perform.

Theory Y : The assumption that employees like work, are creative, seek responsibility, and can exercise self -direction.

Theory of X assumes Maslow’s lower level needs dominate in employees. Whereas Theory of Y, assumes Maslow’s higher level needs dominate in employees.

Managerial Implication of the theory

If Theory Y holds true:

- ✓ Decentralization and Delegation.
- ✓ Job Enlargement - Broadening the scope of job.
- ✓ Participative Management.
- ✓ Performance Appraisals – self & peer.

If Theory X holds true:

People may not have reached the level of maturity assumed by Theory Y and Theory X must be applied for tighter controls that can be relaxed as the employee develops.

2.4.5 David McClelland's Theory of Needs (Acquired-Needs Theory)

Among the need-based approaches to motivation, David McClelland's acquired-needs theory is the one that has received the greatest amount of support. According to this theory, individuals acquire three types of needs as a result of their life experiences. These needs are the need for achievement, the need for affiliation, and the need for power (David,1961). All individuals possess a combination of these needs, and the dominant needs are thought to drive employee behavior.

McClelland's theory of acquired needs has important implications for the motivation of employees. Managers need to understand the dominant needs of their employees to be able to motivate them. While people who have a high need for achievement may respond to goals, those with a high need for power may attempt to gain influence over those they work with, and individuals high in their need for affiliation may be motivated to gain the approval of their peers and supervisors. Finally, those who have a high drive for success may experience difficulties in managerial positions, and making them aware of common pitfalls may increase their effectiveness.

2.4. 6. Cognitive Evaluation Theory

Providing an extrinsic reward for behavior that had been previously only intrinsically rewarding tends to decrease the overall level of motivation. Historically, motivation theorists have generally assumed that intrinsic motivations such as achievement, responsibility, and competence are independent of extrinsic motivators such as high pay, promotions, good supervisor relations, and pleasant working conditions. That is, the stimulation of one would not affect the other. But the

cognitive evaluation theory suggests otherwise. It argues that when extrinsic rewards are used by organizations as payoffs for superior performance, the intrinsic rewards, which are derived from individuals doing what they like are reduced. In other words, when extrinsic rewards are given to someone for performing an interesting task, it causes intrinsic interest in the task itself to decline.

Major Implications for work rewards

- ✓ Intrinsic and extrinsic rewards are not independent.
- ✓ Extrinsic rewards decrease intrinsic rewards.
- ✓ Pay should be non-contingent on performance.
- ✓ Verbal rewards increase intrinsic motivation, tangible rewards reduce it.

2.4. 7. Goal-Setting Theory (Edwin Locke)

In the late 1960s, Edwin Locke proposed the goal setting theory. The core issue of the theory goals can be a major source of work motivation (Locke,2008). The theory implies that setting specific goals will improve motivation. It also states that specific goals increase performance. Goal setting theory identifies there are two factors which influences the performance. This includes goal commitment and self-efficiency.

Important features of this theory are stated as follow:

- ✓ Specific goal fixes the needs of resources and efforts
- ✓ It increases performance
- ✓ Difficult goals result higher performance than easy job
- ✓ Better feedback of results leads to better to better performance than lack of feedback.

2.4.8. Equity Theory

Equity theory is developed by John Stacey Adams in 1963. This theory centers on the principle of balance or equity. Individuals compare their job inputs and outcomes with those of others and then respond to eliminate any inequities (Adams, 1965). It also proposes the issue of the fairness. The greater the fairness perceived the higher motivation prevails in the organization and vice versa. Equity is the ratio of outcomes to inputs.

1. If the person's outcomes per inputs are lower than the referent (others) the perception of inequality due to being under reward (negative inequity) arises.
2. If the person's outcomes per inputs is the same with the referent (others) the perception equity will prevails.

3. If the person's outcomes per inputs are higher than referent (others) the perception of inequity due to being over reward (positive inequity) occurs.

Managerial implication

- Equity is relative

2.4. 9. Expectancy Theory (Victor Vroom)

Expectancy Theory is the most popular motivational theory in recent times which is proposed by Victor Vroom in 1964. The theory is commonly known as the Valence-Instrumentality-Expectancy Theory. The Victor Vroom's suggests that behavior results from conscious choices among alternatives whose purpose it is to maximize pleasure and minimize pain. The key elements to this theory are referred to as Expectancy (E), Instrumentality (I), and Valence (V) (Vroom, 1964). It also states that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. The theory focuses on three relationships.

1. Effort-performance relationship

The probability perceived by the individual that exerting a given amount of effort will lead to performance.

2. Performance-reward relationship

The degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.

3. Rewards –personal goals relationship

The degrees to which organizational reward satisfy an individual personal goal and attractiveness of those potential rewards for individual.

According to expectancy theory, individual motivation to put forth more or less effort is determined by a rational calculation in which individuals evaluate their situation. This calculation is expressed as

Motivation = Expectancy * Instrumentality * valence

Where

1. Effort = Expectancy: implies coaching training.
2. Performance = Instrumentality: implies tie rewards to performance.

3. Rewards = valence: implies choose more meaningful rewards.

Implications of Expectancy Theory

- Clarify expectancies about effort and levels of performance
- Help employees attain desired level of performance, be a coach.
- Clearly link rewards and performance.
- Know what types of rewards are desired.
- Raise employees' self-efficacy about meeting goals by:
 1. Providing adequate training.
 2. Role modeling desired behaviors and actions.
 3. Persuasively communicating confidence in the employees' ability to attain the goal.
- Have employees make a public commitment to the goal.

2.4.10. The Reinforcement theory of motivation

The reinforcement theory is proposed by Skinner in 1953. According to Skinner (1953) reinforcement theory, our behavior can be explained by consequences in the environment, and therefore, it is not necessary to look for cognitive explanation. It argues that behavior is reinforced and controlled by external events. The theory express that behavior is environmentally caused and controlled by reinforces. It also shows that the behavior is a function of its consequences. The consequences immediately following response increase the probability of repeated behavior. The reinforced behavior tends to be repeated.

1. Positive Reinforcement

It is the Positive behavior followed by positive consequences or managers praises the employee (skinner, 1974).

2. Negative reinforcement

It is the positive behavior followed by removal of negative consequences (managers' stops irritating the employee. It is removing an unpleasant consequence when the desired behavior occurs.

3. Punishment

It is the negative behavior followed by negative consequences (managers demotes the employee).

4. Extinction

It is the negative behavior followed by removal of positive consequences (managers ignores the behavior).

2.5 Motivational Factors

There are numerous motivation factors identified such as, “reward, promotion, recognition from managers, challenging work, good working conditions, good work schedules, job security” Chiang J. and Canter P. (2008). The motivational factors can be broadly divided into two groups: According to Boamah Richard motivational factors is expressed as monetary and non-monetary factors (Boamah, 2014).

1. Monetary Factors: are the most important that are energize the employees to perform well and motivate them towards their goals interms of money (cash).

a. Salaries or wages

Salary is monthly fixed monthly fixed payment. Whereas wages payment for daily laborers.

b. Bonus: refers to extra payment to employee as an incentive for better performance. The employees must be given adequate rate of bonus.

c. Incentives

The organization may also provide additional incentives such as medical allowance, educational allowance, house allowances, transportation allowances, mortgage loan etc.

2. Non-monetary Factors (non-financial)

a. Status or job title: providing a higher status or designations the employee must be motivated.

b. Appreciation and recognition

Employees must be appreciated for their better efficiency and performances from their authorities.

c. Delegation of authority:

Delegation of authority motivates a subordinate to perform the tasks with dedication and commitment. When authority is delegated, the subordinate knows that his superior has placed faith and trust in him.

d. Working conditions:

Providing better work environment such as office manner, equipment etc.

e. Job security:

It is providing guarantee of job security or lack of fear dismissal to keep employees from frustration and other problems.

f. Job enrichment:

Job enrichment involves more challenging tasks and responsibilities. For instance an executive who is involved in preparing and presenting reports of performance may also ask to frame plans.

g. Workers participation:

Inviting the employee to be a member of quality circle, or a committee, or some other form of employee participation can also motivate the work-force.

h. Cordial relations:

Good and healthy relations must exist throughout the organization. This would definitely motivate the employees.

i. Good superiors:

The employees want their superiors to be intelligent, experienced, matured, and having a good personality. In fact, the superior needs to have superior knowledge and skills than that of his subordinates. The very presence of superiors can motivate the subordinates.

2.6 Empirical Studies

This part aimed at explaining the various past studies in relation to my research. Various researches are conducted on the effects of motivation on employees' performance in many parts of the world. The studies indicate that the use of motivational factors enhances employee performance.

For instance Richard (2014) conducted a research on the effects of motivation on employee performance in Brong Ahafo education directorate in Ghana. On his thesis he found that motivation has strong positive influence on employee's performance. This influence is highly expressed through strong motivational factors like promotion and opportunity for advancement.

Gure, Naima Abdullahi (2010), researched on the impact of motivation on employee performance at Nationlink Telecom Somalia. On her thesis she found that motivation has strong positive influence on employee's performance rather than job satisfaction. Satisfaction has low significant on employees performance. Similarly, Mohamud (2017) conducted a survey on the effect of motivation on employee performance in Hormuud Company in Mogadishu. His

revealed the motivational factors such as monetary rewards, job enrichment have significant and positive effects on employee performance.

Owusu (2012) conducted study on the effect of motivation on employee job performance. The purpose of his study was to analyze and determine the motivational package that influences the performance of employees at Ghana commercial Bank. The bank achieved its corporate goals as well as employee job performance simply because the company was using extrinsic motivation package which covers periodic enhanced salaries to employees, fringe benefits and promotions.

Nizam (2015) conducted another research on the impact of motivation on employee performance in the electronics industry in china. On his finding motivation has significant effect on performances of employees. A study revealed that training, development, rewards and recognition have positive and strong effects on employees' performances.

Silvana (2012) conducted a research on the Effects of reward system on employees performance in Cooperative bank headquarter in Nairobi, Kenya. The result from his study revealed that motivation, creativity, job satisfaction and team work had a positive and significant effect on employee performance.

Sarpong (2016) conducted study on effects of motivation on the performance of employees of Ecobank Ghana Limited. He said that motivation is noted as a major factor to enhance employees' performance. The findings of the study showed that employees believed that some of motivational packages are more important than others by ranking enhanced salaries as most important, followed by employee housing loan scheme and then by fringe benefit and finally by employee car loan scheme and promotion.

Stella (2008) did a research focusing on motivation measures and improving workers performance in Kitgum district in Uganda. She found that, workers were not performing well in Kitgum district because salaries and allowances at the district were very inadequate and not able to meet people's basic needs. Team work was not there between managers and subordinates which also hindering good performance.

Lameck (2011) conducted study on nonfinancial motivation as a strategy for improving performance of police force a case study of police force headquarter in Tanzania. His study revealed that employees are quite positive towards the use of monetary incentives in the work place and can be effective in motivating them and can be used to compliment monetary

incentives. His findings suggest that non-monetary incentives may have a high motivating power in this organization if they are valued highly by the employees and management.

2.7 Performances

Performance is the most crucial factors in determining the quality and profitability of a given organization. There is no single definition of performances. Some scholars define performance in the following ways. Performance can be defined as the ability of an employee to accomplish his or mission based on the expectations of an organization.

Ristea (2002) defined performance using the 3E: efficiency, efficacy and economies, as forms of manifestation. This definition is expressed in mathematical equation as follows

$$\text{Performance} = \text{Efficiency} + \text{Efficacy} + \text{Economies}$$

It can be noticed the fact that an entity is successful when it is efficient, effective and economical. Therefore, to be successful means combining all three variables, the combination of which reflects the performance level of an entity. Efficiency consists in either using a quantity given by resources, aimed at the highest level of the achieved results, or reducing the quantity of the used resources with the aim of achieving a predetermined result. An economy consists in providing the means, the necessary resources to performing an activity at the minimum cost. Efficacy is determined by achieving or exceeding the predetermined results to the actual results made throughout the development of the activity. This represents the ability of the enterprise to meet and even exceed the expectations of users of the accounting information (shareholders/associates, clients, suppliers, employees, government) at the same time with reaching the predetermined organizational objectives. An entity reaches efficacy when it manages to improve the way of using all sources which are available and necessary to the development of the activity, performing as well as possible the needs and the requirements of the external partners of the organization. Performance is a state of competitiveness of an enterprise, reached by a level of efficacy and efficiency which ensures a sustainable presence on the market, as those presented by Niculescu and Lavalette (1999).

Another author also defined performance as a function of ability and motivation (Carter, 2009).

$$\text{Performance} = f(\text{Ability})(\text{Motivation})$$

According to Aguinis (2009), performance is about behavior or what employees do, and not what employees produce or the outcomes of their work. Performance is an effort along with the ability

to put efforts supported with the organizational policies in order to achieve certain objectives. Campbell (1990) also defines performance as behavior.

2.8 Determinants of performances

Employee Performance basically depends on many factors like performance appraisals, employee motivation, employee satisfaction, compensation, Training and development, job security, organizational structure, qualification, experiences, working environment, management styles, technology, efficiency, ability, motivation and opportunity etc.

The other determinants of performance include support from other colleagues, production materials, health condition of employees, job security, and retirement and other benefits, age, loyalty or commitment (Aguinis, 2009).

Campbell (1990) and Aguinis (2009) have provided their version of performance determinants to complement the general determinants. They suggested that individual differences on performance are a function of three main determinants: declarative knowledge, procedural knowledge, and motivation.

Performance = Declarative knowledge x Procedural knowledge x Motivation.

Additionally performance is also affected by motivation (effort), ability, and opportunity.

Effective performance on the part of workers can be said to be the result of their abilities backed by proper motivation.

Performance = abilities x opportunity x Motivation

2.9 Conceptual framework

The research study conceptualized on the motivational factors as independent variables and employees performance as dependent variables as illustrated below. A framework has been developed to represent the relationship between different motivational factors and employees performance.

This conceptual work is modified from the work of Richard(2014).As the below figures indicates that the conceptual framework has the two variables that are interrelated .This variables are dependent and independent variables. Dependent variables are variables that researcher will measure in order to establish change or impact created on them. The dependent variable in this framework is performance. The most important motivational factors that significantly affect performance are considered as independent variables. Those factors are job promotion and

transfer, other fringe benefits (indemnity & verification), job security& job enrichment, performance management, bonus, salary, Loans opportunities (personal, car, mortgage),working conditions ,management styles, allowances (House, transportation and representation),job status etc. All of the independent variables are significantly affects performances. The influences of motivational factors on employees’ performance provide positive effect on organizational goals as well as organizational efficiency.

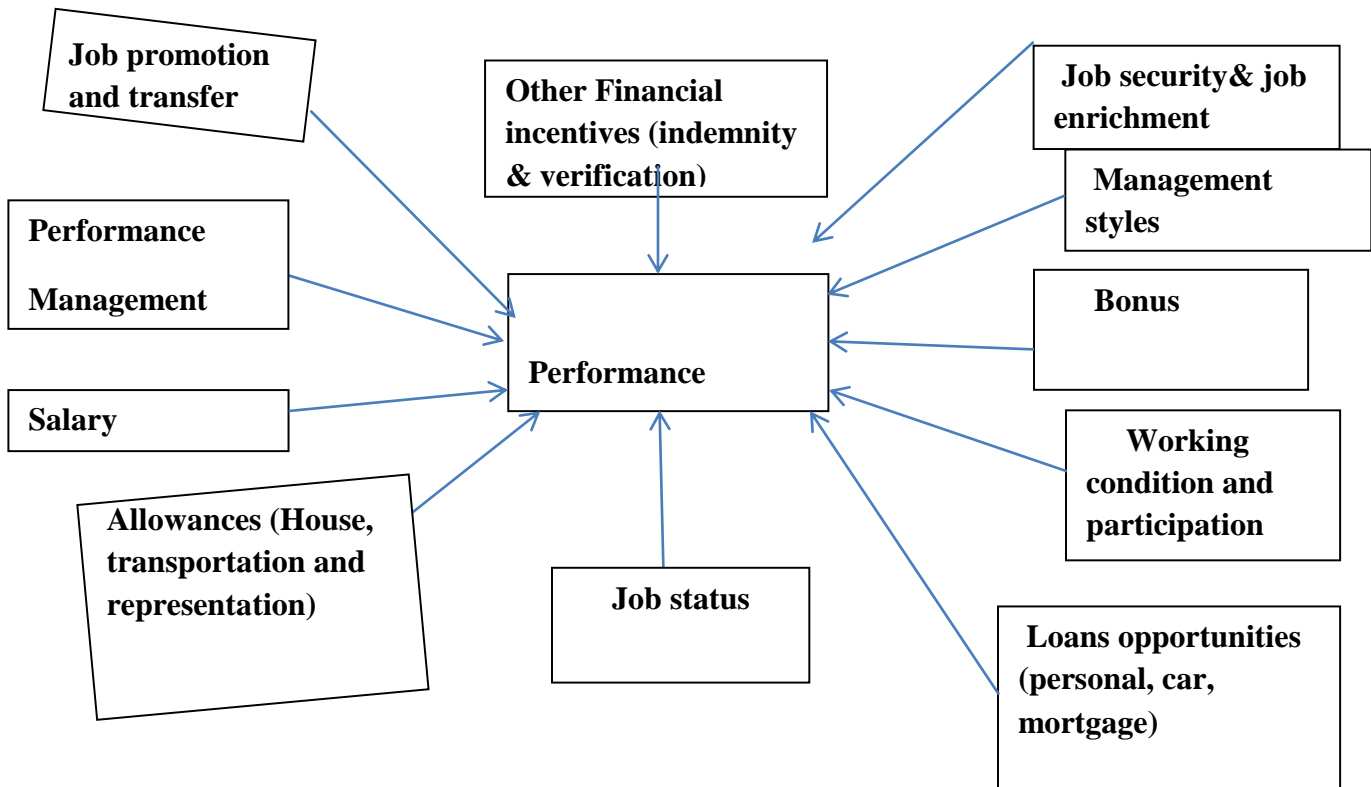


Figure 1: Conceptual framework of the effects of motivational factors on employees’ performance

UNIT 3: RESEARCH METHODS

3.1 Research Design

Research design is the plan and structure of the investigation conceived so as to obtain answers to research question. The plan is the overall scheme or program of the research. It includes an outline of what the investigator will do from writing hypothesis and their operational implications to the final analysis of the data. (Babin and Griffin, 2009).

Quantitative method was used as a main research method of this study to describe the effects of motivational factors on employees' performances. The quantitative research relies on numerical data so as to establish essential conclusion based on statistical data. It also tends to maximize objectivity for the purpose of generalizing the findings and further the prediction is interesting as per Harwell (2011). It can be split into experimental and survey researches, as experimental research seeks to determine if specified treatment have any influence on an outcome, and it was assessed by the researchers by providing a specified treatment to a group and determine the outcome of how that comes out (Creswell, 2013). For the survey research, it describes the trends numerically or quantitatively and opinions and attitudes of a specific population by studying a sample and it comprise longitudinal studies and cross-sectional by applying a questionnaire for collecting data to be garnered from the sample to the population (Fowler, 2008). The main advantage of this approach is that numbers are easy to work with data are readily collected, coded, summarized, and analyzed. In addition, data collection is relatively quick and less time consuming and free from bias. But, in this approach researchers know much about the collective or average experience of research participants, and focus on theory or hypothesis testing rather than on theory or hypothesis generation (Creswell 2003).

3.2 Population and Sampling Techniques

Sampling is the process of selecting units (e.g. people, organization etc.) from population of interest so that by studying the sample the researcher generalizes results back to the population from which they were chosen. Cooper and Schrduler (2005) state there are several reasons of choosing sampling. Those reasons are lower cost, greater accuracy of results and greater speed of data collection and availability of population. The researcher was used purposive sampling to select cases that enabled him/her to answer the research question and to meet the objectives. This form of sample is often used when working with very small samples such as in case study

research and when there is a wish to select cases that are particularly informative (Neuman 2005). According to Babin and Griffin (2009), judgmental (purposive) is a non-probability sampling techniques which an experienced individual selects the sample based on his/her judgment about some appropriate characteristics required of the sample member.

Researcher selected samples that satisfy the specific purposes even if the samples are not fully representative. Therefore, purposive sampling ensures proper representation of a cross-section of various strata of the universe if the researcher has full knowledge of the composition of the universe. And also it is more economical and less time consuming. It is very useful when some of the units are very important and their inclusion in the study is necessary.

In this study, a samples of managers of operation, managers of business, managers of quality assurance from branches, know your customer experts, customers service officer, branch business officer, branch operation officer, associate quality assurance are taken. The researcher assumed to have 350 samples from all branches of the district out of total population (employees). Overall purposive sampling were used for the study because the population has different characteristics which includes the qualification and experience of employees, branch grade, volume of branch transaction, numbers of customers the branches hold, geographical location.

This sample size is determined by using Sloven Formula

$$n = N / (1 + (N * e^2))$$

Where

n = sample size

N = target population

e = level of significance / marginal error 5%

$$n = 2827 / (1 + (2827 * .05^2)) = 350$$

3.3 Source of data collection

The sources of data are both primary and secondary sources. Primary sources of data were collected from respondents through questionnaires, interviews and observation. Secondary sources of data were from different books, journals, websites and documents related with motivation and performance externally and internally from periodicals, company reports, press releases, and previous relevant research papers.

3.4. Tools of Data collection

According to Unus (2010), data collection instruments refer to the devices used to collect data. In other words, data collection instruments refer to the methodologies used to identify information sources and collect information during an evaluation (Odec,2002).The researcher used two major research instruments these are questionnaire (close-ended questions) and structured interview.

1. Questionnaire

A questionnaire is a type of survey method that utilizes a standardized set or list of questions given to individuals or groups, the results of which can be consistently compared and contrasted (Trochim, 2006). It can be used to reach large number of respondents, lower costs than interviewing, reduced interviewer bias and among others are advantages associated with questionnaire. Its drawbacks are low response rates, clarity issues, and possible language and literacy issues. The questionnaires were arranged in five sections. The first section requested general personal information about the respondents. The second section requested for respondents opinion on factors that motivates employees in the banking sector. The questions address the key dimensions of factors of motivation identified in the literature .The third section requested details about factors that determine employees' performance and the forth section requested for respondents' opinion on the effects of motivation on the employee performance. Finally the last section concerned with the effects new organizational structure on employees performances. The lists of questionnaires are shown in annex 1.

A. Reliability Test

Reliability analysis used to measure the consistency of a questionnaire. There are different methods of reliability test, for this study Cronbach's alpha is considered to be suitable. Cronbach's alpha is the most common measure of reliability. For this study the Alpha coefficient for the overall scale calculated as a reliability indicator is 0.786. The individual Alpha coefficients for the scales were presented on the following table. As described by Andy (2006) the values of Cronbach's alpha around 0.8 is good. The alpha values in this study are around 0.8 and above therefore it is good because 78.6% is greater than 65%.

Table 3-1:Reliability statistics

Cronbach's Alpha	N of Items
.786	15

2. Interview

Kahn and Cannell (1957) defined interview as a purposeful discussion between two or more people. The types of interview are structured, semi-structured and unstructured interviews. Advantages of interview according to Saunders (2007) are allowing interviewer to concentrate on questioning and listening, accurate and unbiased record provided, and allows direct quotes to be used. Its disadvantages are expensive and time consuming, interviewer and interviewee bias. The interview guide was arranged in three sections. The first section will request for respondents opinion on factors that motivates employees in the banking sector. The questions address the key dimensions of factors of motivation identified in the literature. The second section details about factors that determine employee's performance and the last section requests for respondents' opinion on the effects of motivation on the employee performance. The interview questions are listed in annex 2.

3.5 Data collection procedure

Before embarking on the data collection, the researcher made preliminary contacts with the employees of the districts. The respondents confidentially were assured and no one would fall a victim because of any adverse findings in connection with their professional duties. This is done in order to motivate them to give their responses without reservation. To ensure maximum response rate, the researcher fixed a time for the collection of all completed questionnaires and interviews and on some occasions, interviews and questionnaires were filled by the researcher. One month was devoted to the answers. The questionnaire given to the respondents were serially coded for easy identification. The questionnaire for the employees of the district is personally delivered to them by the researcher. The prepared structured interview guides were administered to elicit the views and opinions of some selected human resource personnel.

3.6 Method of Data Analysis

At the end of the entire data collection process and plausible checks were conducted and inconsistent data were cleared appropriately. Quantitative and qualitative methods were employed in the analysis of the data. Statistical analyses were carried out to analyze the proposed research objectives. The collected data were analyzed and interpreted with the help of descriptive statistics and inferential statistics. The descriptive statistical results were presented by tables, frequency distributions and percentages to give a condensed picture of the data. Inferential statistics especially Ordinary least squared method was also used. A relation between dependent and independent variables were examined based on the result that is obtained by Ordinary least square method regression analysis by running SPSS for windows software package version 22. Ordinary least square method was used to investigate the significant effect of motivational factors on employees' performance as well as the relationship between most important motivational factors and employees' performance.

Content analysis were used to analyze the interview guide in accordance with Hsieh and Shannon (2005) who defined qualitative content analysis as a research method for the subjective interpretation of the content of text data through the systematic classification process of coding and identifying themes or patterns. Content analysis is also an approach to analysis of documents and texts that seek to quantify content in terms of predetermined categories and in a systematic and replicable manner (Bryman and Bell, 2011). Qualitative content analysis goes beyond merely counting words to examining language intensely for the purpose of classifying large amounts of text into an efficient number of categories that represent similar meanings (Weber, 1990). The goal of content analysis is "to provide knowledge and understanding of the phenomenon under study" (Downe-Wamboldt, 1992). Miles and Huberman (1994) stated that the process of analysis is composed of three concurrent sub processes: data reduction; data display and drawing and verifying conclusions.

UNIT 4: DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter of the study deals with the presentation, analysis and interpretation of the data collected through questionnaire by using statistical tool known as SPSS to explain the results in descriptive and inferential statistics and face to face interviews. Data collected using different techniques were analyzed in this section by using SPSS software version.

The research findings relate to the results of the effects of motivational factors on employees' performance. Consequently, the important motivational factors that affect employees' performance in the district are determined. Additionally, the effects of newly implemented organizational structure as motivational factor on employees' performance are determined. Furthermore, the study findings are subjected to statistical analysis, which are discussed in more details. Simple regression analysis was used to indicate whether motivational factors have relationship with employees' performance. The results obtained from interviews were also explained in the following section.

4.2 Data Analysis

4.2.1 Response Rate

The contents of questionnaires focused on the effects of motivational factors on employees' performance in Commercial bank of Ethiopia in case of South Addis Ababa district. A total of 350 questionnaires were randomly distributed to the respondents who are found in different branches of the district. Out of the total 350 questionnaires, 318 useable valid questionnaires were filled and returned with 90.9% response rate. The questionnaires were collected from 8 branches which includes Nifas silk, Hanamariam, Adayabeba, Saris 58, Hanatena tebiya, Lebu, Lebu vulnero, Kotari condominium. The respondents of the study area were classified as Branch manager, manager of business operation, manager of branch business, manager of quality assurance, customer service manager and employees' under supervision of manager of business operation, employees' under supervision of manager of business and employees under supervision of quality assurance.

4.2.2 Demographic data

The demographic data are concerned with personal characteristics of respondents of different groups by sex, age, level salary, job position, educational level and job experience.

1. Respondents sex composition

This table shows that majority of the respondents (75.2%) were males while the remaining 24.8% were female respondents. This might imply that still under the current condition there is relatively little female participation in various branches of the district.

Table 4-2: Respondents' sex composition, frequency, and percent

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	239	75.2	75.2	75.2
female	79	24.8	24.8	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis, 2019

2. Age of Respondents

This table shows that most of the respondents (65.1%) were between the age categories; of 21-30 years.

Table 4-3: respondents' age, frequency, and percent

Age range	frequency	Percent	Cumulative
25-30	207	65.1	65.1
31-37	88	27.7	100
38-43	23	7.2	0

Source: SPSS descriptive analysis, 2019

3. Educational level

This table indicates that most of the respondents were degree holders and below degrees (Diploma) which accounts 73.6% and 26.4% are masters. This implies that the district have educated labor force which enhance the SAAD to increase both organizational and employees' productivity as well as performance.

Table 4-4: Respondents' Educational level, frequency, and percent

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid above degree	84	26.4	26.4	26.4
Degree and below	234	73.6	73.6	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis, 2019

4. Job position

This table indicates that 56.3%, 14.5 %, 26.7% and 2.5% operational level, business level, quality assurance level and branch manager respectively. From this result, it is possible to conclude that majority of the respondents are the operational level worker.

Table 4-5: Respondents' Job position, frequency, and percent

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid operational level	179	56.3	56.3	56.3
business level	46	14.5	14.5	70.8
quality assurance level	85	26.7	26.7	97.5
branch manager	8	2.5	2.5	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis, 2019

4. The experiences of the respondents

This table shows that majority of the respondents which accounts 61.6% of the respondents have served for 0- 5 years. On the other hand, only 32.2% of the respondents have served the banks between 6-10 years while the remaining, 6.2% served greater than 10 years. This shows that the employees of the district have low working experience. Therefore the district must provide training and development for the employees so as to upgrade their skills and ability to encourage their performance.

Table 4-6: Respondents' Experience, frequency, percent

Experience	frequency	Percent	Cumulative
0-4	114	35.85	35.85
5-11	204	57.85	92.7
12-16	20	6.30	100

Source : SPSS descriptive analysis, 2019

4. 2.3 Descriptive statistics analysis

4.2.3.1. Analysis of the effects of motivational factors on employees' performances

The respondents were asked to rate various motivational factors using the 5 likert scale 'SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree'. The results of the study were expressed as follows:

1. Increasing job satisfaction

The respondents were asked to indicate whether motivational factors allow them to increase job satisfaction on their performance. The results say at least 54.72% agreed that motivational factors result in job satisfaction. As per the result, majority of the respondents indicated that increasing job satisfaction have an effect on employees performance.

Increasing job satisfaction	Frequency	Percent
Strongly Disagree	42	13.21%
Disagree	30	9.43%
Neutral	72	22.64%
Agree	90	28.31%
Strongly Agree	84	26.41%
Total	318	100

Table 4-7: The respondents' response on job satisfaction

Source: Primary data, 2019

2. Increasing employees' empowerment and recognition

The respondents were asked to indicate whether motivational factors allow them to increase employees' empowerment and recognition on their performance. The results say at least 55.66% agreed that motivational factors result in employees' empowerment and recognition. As per the result, majority of the respondents indicated that increasing employees' empowerment and recognition have an effect on employees' performance.

Increasing employees empowerment and recognition	Frequency	Percent
Strongly Disagree	27	8.49%
Disagree	27	8.49%
Neutral	87	27.36%
Agree	117	36.79%
Strongly Agree	60	18.87%
Total	318	100

Table 4-8: The respondents' response on employees' empowerment and recognition

Source: Primary data, 2019

3. Reducing absenteeism

The respondents were asked to indicate whether motivational factors allow them to reduce absenteeism on their performance. The results say at least 53.77% agreed that motivational factors result in reducing absenteeism. As per the result, majority of the respondents indicated that reducing absenteeism have an effect on employees' performance.

Reducing absenteeism	Frequency	Percent
Strongly Disagree	24	7.55%
Disagree	36	11.32%
Neutral	87	27.36%
Agree	114	35.85%
Strongly Agree	57	17.92%
Total	318	100

Table 4-9: The respondents' response on employees' absenteeism

Source: Primary data, 2019

4. Increasing ongoing employees development

The respondents were asked to indicate whether motivational factors allow them to increase ongoing employees' development on their performance. The results say at least 66.05% agreed that motivational factors result in increasing ongoing employees' development. As per the result, majority of the respondents indicated that increasing ongoing employees development have an effects on employees' performance.

Increasing ongoing employees' development	Frequency	Percent
Strongly Disagree	33	10.37%
Disagree	30	9.43%
Neutral	45	14.15%
Agree	144	45.30%
Strongly Agree	66	20.75%
Total	318	100

Table 4-10: The respondents' response on ongoing employees' development

Source: Primary data, 2019

5. Increasing Employees' commitment

The respondents were asked to indicate whether motivational factors allow them to increase employees' commitment on their performance. The results say at least 66.98% agreed that motivational factors result in to increasing employees' commitment. As per the result, majority of the respondents indicated that increasing employees' commitment have effects on employees' performance.

Increasing Employees' commitment	Frequency	Percent
Strongly Disagree	21	6.61%
Disagree	36	11.32%
Neutral	48	15.09%
Agree	123	38.68%
Strongly Agree	90	28.3%
Total	318	100

Table 4-11: The respondents' response on employees' commitment

Source: Primary data, 2019

4.2.4 Analysis of motivational factors that affects employees' performance in a district

1. Salary

The respondents were asked to indicate whether salary allow them to increase employees' performance. The results say at least 77.3% agreed that salary result in to increase employees' performance. As per the result, majority of the respondents indicated that increasing salary have effects on employees' performance.

Table 4-12: The frequency ,percent for salary

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	37	11.6	11.6	11.6
	Disagree	24	7.5	7.5	19.2
	Neutral	24	7.5	7.5	26.7
	Agree	56	17.6	17.6	44.3
	strongly agree	177	55.7	55.7	100.0
	Total	318	100.0	100.0	

Source: SPSS descriptive analysis, 2019

2. Bonus

The respondents were asked to indicate whether bonus allow them to increase employees performance. The results say at least 71.7% agreed that bonus result in to increase employees' performance. As per the result, majority of the respondents indicated that increasing bonus have effects on employees' performance.

Table 4-13: The frequency, percent for bonus

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	26	8.2	8.2	8.2
	Disagree	32	10.1	10.1	18.2
	Neutral	32	10.1	10.1	28.3
	Agree	99	31.1	31.1	59.4
	strongly agree	129	40.6	40.6	100.0
	Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

3. Allowance

The respondents were asked to indicate whether allowance allow them to increase employees performance. The results say at least 72.7% agreed that allowance result in to increase employees' performance. As per the result, majority of the respondents indicated that increasing allowance have effects on employees' performance.

Table 4-14: The frequency, percent for Allowance

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	15	4.7	4.7	4.7
Disagree	16	5.0	5.0	9.7
Neutral	56	17.6	17.6	27.4
Agree	95	29.9	29.9	57.2
strongly agree	136	42.8	42.8	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

4. Working condition and participation

The respondents were asked to indicate whether working condition and participation allow them to increase employees' performance. The results say at least 74.2% agreed that working condition and participation result in to increase employees' performance. As per the result, majority of the respondents indicated that working condition and participation have effects on employees' performance.

Table 4-15: The frequency, percent for Work condition and participation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	23	7.2	7.2	7.2
Disagree	24	7.5	7.5	14.8
Neutral	35	11.0	11.0	25.8
Agree	100	31.4	31.4	57.2
strongly agree	136	42.8	42.8	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

5. Job security and job enrichment

The respondents were asked to indicate whether job security and job enrichment allow them to improve job security and job enrichment. The results say at least 66.6% agreed that improving job security and job enrichment result in to increase employees' performance. As per the result, majority of the respondents indicated that job security and job enrichment have effects on employees' performance.

Table 4-16: Frequency, percent for job security and job enrichment

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	23	7.2	7.2	7.2
Disagree	32	10.1	10.1	17.3
Neutral	51	16.0	16.0	33.3
Agree	79	24.8	24.8	58.2
strongly agree	133	41.8	41.8	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

6. Proper performance Management

The respondents were asked to indicate whether proper performance management allows them to increase employees' performance. The results say at least 71.7% agreed that proper performance management result in to increase employees' performance. As per the result, majority of the respondents indicated that proper performance management has effects on employees' performance.

Table 4-17: frequency, percent for Proper performance management

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	27	8.5	8.5	8.5
Disagree	28	8.8	8.8	17.3
Neutral	35	11.0	11.0	28.3
Agree	119	37.4	37.4	65.7
strongly agree	109	34.3	34.3	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

7. Financial incentives (indemnity and verification)

The respondents were asked to indicate whether financial incentives (indemnity and verification) allow them to increase employees' performance. The results say at least 75.4% agreed that increasing financial incentives (indemnity and verification) result in to increase employees' performance. As per the result, majority of the respondents indicated financial incentives (indemnity and verification) has effects on employees' performance.

Table 4-18:Frequency, Percent for Financial incentives

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	18	5.7	5.7	5.7
Disagree	24	7.5	7.5	13.2
Neutral	36	11.3	11.3	24.5
Agree	120	37.7	37.7	62.3
strongly agree	120	37.7	37.7	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

8. Loan opportunities (house, personal, staff and mortgage)

The respondents were asked to indicate whether loan opportunities (house, personal, staff and mortgage) allow them to increase employees' performance. The results say at least 80.5% agreed that increasing loan opportunities (house, personal, staff and mortgage) result in to increase employees' performance. As per the result, majority of the respondents indicated loan opportunities (house, personal, staff and mortgage) has effects on employees' performance.

Table 4-19:frequency, percent for Loan opportunities

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	14	4.4	4.4	4.4
Disagree	28	8.8	8.8	13.2
Neutral	20	6.3	6.3	19.5
Agree	95	29.9	29.9	49.4
strongly agree	161	50.6	50.6	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis result, 2019

9. Better organizational structure

The respondents were asked to indicate whether better organizational structure allows them to increase employees' performance. The results say at least 74.2% agreed that better organizational structure result in to increase employees' performance. As per the result, majority of the respondents indicated better organizational structure has effects on employees' performance.

Table 4-20:Frequency, percent for organizational structure

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	14	4.4	4.4	4.4
Disagree	24	7.5	7.5	11.9
Neutral	44	13.8	13.8	25.8
Agree	95	29.9	29.9	55.7
strongly agree	141	44.3	44.3	100.0
Total	318	100.0	100.0	

Source: SPSS descriptive analysis output

4.2.5 Analysis on the effects of the newly implemented organizational structures on employees' performances

1. The Newly implemented organizational structure

The respondents were asked to indicate newly implemented organizational structures allow them to increase their performance and the results are shown. Table 4.36 shows that 50.9% say no, 32.1% were neutral, while 17% say yes.

Respondents whom they answer as NO due to the following reasons:

- ✓ The new organizational structure increases work load without adjusting any benefits, job position and balanced better benefits.
- ✓ The new organizational structure is nominal and not well organized.

- ✓ The new organizational structure did not consider educational level, ability and experiences.
- ✓ It also implemented to benefits higher position employees and their relatives.
- ✓ It is also biased and there is also unfairness.
- ✓ The structure is implemented only to benefit organization and did not consider all employees.

While respondents whom they answer as YES due to the following reasons:

- ✓ The new organizational structure increases job position.
- ✓ It also increases opportunity to upgrade to other posts.
- ✓ It also reduces work load.

Newly implemented organizational structure	Frequency	Percent
NO	162	50.9%
YES	54	17%
Neutral	102	32.1%

Table 4-21: Frequency, percent for newly implemented organizational structure

Source: Primary data, 2019

4.2.6 Ordinary Least Square Method Tests and Analysis

4.2.6.1 Diagnosis Tests in OLS

i. Validity Test

a. Test for Multicollinearity:

Before fitting important variables into the OLS method, it is necessary to test multi-co-linearity problem among independent variables, which seriously affect the parameter estimates. According to Gujarati, (2003), multi-co-linearity refers to a situation where it becomes difficult to identify the separate effect of independent variables on the dependent variable because Of existing strong relationship among them. In other words, multicollinearity is a situation where explanatory variables are highly correlated. There are two measures that are often suggested to test the existence of multicollinearity. These are Variance Inflation Factor (VIF) for association

among the continuous explanatory variables and Contingency Coefficients (CC) for dummy or discrete variables.

The mean VIF value is less than 5 which is 2.44. This indicates absence of serious multicollinearity problem among independent continuous variables.

Table 4-22: Multicollinearity test

```
. estat vif
```

Variable	VIF	1/VIF
Workconand~r	4.60	0.217611
properpm	4.29	0.233147
Jobsecandnr	4.13	0.242369
Jobproandtr	4.04	0.247766
Bonus	2.50	0.400650
Loanopp	2.42	0.414025
Allowances	2.31	0.432661
Orgstructure	2.26	0.443252
Emdev	1.07	0.935887
Empcom	1.06	0.945880
Empemp	1.04	0.959098
Redab	1.03	0.972549
Orgst	1.02	0.979444
Mean VIF	2.44	

b. Test for Heteroscedasticity:

According to Gujarati (2003), heteroscedasticity, that is, diverse variances between residual terms. To detect heteroscedasticity problem the study uses Breusch-Pagan / Cook-Weisberg test. Since there is heteroscedasticity problem in the data set, the parameter estimates of the coefficients of the independent variables cannot be constant variance. Therefore, to overcome these problems, robust OLS analysis is used. Heteroscedasticity test is expressed as follows

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

H₀: Constant variance

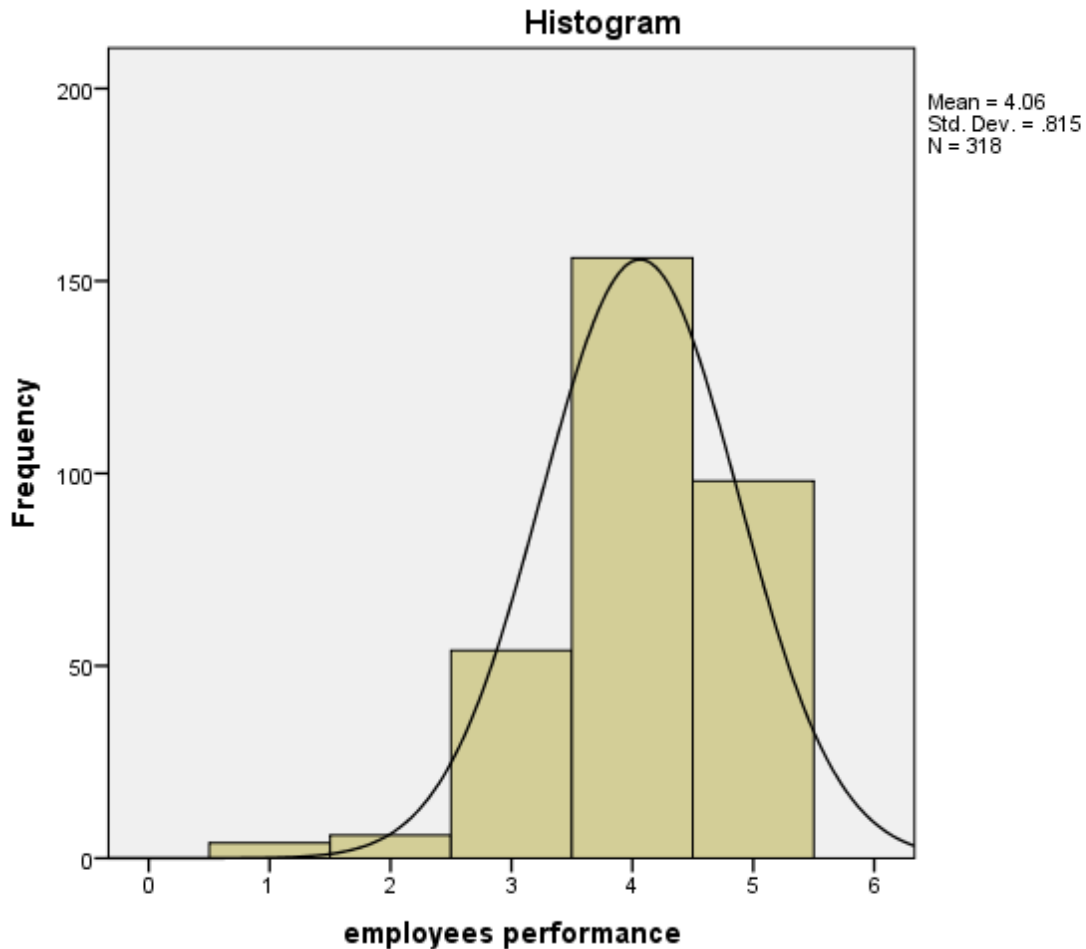
Variables: Loanopp Orgstructure properpm Jobproandtr Jobsecandnr Bonus Empemp
Redab Emdev Empcom Allowances Workconandpar Orgst

chi2(13) = 20.13

Prob > chi2 = 0.0920

3. Normality test

Ghozali (2006) states that the normality can be seen on the data distribution when the curve does not pass through either the left or the right. As depicted in appendix C, it shows that the data output is normally distributed.



Graph.1: Normality test

4. Test for ANOVA (Analysis of variance)

The degree of freedom shows us the model is vulnerable to the error term. But F, P and Z value are statistically significant. These values imply to accept the value of the model.

$F=Z=2.697$ which is greater than 1.96 and the P value is less than 0.05

Table 4-23: Variance analysis

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	20.216	12	1.685	2.697	.002 ^b
	Residual	190.526	305	.625		
	Total	210.742	317			

- a. Dependent Variable: Employees performance.
- b. Predictors: (Constant), Orgst, proper performance managment as motivatoinal factor, Employees commitment, Reducing absenteeism , Employees empowerment, Employees development , Organizational structure as motivational factor, allowance as motivational factor, job security and enrichment as motivational factor, loan opportunities as motivational factor , job promotion and transfer as motivational factor, work condition and participation as motivational factor.

Table 4-24:coefficients of variable

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.586	.366		12.513	.000
	allowance as motivational factor	-.096	.056	.130	1.723	.086
	work condition and participation as motivational factor	.052	.077	.078	.676	.499
	job security and enrichment as motivational factor	.152	.071	.236	2.134	.034
	job promotion and transfer as motivational factor	-.007	.061	-.013	-.119	.905
	proper performance management as motivational factor	-.036	.073	-.055	-.497	.619
	loan opportunities as motivational factor	.194	.059	.272	3.283	.001
	Organizational structure as motivational factor	.123	.053	.171	2.340	.020
	Empemp	.156	.093	.094	1.689	.092
	Redab	-.106	.090	-.065	-1.174	.241
	Emdev	.119	.092	-.073	-1.300	.195
	Empcom	.162	.092	.098	1.756	.080
	Orgst	-.073	.090	-.045	-.820	.413

a. Dependent Variable: employees performance

b. Predictors: (Constant), Orgst, proper performance managment as motivatoinal factor, Employees commitment, Reducing absenteeism , Employees empowerment, Employees

development , Organizational structure as motivational factor, allowance as motivational factor, job security and enrichment as motivational factor, loan opportunities as motivational factor , job promotion and transfer as motivational factor, work condition and participation as motivational factor.

4.2.6.2 Ordinary Least Square Method Analysis

Ordinary least square method was employed to examine the effects of motivational factors on employees' performance using SPSS software package version 22. The researcher tests whether the motivational factors have a relationship with employees' performance or not. Both dependent and independent variables were clearly explained as follows:

Dependent Variable: Employees performance

Independent Variables: salary, bonus, allowance, job security and enrichment, job status, job promotion and transfer, proper performance management. The level of significance and the relationship between dependent and independent variables were explained in the following table.

Linear regression

Number of obs = 318

F(13, 304) = 2.72

Prob > F = 0.0012

R-squared = 0.0960

Root MSE = .79161

	Robust HC3					
emper	Coef.	Std. Err.	t	P>t	[95% Conf. Interval]	
Loanopp	.1968005	.0622526	3.16	0.002	.3193011	.0742999
Orgstructure	.1285106	.063201	2.03	0.043	.0041439	.2528773
properpm	.0386287	.0588887	0.66	0.512	.1545098	.0772524
Jobproandtr	.0038647	.0609683	0.06	0.949	123838	.1161086
Jobsecandentr	.1512017	.0819664	1.84	0.066	.0100917	.312495
Bonus	-.0107521	.0643701	-0.17	0.867	-.1374194	.1159153
Empemp	.1566296	.0934113	1.68	0.095	.027185	.3404442
Redab	-.1066261	.0921614	-1.16	0.248	-.2879812	.074729
Emdev	-.1191595	.0913979	-1.30	0.193	-.2990121	.0606931
Empcom	.1605217	.0948834	1.69	0.092	.3472331	.0261897
Allowances	-.0909745	.0603866	-1.51	0.133	-.209803	.0278541
Workconandpar	.0540706	.0784695	0.69	0.491	.1003415	.2084827
Orgst	-.0726556	.0904827	-0.80	0.423	-.2507073	.1053962
_cons	4.583252	.3528005	12.99	0.000	3.889012	5.277492

Table 4-25: linear regression Output:

The coefficient of allowance is negative and statistically insignificant. The coefficient of new organizational structure is negative and insignificant. The coefficient of job promotion and transfer is negative and insignificant. The coefficient of bonus is negative and insignificant. The coefficient of proper performance management is negative and insignificant. The coefficient of working condition and participation is negative and insignificant. The coefficient of organizational structure is positive and significant at 5% ($\alpha = 0.05$). The better organizational structure helps employees' to shows their performance in good manner .A one step change in organizational structure results the change in employees performance by 0.13. The coefficient of

job security and enrichment is positive and significant at 5% ($\alpha = 0.05$). A one step change in job security and enrichment results the positive change in employees performance by 0.15.

The coefficient of loan opportunities is positive and statistical at 1% ($\alpha = 0.01$). Providing loan opportunities increase employees performance. Additionally the one unit change in providing loan opportunities results the positive change in employees performance by 0.2.

4.2.7 Analysis on the effects of motivational factors on employees' performances by interview

Face to face interview was conducted with a manager of human resource- business partnership South Addis Ababa district of commercial bank of Ethiopia. The informant pointed out that intrinsic motivational factors are highly important motivational factor. The informant also explains the benefits (allowances, financial incentives) provided by bank is the important motivational factors to inspire employees. Additionally informant explains that the newly implemented organizational structure enhance employees' performance by increasing senior position, promotion, job status and new other posts for employees.

UNIT 5: SUMMARY , CONCLUSION, RECCOMENDATION

5.1 Summary

The first objective sought to find out the effects of motivational factors on employees' performance. From the samples, majority of the respondents agreed that motivational factors affect employees' performance by increasing job satisfaction. Adjusting motivational factors inspire employees' for work will result in job satisfaction and stimulates motivation for better performance for the company. This finding corroborates with earlier findings by Taylor (2007) who indicated that motivation and satisfaction fully depend on the motivator's. Another earlier findings also indicates that motivational factors improves level of efficiency and employees' job satisfaction in organization Greeno(2002) and chudley (2004.)

The respondents also agreed that motivational factors affect employees' performance by increasing employee commitment in SAAD. This finding supports earlier findings by Pannell (2005) who found that motivational factors affected employee's performances in organizations by increasing employee commitment.

The finding also expresses majority of the samples of respondents agreed that motivational factors increase employees' empowerment and recognition to employees in the SAAD which in turn improves employees' performance. Improving motivational factors inspire employees to empower and recognize themselves so as to increases employees performance. The finding also supported that of Babbie (2004) who identified recognition as a motivational factor in organizations so as to increase employees' performance.

Additionally from the findings majority of respondents agreed that motivational factors increase employees' performance so as to increase ongoing employees' development as well as reduces absenteeism.

The study also covers the important motivational factors that significantly affect employees' performance. This finding expressed both in descriptive and inferential statistics. Majority of the respondents agreed that bonus, salaries, incentives, allowance, job promotion, performance management, job enrichment, loan opportunities. The findings corroborates with the following stated earlier findings. Most respondents agreed that bonus as the most important motivating factors .This is agreed with finding of Ivancevic(2007).Bonus is essentially rewards for success of organizational performance (Ivancevic, 2007: 311). Salaries are the most determinant factor for employees work performance because it is the compensation for their effort through some

period of time. The higher the salary the employees expected performance will be (Ivancevic, 2007: 311).

Their finding is consistent with other studies which noted that relatively high monetary rewards may function as a catalyst for enhanced effort or determination by employees to perform well (Bijleveld et al. 2009, Locke and Braver 2008, Waugh and Gotlib 2008).

In a meta-analysis of seventy-two field studies, Stajkovic and Luthans (2003) found that the use of monetary rewards by organizations led to a 23% improved performance while social recognition and the giving of feedback improved task performance by 17% and 10% respectively. The authors however noted that when all three forms of incentives were combined, it led to a 45% improvement in task performance. They thus concluded that financial incentives or rewards only improve task performance moderately to a significant level. The effectiveness of the use of monetary rewards is thus contingent on the conditions which pertain in the organization in question.

The finding also reveals that majority of respondents agreed that job enrichment as the important motivating factors. This is agreed with Steven L. and Marty Ann, 2000:15. Job enrichment occurs when employees are given more responsibility for scheduling, coordinating, and planning their own works. Although some writers suggest that job enrichment is any strategy that increase one or more of the core job characteristics, Herzberg gain that jobs were riched only through autonomy and the result of responsibility (Steven L. and Marty Ann, 2000: 115) viewed in terms of, Herzberg's motivational factors, job environment occurs when the work itself is more changing , when difficult, repetitive and boring tasks are minimized, when achievement in encourage , where there is opportunity for growth, and when responsibility, advancement and recognition are provided. (ibid). Additionally from the samples majority of respondents agreed that job promotion and career development were important motivating factors in SAAD. This agreed with Schultz (1960:73), organizations invest in skill development or human capital when they expect that the value of additional future benefits (such as, greater Productivity) will offset the extra costs incurred in the present to obtain them (like, costs of training programs and production forgone while individuals are in training). In fact, the purpose of job promotion is to enhance each employee's current performance, enable employees to take advantage of future job opportunities, and fulfill their employer's goals of achieving a dynamic and effective workforce. Most of the respondents also responded that, employee performance management were important

motivating factors in the organization. This agreed with Smith (2010) who indicated employee appraisals as motivating factors in organizations.

The newly implemented organizational structure by the bank negatively affects motivation as well as performance. This is due to lack of fairness and other effects.

5.2 Conclusions

The research finally comes with the following conclusion based on the findings regarding the effect of motivational employees' performance in SAAD. The followings are the major findings on the factors that affect employees' motivation which in turn brings effect on the performance of employees. This major finding covers both descriptive and inferential analysis.

- The findings shows majority of employees are adults. This implies the SAAD has productive workers who can serve the center for a long period of time.
 - Another findings show there was a domination of male over female.
 - Most productive workers were earned small scale salary.
 - The findings also show the effects of motivational factors on employees' performance as the follows. Those effects are increasing job satisfaction, increasing employees' empowerment and recognition, reducing absenteeism, increasing ongoing employees' development, increasing employees' commitment.
 - The study also tried to show motivational factors that affects employees' performance. Those factors are salary, bonus, allowance ,incentives, working condition and participation, Job security and job enrichment , Proper performance management, loan opportunities (house, personal, staff and mortgage), better organizational structure.
 - Finally the finding also shows the effects of newly implemented organizational structure affects employees performance negatively. This due to lack of fairness, lack consideration of experience and employees ability.
 - Finally the important conclusions can be drawn as follows from OLS results
1. Employees performance increases by 4.58 even if there is no adjustment in motivational factors.
 2. There was a significant positive effect of providing loan opportunities on employees' performance in CBE in SAAD at a significance level of ($\alpha = 0.01$).Additionally the one unit change in providing loan opportunities results the change in employees performance by 0.2.

3. There was a significant positive effect of organizational structure on employees' performance in CBE in SAAD at a significance level of ($\alpha = 0.05$). A one step change in organizational structure results the change in employees performance by 0.13.
4. There was a significant positive effect of job security and job enrichment on employees' performance in CBE in SAAD at a significance level of ($\alpha = 0.05$). Additionally a one-step change in job security and job enrichment results the change in employees performance by 0.15
5. There was a significant positive effect of employees empowerment on employees' performance in CBE in SAAD at a significance level of ($\alpha = 0.1$). Additionally a one-step change in employees empowerment results change in employees performance by 0.16
6. There was a significant positive effect of employees commitment on employees' performance in CBE in SAAD at a significance level of ($\alpha = 0.1$). A one-step change in employees' empowerment results change in employees' performance by 0.16.

5.3. Recommendation

The study has tried to examine the effects of motivational factors on employees' performance. The overall recommendation gives some guidelines:

- According to data collected from respondents there is a domination of men worker than females' worker in the SAAD. The researcher recommends that in order to balance the participation of both sexes providing affirmative action for women is a better way for a district.
- Most of employees' were young productive workers .But they earn small scale salary and other fringe benefits based on their salary which results in job dissatisfaction and employees performance. To prevent job dissatisfaction and boost employees' work performance, the district is advised to provide adequate salaries which match with the tasks, effort, educational level, experience and performance of employees getting performance results through fair and proper performance appraisal result. The district is also advised to consider the salary scale of its employees by taking in to consideration of other similar organizations and life expensiveness. This salary scale adjustment must be supported by different incentives as well as fringe benefits such as transportation allowance, house allowance and other reward system.

- Additionally most of employees are not interested in new implemented organizational structure due to lack of fairness, lack of considering educational level ,experience as well as ability of employees , increases work load without adjusting any payment system. The remedial measures must be taken so as to implement new organizational structure. These measures are forming a committee that correcting a fairness problem, giving attention to educational level, experience and ability of employees so as to boost employees' performance.
- Additionally the district must screen out which motivational factors significantly affects employees performance either to adjust this motivational factors .Overall Commercial bank of Ethiopia in case of South Addis Ababa district especially the district should focus on some most important motivational factors such as loan opportunities, organizational structure , job security and job enrichment, employees empowerment and employees commitment . In addition, a lot of motivational factors have an influential effect on performance of employees as evidenced in the previous studies.

The research additionally showed that good work conditions and work participation, better performance management, better financial incentives and better salary, bonus as well as allowance were also the important motivational factors that affected employees performance in Commercial bank of Ethiopia in case of South Addis Ababa district. Based on the research results, the researcher presented some of recommendations to the district to improve their employees' performance by increasing stated motivational factors. The district should effectively implement new organizational structure by applying new strategies so as to boost employees' performances

5.4 Future Prospect of the Study

This research aims to find the most important motivational factors that affect employees' performance in Commercial bank of Ethiopia in case of South Addis Ababa district. However motivation is very complex and it is hard to answer all the questions with a sample clearly defined answers. In the future, an increase in the sample size could increase the ability to generalize the findings. Also, future researches can cover more motivational factors that affect the employees' performance in Commercial bank of Ethiopia in case of South Addis Ababa district. For future studies, researcher need more time to cover more motivation factors in a larger number of samples than what was included in this research. In addition, future researches

can cover other district of commercial bank of Ethiopia to aid generalization of results. Also, a comparative study can be conducted to compare the results from respondents in Commercial bank of Ethiopia in case of South Addis Ababa district in one period of time, and again a few years after to identify whether motivational factors actually have an effect on employees' performance and behavior due world dynamism.

4.2.8 Analysis of face to face interview

Moreover, face to face interview with the key informants also support the result of the survey indicating that all factors in this categories have effect on employees performance. Accordingly, the informant pointed highly important

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APPENDENCES

Appendix A: Questionnaire

Letter of introduction

Dear Respondent,

I am a student at Addis Ababa University pursuing a master's degree in Business Administration. As a partial fulfillment of the Masters course, I am conducting a study on the effect of motivational factors on employee performance in south Addis Ababa district of Commercial Bank of Ethiopia.

Please take a few moments to answer the attached questionnaire. Your contributions and answers will be treated with utmost confidentiality and no names of staff members will be published in the final research document.

Your assistance and cooperation will be highly appreciated.

Yours Sincerely,

Fikiru Tiki

Annex 1: Questionnaires' guide

Section1.Personal information

Please complete this section by ticking the applicable box

1. Age-----

2. Sex

A. Male [] B. Female []

a

A .Diploma [] B. Degree []

C. Master []

4. Position

A. Junior officer []

G. Senior Branch operation officer []

B. Bank Trainee []

H. Quality assurance officer []

C. Branch Business Officer []

I. Associated quality assurance Officer []

D. Branch operation officer []

J. Manager Business Officer []

E. Customer service officer []

K. Manager Branch business []

F. Senior Branch Business Officer [] L .Manager Quality Assurance []

M. Branch Manager []

N. Customer service manager []

O. Other position []

5. Job experiences (service year) -----

A. 0- 5 years. [] C. 11 – 15 years.[] E. > 20 years. []

B. 6 – 10 years. [] D. 16 – 20 years. []

6. Monthly salary-----

A. 2950-4574 [] C. 6020-8184 [] E. >15001 []

B. 4575--6021 [] D.8185-15000 []

Section 2.The effects of motivational factors on Employee Performances

Choose from the suggested list below your level of agreement or disagreement on the effects of motivational factors on employee performance in the banking sector.

The effects of motivational factors on employees performance	1	2	3	4	5
Increase job satisfaction					
Increase employees empowerment and recognition					
Reduces absenteeism					
Increases ongoing employees development					
Increase employees commitment					

Section 3. List of motivational factors that affect employees' performance in a district.

Choose from the suggested list below your level of agreement or disagreement to the following factors and indicate how each factors motivates employees in the banking sector .Items are measured on a five-point Likert-type scale ranging from "1= strongly disagree" to "5 = strongly agree".

No.	Motivational packages	1	2	3	4	5
1	Salary					
2	Bonus					
3	Allowances(house, transportation, representation)					
4	Working conditions and work participation					
5	Job security and job enrichment					
6	Job status					
7	Job promotion and transfer					
8	Proper performance management					
9	Financial incentives(indemnity and verification)					
10	Loan opportunities (house, personal, staff & mortgage)					
11	Better organizational structure					

Section 4.

Are you motivated by newly implemented organizational structure by your bank?

Yes or No

Appendix B: Interview

Annex 2: Interview section

Section1.Factors that Motivate Employees

1. Do you agree that motivation serves as a factor to measure employee performance?
2. Mention some of the motivational factors that motivate you in your work.
3. If you are to rank the factors, which one will come first, second, third?
4. Do you agree that the newly implemented organizational structure as factors of motivator?
5. Does motivation have effect on your performance?