

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MASTERS OF BUSINESS ADMINISTRATION

Factors Affecting Employees' Performance in Selected Private Banks in Ethiopia

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October, 2024

Addis Ababa Ethiopia, Ethiopia

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A Thesis Submitted to Addis Ababa University in Partial Fulfillment of the Requirements of the Award of Master degree in Business Administration

Advisor: Yohannes.W (PhD)

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DECLARATION

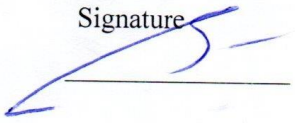
I declare that the final thesis which was present entitle the factors affecting employees' performance in selected private banks in Ethiopia was an original work of my own and prepared under the guidance of my thesis advisor Dr. Yohaness.W. All the sources of the materials used in this thesis have been duly acknowledge.

Name of Student Signature Date

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ADVISOR's APPROVAL SHEET

The thesis on factors affecting employees' ,performance in selected private banks in Ethiopia present to the requirements for the masters of business administration program for the Postgraduate Studies, Addis Ababa university and it is a record of original research carried out by Kiflealem Enawgaw, GSR/1085/13 under my preparation, and no part of this thesis has been submit for any other program. The contribution and support received for this study have been duly acknowledged, Therefore, I recommend it to be accepting as fulfilling the thesis requirements.

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Contents

DECLARATION II

ADVISOR's APPROVAL SHEET ..... **Error! Bookmark not defined.**

ACKNOWLEDGEMENT IV

LIST OF TABLE IX

LIST OF FIGURE X

ACRONYMS/ABBREVIATION XI

CHAPTER ONE 1

INTRODUCTION 1

1.1. Background of the study 1

1.2. Statement of the problem 4

1.3. Research Questions 5

1.4. Objectives of the Study 6

1.4.1. General Objective 6

1.4.2. Specific Objectives 6

1.5. Research Hypothesis 6

1.6. Significance of the study 7

1.7. Scope of the study 7

1.8. Limitation of the study 7

1.9. Definition of Key Terms 8

1.10. Organizations of the Study 8

CHAPTER TWO 10

REVIEW OF RELATED LITERATURE 10

2.1. Theoretical Review 10

2.1.1. Concept of Employees Performance 10

2.1.3. Objectives of performance management 11

2.2. Empirical Literature 12

2.2.1.1. Motivation 12

2.2.1.2. Training and development 13

2.2.1.3. Organizational Culture 14

2.2.1.4. Communication 15

2.3. Research Gap 17

2.4. Conceptual Framework of the Study 18

CHAPTER THREE 20

RESEARCH DESIGN AND METHODOLOGY 20

3.1. Introduction 20

3.2. Research Design 20

3.3. Research Approach 20

3.4. Sampling Techniques 20

3.4.1. Population area of the study 20

3.4.2. Sample size 21

3.4.3. Sources of Data 23

3.5. Data Collection Method 24

3.6. Procedures of Data Collection....24
3.7. Validity and Reliability....25
3.7.1. Validity....25
3.7.2. Reliability....25
3.8. Methods of Data Analysis....26
3.9. Model specification....26
3.10. Ethical Considerations....27
CHAPTER FOUR....28
DATA ANALYSIS AND PRESENTATION....28
4.1. Introduction....28
4.2. Respondents Demographic Information....28
4.3. Descriptive statistics....30
4.3.1 Organizational Culture....30
4.3.2 Communication....32
4.3.3 Training and development....36
4.3.4 Motivation....38
4.3.5 Employees Performance....39
4.4 Correlational Results....41
4.5 Model Assumption test....42
4.5.1. Multi collinearity....42
4.5.2. Linearity test....44

4.5.3 Auto Correlation (Durbin Watson Test) 45

4.5.4. Normality Test 46

4.5.5. Homoscedasticity Test 47

4.6 Multiple Regression Model Results 48

CHAPTER FIVE 52

SUMMARY, CONCLUSION AND RECOMMENDATIONS 52

5.1. Introduction 53

5.2 Summary of findings 53

5.3 Conclusion 54

5.4 Recommendations 55

5.5 Future Research Directions 57

REFERENCES 59

APPENDIX 62

LIST OF TABLE

Table1 The distribution and response rate of questionnaires from the respondents.....22
Table 2 Reliability test statistics.....26
Table 3 Percentage and demographic information of respondents.....28
Table 4 Respondents opinion on organizational culture.....30
Table 5 Respondents opinion on communication.....32
Table 6 Respondents opinion on training and development.....36
Table 7 Respondents opinion on motivation.....38
Table 8 Respondents opinion on employees' performance.....39
Table 9 Correlation result among the study variables.....41
Table10 Multi col linearity test result.....43
Table 11 Durbin Watson test statistics.....45
Table 12 Model summary.....48
Table13 ANOVA result of the model.....49
Table14 Coefficients of regression model.....50

LIST OF FIGURE

Figure1 Conceptual frame work 19
Figure 2 linear p-p plot of regression of standardized residuals.....45
Figure3 Normal p-p plot of regression of standardized of residuals 47
Figure4 Scatterplot of standard residuals.....48

ACRONYMS/ABBREVIATION

EP: Employee performance

DC: Downward communication

HC: Horizontal communication

SPSS: Statistical package for social science

UC: Upward communication

NBE: National bank of Ethiopia

CBE: Commercial bank of Ethiopia

DBE: Development bank of Ethiopia

AB: Awash bank

BOA: Bank of Abyssinia

DB: Dashen bank

VIF: Variance inflation factor

ABSTRACT

The purpose of this study was to determine the factor which affects employees' performance in selected private banks in Ethiopia. Researcher was used both descriptive approach and Explanatory approach. Secondary and primary data were used to collect the data. The independent variable was organization culture, training and development, motivation and Communication, while employee performance was dependent variable. Total of 396 sample respondent were taken. The researcher was used simple random sampling to choose sample respondents and the study area was selected by purposive sampling technique. From questionnaires distributed to the sample respondents 340 questionnaires returned and the remaining 56 were not. SPSS Version26 Software was used in analysis the data obtained from respondents. And also correlation and multiple regression analysis were used to determine the relationship among independent and dependent variables. The overall finding of the study indicates that the independent variable (training and development, organizational culture, motivation and communication) has strong and positive correlation with employees' performance. The results of study indicate that the influence of organizational culture contribution on the employees performance is insignificant which means they need to these systems referring with another variable instead of organizational culture result clearly direct the less effect of the employees performance, well as the other independent variable (training and development, communication and motivation) has significant effect on employees performance. Researcher's recombination in the area was the bank should improve way of training and development mechanisms by making performance based selection, by developing check list to evaluate the effectiveness of training and development that was provided by them and should improve front office recording system by using latest technology and by improving the skill of employees for contacts of customers and kept well for easy of accessibility.

***Keywords**: Employees Performance, training and development, organization culture, communication and motivation.*

CHAPTER ONE

INTRODUCTION

This chapter contains background, statement of the problem and research questions, objectives, hypothesis, significance, scope of the study, limitation, operational definition of key terms and organization of the this study.

1.1. Background of the study

Organizational performance depends on employees performance will contribute to organizational success Akob et al.,(2020); Haerani et al.,(2020) and Nguyen et al.,(2019). Employees' performance gives power over organizational performance because motivation will affect employee's performance. According to Chen et al., (2012), understanding motivation, both existing within employees will help improve performance. Organizations needs to direct motivation by creating as culture, so it enables employees to work harder to achieve organization's goal. Every employee in work must have good attitude, including the need to get training and development, including internal factors such motivations as well as external factors such as good communication. The success and good performance of a person in a field of work are determined by proper communication and well organizational culture in the area occupied, but if the success of the performance without the training and development will effect on employee performance.

Organizational culture is a trend which is implemented in an organization and it has different patterns and customs. Organizational culture is a set of assumptions and beliefs act by the employees (Limaj & Bernroider, 2019; Miller, 2006). Organization culture will have an impact on their productivity in dealing with their work and will undoubtedly affect their performance.

According to Indahingwati et al.,(2019), motivation is the reinforcement which helps to achieve a particular goal. Motivation can determine outcomes such as productivity, performance, and perseverance. Arshadia (2010) confirmed that there is a positive effect between motivation and employee performance. According to (Arshadia 2010 and Van den

Bergh et al., 2014), motivation is fundamental tool in organizations to make competent employees and to build good relation and attitude to each other. Motivated employees are more effective than less motivated employees and training and development opportunities to benefit them (Demircioglu & Chen, 2019; Arshadia, 2010).

Employee use communication channel as to interact with each other in day to day life. Communication is a necessary to increase quality of employee performance and maintaining strong relationships within the organization. Effective communication increases employee productivity and good attitude towards each other. According to Hee et al., (2019), weak communication in the organization will lead to loss of confidence and ineffective operation.

According to Karim et.al, (2019), well trained employees are needed in organizations to achieve its goal effectively and efficiently. And also training and development affect employees' performance in most organizations. Training and development help the organizations to improve employees' awareness about their responsibilities and to encourage employees to develop their communication. According to Huang & Jiao (2015) training and development enable employees to perform correctly and work with standards. Organization will be ensuring the improvement of the employees' performance through training and development. Organizations are involved in developing the effective training programs for their employees to equip them with the desired attitude; communication and motivation achieve organizational goals.

In case of Ethiopia Yimam (2022), the impacts of training on employees performance in case of Bahir Dar university, Ethiopia findings was indicate that training have significant positive effect on employees' performance.

According to Bekele (2016), study finding indicate that Motivation and Working Environment which have a significant effect on the factors affecting employee Performance in Ethio-Telecom.

According to Abate and Kaur (2023), Modern banking business in Ethiopia was begun in 1905. The government passed the Licensing and Supervision of Banking Business Proclamation 84 in 1994 to liberation of bank sector. This law put a basis for licensing indigenous private sector banks to operate in the country's banking industry, which was completely prohibited by the

defunct Socialist government. According to National bank of Ethiopia annual report on june(2023) the number of banks operating in Ethiopia was reached 31areached 31, of which 29 were private and 2 state owned. Those banks were opened 314 new bank branches during the review quarter, which increasing the total number of bank branches to 11,281. Regarding to this report the ratio of population to bank branch stood at 9,541.31 and the total bank branches, 32.6 percent were located in Addis Ababa.

According to fourth quarter report June (2023) of Dashen bank, their workforce comprised 17,571 employees. Out of this staff strength, permanent employees constituted 58.4%, while the remaining 41.6% were outsourced. Age distribution reflects their youthful workforce, with 81% of employees being under the age of 39. Training and Development in Dashen Bank places significant importance on staff strength and 11,851 employees benefiting from comprehensive training provided on diverse themes. The Bank is dedicated to enhancing performance measurement, as seen through the proactive efforts to create comprehensive guidelines outlining employee measures. Continual motivation is being made on their performance management practice to better align rewards with performance and nurture a high performance culture among staff and management. And also Organizational Culture efforts are being made to further boost the organizational culture in the Bank with particular focus on delivery of best-in-class customer service.

Bank of Abyssinia During the review period (2023), the Bank recruited 2,145 employees raising the number of employees of the Bank to 11,508 as at June 30, (2023), showing an increment of 18.92% over that of the preceding year. In its relentless effort towards satisfying the banking service needs of customers, the Bank has continued to invest in multiple service centers and outlets in the reporting year. In order to reach out to more clients, the Bank has expanded its service outlets as 123 new branches have become operational during the year, of which 4 were sub-branches upgraded to full-fledged branches, so that the total number of service outlets of the Bank reached 864 including 849 branches and 15 sub branches.

Awash Bank has continued to attract and retain the best talent from the market by ensuring competitive re numerations and conducive work environment. Accordingly, more than 4,300 new staff has joined the Bank, raising the total staff strength to 20,055 employees on June

(2023). Accordingly, the Bank has opened 150 new branches during the fiscal year 2022/23, raising its total branch network to 875 as at June 30, 2023.

The purpose of this study was to determine the factors affecting employees performance in selected private banks in Ethiopia with communication, motivation, training and development, and organization culture considered as independent variables and employees' performance as dependent variable.

1.2. Statement of the problem

The private banking sector, employees performance becomes even more crucial due to the - sector's role in economic stability and growth (Alaloul et al., 2021). The performance of bank employees is directly linked to the efficiency of financial operations, customer satisfaction, and the institution's ability to adapt to regulatory changes and technological advancements (Bahl et al., 2022). According to Kitsios et al. (2021), the banking sector's reliance on human capital makes the performance of its workforce a key determinant of success, particularly in a rapidly initializing environment. Poor employee performance in this sector can lead to significant operational risks, including financial losses, reduced customer trust, and compliance issues, making it essential for banks to ensure high levels of employee performance (Ahmed et al., 2020).Various factors influence Employees performance in the banking sector, including compensation and benefits, organizational culture, leadership and management, job satisfaction, and work-life balance (Aisyah et al., 2021; Kasbuntoro et al., 2020). Previous studies have highlighted that competitive compensation and a positive organizational culture significantly enhance employee motivation and productivity (Putra et al., 2020).

Understand the factors that affect employee's performance helps for managers and organizations to make decisions that would inculcate improved performance from the employees and to an extension of the organization performance (Basit, Sebastian & Hasan, 2017). Companies today are forced to compete and to act professionally, therefore, it is very important to have capable employees who can account to create competitive advantage. Good results and increased output is assumed to be the result of better workplace and will boost the employees and finally improve their productivity (Carnevale, 1992). The importance of having effective and hardworking employees in the company is vital for its survival. Employee performance is one of the most

important dependent variables and has been studied for decades (Wall et al., 2004).With the changes of the external environment, organization competitiveness is no longer solely relied on the tangible assets, but also numerous intangible assets. As environment become increasingly dynamic, innovation is getting more and more important.

The most effective sources of innovation are often ideas emerged from within an organization, usually from employees. Hence an organization's competitive advantage can be generated through human resources. Positive work incentives are incentives that make work interesting, e.g.; attractive organization culture, good personnel communication, training and development, and motivation. Enabling employees leads to motivation, good personnel communication, favorable organization culture, and training and development. However, negative work incentives include those incentives that make work boring, un challenging and dissatisfying which lead to increased absenteeism, turnover and poor performance. Thus to prevent these negative work outcomes, there is a need to find out which factors within the organizational context can affect employees performance of private commercial banks in Ethiopia so as to continually have productive. Reviewing literature, it was found that there are many factors that can influence the employees performance. But in this research motivation, training and development, Communication and Organization culture, have been studied and researchers would demonstrated evidence on the relationship between these factors and employees performance. Private banks in Ethiopia has a system or policy and standard procedures to motivate, communication system, training and development, and build good employees attitude towards their organization, but the methods of evaluate their organization culture, communication and their employees performance after motivation, training was made has its own problem. This study would aim to determine the importance of training and development, motivation, organizational culture and communication on employee's performance in selected private banks in Ethiopia.

1.3. Research Questions

- How employees' performance affected by organizations culture in selected private banks in Ethiopia?
- What is the effect of training and development on employees' performance, in selected

private banks in Ethiopia?

- In what extent communication affects employee's performance in selected private banks in Ethiopia?
- Does motivation influence employees' performance in selected private banks in Ethiopia?

1.4. Objectives of the Study

1.4.1. General Objective

To determine factors that affecting employees performance in selected private banks in Ethiopia

1.4.2. Specific Objectives

1) To determine how organization culture affects employees performance in selected private banks in Ethiopia.

2) To examine how communication influencing on employees performance in selected private banks in Ethiopia.

3) To identifies how training and development affect employees performance in selected private banks in Ethiopia.

4) To determine how motivation influencing on employees performance in selected private banks in Ethiopia.

1.5. Research Hypothesis

H1: There is a positive and significant relationship between organization culture and Employees' Performance in selected private banks in Ethiopia.

H2: There is a positive and significant relationship between training and development and Employees' performance in selected privet banks in Ethiopia.

H3: Communication has positive and significant relation with Employees' Performance in selected privet banks in Ethiopia.

H4: M otivation has positive and significant relationship with Employees' Performance in selected privet banks in Ethiopia.

1.6. Significance of the study

This study finding was helpful for human resource management of the organization. This study was expect to be of some value for decision and policy makers with respect to affecting factors of employees' performance. In addition the study would be used as a baseline for future researchers and other research users who might study into a similar area of assessing the factors affecting Employees performance in selected privet banks in Ethiopia. The findings would provide up to date information for academicians, policy makers, social workers and researchers for better policies and can influence improvement of employee's performance in the private banks in Ethiopia.

1.7. Scope of the study

Under this study factors affecting the employees' performance in selected private banks in Ethiopia were addressed. And also it has being focuses on determining determinant factor that can affect employees' performance in selected private banks found in Addis Ababa. The reasons behind selecting this area were due to time, cost and by assuming many company represent by this selected sector. There are many human resources Practice which affect the employees' performance in an organization. However, the study was focus only on effect of organizational culture, communication, training and development and motivation on employees' performance. Methodological this study would use descriptive and explanatory methods. Hence, data were collect from the sample respondents selected through simple random sampling technique and the study area was selected by purposive sampling technique. The study scope was focuses on selected private bank branches found in Addis Ababa Ethiopia.

1.8. Limitation of the study

Due to time and cost management this study was focus only in factors affecting employees performance of selected private banks in Ethiopia, which may not enable to conclude all company face similar factors that affect their employee performance. Since only motivation, training and development, communication and organization culture was under study other factors that affect employees' performance were not considered with in this scope.

1.9. Definition of Key Terms

Motivation: Motivation is the process that initiates, guides and maintains goal-oriented behaviors. For instance, motivation is what helps you lose extra weight, or pushes you to get that promotion at work.

Training and development: Training and development described as a way of acquire new skills, education and professional knowledge to employees within the organization.

Organization culture: It is an attitude value, beliefs and values, which governs how people behave in organizations.

Communication: Communication is a method of transmission of information within the organization and employee.

Performance: Is the level of output or result accomplished against a given targets and the way how it accomplished. It is any recognized accomplishment; a process or manner of functioning or operating; management execution. In other words, Performance is the efforts along with the ability to put efforts supported with the organizational policies in order to achieve certain objectives (Paul, 2010).

1.10. Organizations of the Study

The research paper was organized into five chapters. Under the first chapter introduction, back ground of the study, statements of the problem and research questions, objectives, hypothesis, significant of the study, scope of the study, limitation of the study, definition of key terms and organization of the study were disused. Related theoretical and empirical

literature was discussed in chapter two and chapter three concentrate methodological aspects. The fourth chapter of the study contains data analysis and presentation of the study. Last chapter, which was closing chapter, discuss on conclusion, recommendation and policy implication of the study based on the major findings.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Theoretical Review

Theoretical review deals with the concept of Employees performance, Concepts of performance management and objectives of performance management.

2.1.1. Concept of Employees Performance

Employees' performance considered as a condition for the performance and achievement of the organizations on the market Szabo et al., (2017). Employees' performance is an indicator of the organization's performance and the organization's figure Silitonga and Sadeli (2020). According to Khan and Mashikhi (2017), performance is considered as the output of an organization as well as employees. The survival of the organization will depend on their ability to provide the employees with the necessary actions and managers of organizations consider meeting employees' mental and physical requirements. According to (Rusmiati & Fitriani, 2021), performance is the result of a person's effort in carrying and responding duty and responsibilities. Productivity also has an effect on how employees perceive their value to the organization. Employee performance is also critical to a business's International success.

According to (Smither and London, 2009), it can be defined as a combination of both results (what need to be achieved) and behaviors (how to be achieved). In a simple way employees performance can be also regarded as a record of an outcome or accomplishment achieved by a person (Armstrong, 2009). Therefore managing employees' performance both inputs (communication, training and development, motivation and organizational culture) and outputs (employees' performance) need to be considered since they are interrelated. According to (Safitri & Lathifah, 2019), employees performance well assess through specific and with communication, training and development, motivation and organizational culture related factors. According to Armstrong (2020), Employee Performance is improving by setting organization culture, motivation, training and development and communication are planned to the strategic goals of the organization.

The concept of employees' performance in an organizational performance can be affected in various ways. According to (Armstrong, 2009), the dominant one which is commonly used in many organizations is factor their actual performance against expected result is financial results (profitability) or productivity. Managing employee's performance is an indispensable for the accomplishment organizational goals. Assessing an employee's performance with his or her productivity is the critical issue in the overall plan of the organization. According to (Sarmad et al., 2011),employees' performance is directly related to organizational productivity and success, it is useful to determine employees performance since each employee creates results which mainly comprise the correlation among the communication, training and development, motivation and organizational culture of employees performance.

2.1.2. Concepts of Performance management

As Armstrong (2009) discussed one of the most important concepts of performance management is that it is a continuous process that reflects normal good management practices of setting direction, monitoring and measuring performance and taking action accordingly. Performance management should not be imposed on managers as something 'special' they have to do. It is concerned with getting the best from people and helping them to achieve their potential. It is an approach to achieving a shared vision of the purpose and aims of the organization. It is concerned with helping individuals and teams achieve their potential and recognize their role in contributing to the goals of the organization. Armstrong (2009) has defined performance management as a systematic process for improving organizational performance by developing the performance of the individuals and teams. In general all organizations have people who are not performing to standard, but try not to label them as 'poor' performers. Over their careers, people may have times when they are performing well and other times when they are not bringing in the results expected. The challenge is to maintain and develop the performance of all people. One of the main issues is when to act. Managing poor performance is a bit like catching sand falling through an hourglass. Performance management is an important HRM process that provides the basis for improving and developing performance and is part of the reward system in its most general sense. Performance management is a means of increasing the engagement and motivation of people by providing positive feedback and recognition (Armstrong, 2009).

2.1.3. Objectives of performance management

Armstrong (2009) argued that the overall objective of performance management is to develop the capacity of people to meet and exceed expectations and to achieve their full potential to the benefit of themselves and the organization. Performance management provides the basis for self-development but importantly, it is also about ensuring that the support and guidance people need to develop and improve are readily available.

2.2. Empirical Literature

Different scholars and researchers conducted studies with regard to factors affecting employee's performance at their work at different countries in different sectors. Mostly, they have been focused on factors such as training and development, motivational, organizational culture and communication related factors separately that have an impact on employee's performance.

2.2.1. Factors that affects employees performance

According to Hancock et al., (2013), there are many employees related factors that have been studied the literature regarding their effect on EP. This study focuses only motivation, training and development, communication and organization culture. Based on some researchers there are certain factors that effect on employees performance in a positive or negative way, including; motivation, training and development, organizational culture and communication. There is many factors that affects employees performance some of them were listed as follows:-

2.2.1.1. Motivation

Kuswati (2020) studied the effect of motivation on employee performance by using descriptive method and survey method with quantitative data processing and analysis through parametric statistical approaches, the calculation of using and SPSS 16 program tools. This study results indicates that that the effect of motivation over employee performance is good. According to Arshadia (2010), motivation and performance has positive influence among each other. Motivation increases organization productivity, which means that organizational managers pay attention to every decision that is meant to lead to the welfare of employees. Employee motivation impacts

performance in many positive ways. Motivated employees are more productive, happier at work, more committed to the vision, better collaborators, and more likely to stay with the organization. Effective performance management is essential for high motivation and high performance.

Mamun and Khan (2020), examines the factors influencing employees performance, rewards and motivation within organization. This result investigate that human resources and their motivation to work were an essential component of the success of enterprises operating in a changing and global competitive environment. The methodological basis of this study was qualitative methods, which allowed gaining a deeper knowledge of the behavior of employees. This study was recommended that for building a system of personnel efficiency management were offered, which would allow retaining employees, increasing labor potential, as well as improving the efficiency of the whole business. This finding predicts there was practical significance and can be useful for the top management of the company strategic personnel management.

Weldegebriel et.al. (2016), study on the effect of motivation and associated factors on health workers. The percentage of respondents towards each item was analyzed as motivation scores (as the percentage of maximum scale scores) were 58.6% of the motivation score, 71.0% of the conscientiousness scale, 52.8% of the organizational commitment scale, 58.3% of the intrinsic motivation scale and 64.0% of organizational burnout scale. This finding was indicates that compensation was not significantly associated with heath workers overall level of motivation.

According to Bekele (2016), study on factors affecting employee performance in Ethic-Telecom case of Addis Ababa Zonal offices. This study result reveal determination coefficient test was 82.5 percent indicating that employees' performance was explained by Motivation, Training, Organizational Culture, Working Environment, Supervision and Individual Characteristics and the remaining 17.5 percent were linked with other factors. This study finding was indicating that Motivation and Working Environment have a significant effect on Employees Performance in Telecommute Company.

2.2.1.2. Training and development

According to Karim et.al, (2019), well trained employees are needed in organizations to achieve its goal effectively and efficiently. And also training and development affect employees' performance in most organizations. According to Sasidaran (2018), training and development in the organizational increase capacity and to improve employee's performance and achieving its goals. Training and development is mainly and significantly predicting employee's performance (Nnamdi, 2019). Significant positive relationship is existing between employees training and development and the employee performance (Naveed, 2014).

According to Yimam (2022), used quantitative approach and the cross-sectional survey methods to assess the impact of training on employees' performance with in the technology focused academic institution. This study findings was indicate that training have significant and positive effect on employees' performance.

Karim et.al, (2019), study on the impact of training and development on employees' performance. The study finding was indicate that employees were aware about training and motivated through training and development results into higher performance. This study recommended that training and development taking into deliberation the opposition, market dynamics, customer satisfaction, and net promoter score among others.

Omar et al., (2022), factors affecting employees performance that helps for success of organizational goals is a key element of employees' success. The purpose of this study was to determine the factors that influence an employee's performance. The details of the factors contributing to an employee's performance were described using descriptive statistics.

2.2.1.3. Organizational Culture

Organizational culture is a culture that is implemented in the organization, which can increase the effectiveness of achieving the organization's vision, mission and goals (Busro, 2018, p. 64). Organizational culture between organizations can be different, because organizational culture reflects the personality or characteristics that distinguish one organization from another. This trend can be things that look like organizational rules or things that don't look like organizational mindset and directly describe the organizational culture. Therefore, organizational culture is a system, a shared meaning shared by its members that differentiates an organization from others (Robbins & Kotler, 2005). Organizational culture is a key factor for increasing motivation among employees and also increase in employee motivation will

result in an increase in employee performance (Paais & Pattiruhu,2020); (Shah,2015) and (Yumte et al.,2017). According to Irwan et al.,(2020), organizational culture is created by leaders and will affect employee strategy and performance. Employees need to be given the opportunity to be involved in the organization and participate in organizational functions, will feel they as part of the organization.

Organizational culture implicates the behavior of employees in their workplace and it can have a positive or negative influence on employee performance. Organizational cultures where employees which are considered as the growth process of the organization foster employee commitment towards the organization goals and objectives with their organization and feel responsible. Employee's efforts are appreciated by the management and follow suitably rewarded, they have enormous satisfied with organizational cultures; the employees are committed to achieving their goals and thus have a positive effect on the overall performance of the organization.

Wahjoedi (2021), examine the effect of organizational culture on employee performance mediated by job satisfaction. The result of this study was indicating that job satisfaction can mediate organizational culture and employees' performance. This study recommended that it is useful as input in determining strategies, especially for companies to improve their employees' performance.

According to Szabo et al., (2017), Employee performance in the context of the problems of measurement and evaluation in practice is a condition and an assumption for the performance and success of a company on the market. This study finding indicates that Employee assessment in an organization enables to control employees' performance with other collaborators. The result of this study was indicates that motivate employees to perform better. According to Diamantidis and Chatzoglou (2019)), study on factors affecting employee performance was examines that the impact and interrelations between firm/environment-related factors, job related factors and employee related factors has positive effect with EP.

2.2.1.4. Communication

Communication is the core concept of the study, viewed as an independent variable that effects on employees performance. There have been numerous definitions of communication presented

by writers in the field. The concept of communication has been synonymous equated to organizational communication, employee communication, inter-organizational communication, employee communication, internal relation, and internal public relations (Mbhele, 2016).

Though the importance of communication is emphasized in practice, the theoretical framework of it still has gaps Yeoman (2006). He further explains in his own words: very little attention is paid to communication by public relations scholars yet it is viewed as part of an organization's strategic communication function. This progress gap between scholars and practitioners creates a situation where it might be not always clear how to assess the effectiveness of communication strategies, simply due to the lack of the theoretical frameworks. The definitions vary from a broad approach meaning all communication flows within organization, to a more narrow understanding of it as a specific field of corporate communication.

Hee et al.,(2019), examines the Impact of Organizational Communication and Compensation on Employee Performance, with Employee Engagement as a Mediating Variable, such as horizontal communication, downward communication and upward communication. The result was implicated that organizational communication has significant and positive impacts towards employee's performance. For this reason management may focus on the development of soft skills to increase the ability to express, communicate and to organize more activities. This study recommends effective training and development plan helps to realize effective communication in the organization. According to Welch and Jackson (2007), communication is concerned with communication phenomenon, therefore including all communication inside the organization, while corporate communications field sees communication as a management instrument. According to Mbhele (2016) communication is categorized in to formal and informal. The formal communication refers to communication initiated by management whereas the informal communication exists in organizations without specific initiation. Whether communication is formal or informal is largely dependent on the situation people find themselves in. Formal communication originated from management in a way of policies, procedures, and work instructions, which are cascaded through the organizational hierarchy. Informal communication refers to communication that take place between the organizations, regardless of employment level. Informal communication develops through common interest among the organization. Korkosz (2011) citing (Pettinger, 2010) it includes the organizational grapevine, a means of informal, usually not confirmed by the management,

information flow concerning the organization and its employees.Formal communication is categorized into upward, Horizontal and downward communication.

Horizontal Communication is the way of employee's communication and transmitted message along similar level within an organization. Horizontal communication is a method of sharing information to solve problem and works together efficiently and it usually produces a higher quality of information exchange as it occurs directly between employees working in the same level. Horizontal communication enables in developing stronger relationship for employees. Effective horizontal communication enables to reduce misunderstanding and conflict among employee and organization. This makes the employees happier and more successful in the organization.

Upward communication is one of communication styles through subordinates to their superiors in the organization and transmitted message from bottom to top along the hierarchy. Upward communication brings cooperation and gains support from the superiors and enables employees express their feelings about jobs and procedures in the organization. And also upward communication reflects the ability of employees in performing their jobs.

Downward Communication Organization used it to transmitted message from higher to lower along the hierarchy. And also it enables superiors more information is shared the more productive the employee is expected. Effective downward communication improves employees' communication within in the organization. Downward communication provides feedback on employee performance.

2.3. Research Gap

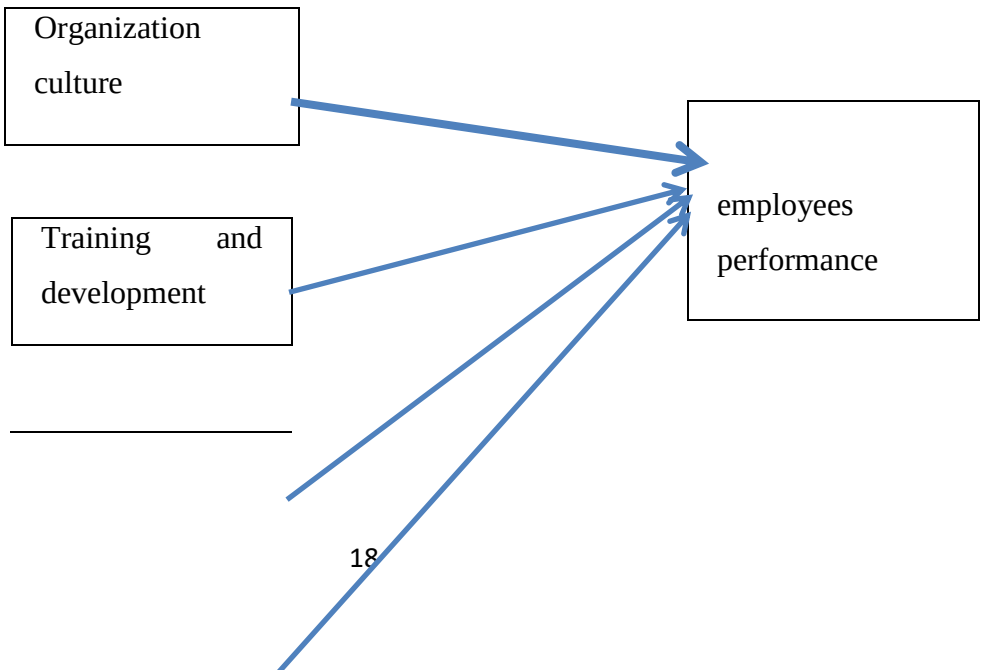
In various banking sector, there is a notable gap in understanding how contemporary challenges, particularly those arising from evolving consumer expectations, specifically impacts on employees performance in the banking sector. Most existing studies have focused on traditional performance factors, such as motivation, training and development, communication and organizational culture, without fully addressing how these factors interact with the unique pressures faced by private bank employees in today's environment (Paais & Pattiruhu, Citation2020; Salas-Vallina et al., 2021). This gap is crucial because it leaves banking institutions with potentially outdated strategies that may not effectively address current

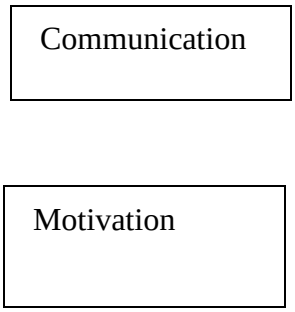
employees performance challenges. Conducting this study is essential to provide relevant and actionable recommendations that can help banking institutions adapt to and thrive in the current and future challenges. Different scholars and researchers conducted study with regard to factors affecting employee's performance at their work at different countries in different sectors. Most of them have been focused on the individual effect of training and development, motivational, organizational culture and communication related factors with employees performance. It also revealed that there were different factors affecting employees' performance; in this study four determinant factor influence over employees performance would be examined by considering those factors combined effect with current need of private bank in Ethiopia. Such factors were Motivation, training and development, Organizational Culture and communication considered as independent variables. Even if there were empirical studies on factors affecting employees Performance, majority of them raise different variables on relation to Employees Performance and done within some studies as the researchers observation. The researcher would contribute towards filling the gap by detail analyzing of those factors effect on employees performance in selected private banks in Ethiopia.

2.4. Conceptual Framework of the Study

In this research employees performance considered as dependent variable and independent variable is communication, training and development and organization culture and motivation.

Independent variable dependent variable





Source: researcher survey (2024)

Figure1 Conceptual frame work

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

In this chapter the research design, research approach, sampling techniques, data collection method, data collection procedure, validity and reliably, method of data analysis, model specification and ethical consideration issues would addressed.

3.2. Research Design

The researcher was used descriptive and explanatory research design to identify the extent and nature of cause and effect relationships between the given variables. Further, Greene (2012) recommends use of regression techniques to uncover the relationships between the study variables. The descriptive and explanatory research design was the design that helps to choose and to integrate the components of the study in a coherent and logical manor. Descriptive study was used to describe existing situation under study and the study have undertaken descriptive analysis that describes the influence of motivation, training and development, communication and organization culture on employee's performance of selected privet banks in Ethiopia. And also Explanatory approach would use to explain the hypothesis and it could help to increase understanding of a given topic, ascertain how or why a particular phenomenon is occurring.

3.3. Research Approach

The researcher would use quantitative research approach. The reason in which researcher selected this approach the fact that quantitative research used to collect and convert data into numerical form and it enables to drown conclusion based on statistical calculations.

3.4. Sampling Techniques

3.4.1. Population area of the study

According National bank of Ethiopia report (2023), there were 29 private banks in Ethiopia. From those 3 privet bank which found in Addis Ababa (Awash bank, Dashen bank and Bank of Abyssinia) were selected, the reason why the researcher choose this study area was be impossible to identify everyone in the entire country due to time and budget limitation are there and also there experience in the privet bank sector take in account. Based on this report Awash bank has 893 branches throughout the country, from this 296 branches were found in Addis Ababa, Dashen bank has 295 branches in Addis Ababa from total of 861branches and bank of Abyssinia has 329 branches in Addis Ababa from total of 931 branches. The sample population of this research was permanent employees work in those selected private bank branches found in Addis Ababa Ethiopia.

3.4.2. Sample size

According to Kothari (2004), the size of sample should neither be excessively large, nor too small and it should be optimum sample, which can enables to fulfill the requirements of efficiency, representative, reliability and flexibility. In the meantime the researcher decided to select three private commercial banks from 29 private banks namely Awash bank, Dashen bank and Bank of Abyssinia from those banks the researcher took 5 branches employees randomly for each selected privet banks which were found in Addis Ababa Ethiopia by using purposive sampling expecting that the researcher will get the necessary data and it was assumed that the banks are representative considering their experience in the banking industry. Simple random sampling is probability sampling methods that every member of the target population has equal chance of being selected in the sample to determine representative sample population in those privet commercial bank branch employees using random numbers. Purposive sampling methods were used to select each area of study in private banks in Addis Ababa, Ethiopia. To obtain representative samples and to select employees who would be willing to complete the questionnaire, simple random sampling technique was used. And also it would be used in this study, because it provides an equal and nonzero chance of being selected for each employees of the bank. The researchers focus was on employees of those selected bank branches. Based on each bank fourth quarter report on (June, 2023) the total permanent numbers of employees listed by the Dashen bank has comprised 17,571 employees, Out of this staff strength, permanent employees constituted 10261, while the

remaining 7310 were outsourced. Awash bank has 20055 employees and bank of Abyssinia has 11, 508 employees and 5 branch employees for each bank were selected by using simple random sampling technique. This indicates that those three banks hold 41824 permanent employees. By using Yeman's formula the research questions of this study take sample of 396 employees would be selected randomly from 15 branches to fill the questionnaire, which is 150 employees from Awash bank, 120 employees from Dashen bank and 126 employees from Bank of Abyssinia were selected randomly. This means that 20 and more employees would be taken from each branch. Those selected employees selected would consider to sample of the population. The branches that would considered in this research were Mekanisa abo, Lebu, Jemo, Gofa sefer and Gofa gebriel branches from Awash bank, Jemo1, Mekanisa Michael, Gofa, Lebu and Mekanisa kore branches from Dashen bank and Jemo, Lebu, Lebu ERTU and Lebu muzika sefer branches from Bank of Abyssinia.

According to Kothari (2004), a sample design is a "definite plan for obtaining a sample from a given population". To obtain the minimum population sample for the study, the researcher was adopted simple random sampling as a technique.

Table1 The distribution and response rate of questionnaires from the respondents

s/n	Selected privet banks in Ethiopia	List of sample branches	Number of questionnaire distributed	Number of questionnaire returned	Response rate
1.	Awash bank	Mekanisa abo branch	30	24	80%
		Lebu branch	29	25	89.28%
		Jemo branch	32	26	81.25%
		Gofa sefer branch	29	24	82.75%
		Gofa gebriel branch	30	25	83.33%
2.	Dashen	Jemo1 branch	26	22	84.61%

	bank	Mekanisa Michael branch	20	17	85%
		Gofa branch	26	22	84.61%
		Lebu branch	28	23	82.14%
		Mekanisa kore branch	20	16	80%
3.	Bank of Abyssinia	Jemo branch	23	21	91.30%
		Jemo ERTU branch	25	24	96%
		Lebu branch	28	25	89.28%
		Lebu ERTU	29	26	89.65%
		Lebu muzika sefer branch	21	20	95.23%
Total response			396	340	85.86%

Source: researcher survey (2024)

3.4.3. Sources of Data

The study would use both primary and secondary sources of data to get necessary information in the area of study. Primary data were collected through questionnaire in order to realize the target and the study uses well design questionnaire as best instrument. This was because of Lower in costs, the Respondent privacy were consider, It was free from the bias of the researcher, answers were in respondents own words. These were complete by employees of select private commercial bank branches found in Addis Ababa, Ethiopia. While, the Secondary Sources, Collect data from articles, websites, newsletters, Book, reports and journals were to be consider as secondary data. Questionnaires were mainly used to gather facts about respondents towards motivation, training and development, communication and organization culture effect on employees' performance. The questionnaire was designed based on the structure which can enable to identify the research purpose which was analyzed by gathered data through the questionnaire. The questionnaire have six main sections: the first section includes demographic background of the respondents which contains 4 items, the second section deals with effect of organization culture which contains 6 items and help to

determine and measure the attitude of employee towards performance, whether it enhanced their performance or not; the third section measure effect of communication view toward employees performance and it contains 12 item, the fourth section were about the effect of training and development, it contains 5 items which enables the researcher to clearly identify the employees view on employee's performance, the fifth section contains measure of motivational effect towards employees performance and it contains 5 items. The last section contains 5 items which helps to measure employee's performances. The five-point Likert scale was used to collect the respondents' view.

3.5. Data Collection Method

The primary data was collect using self-administrated five points Likert scale questionnaires. The questionnaire has six sections: Those are demographic information of respondents, organization culture, communication, training and development, motivation and employees performance section respectively. The questionnaires will arrange in a very simple and brief manner to encourage meaningful participation by the respondents. The content of the questionnaire kept as brief and short as possible with care taken to the actual wording and phrasing of the questions. The reason for the appearance and layout of the questionnaire are of great importance in any survey where the questionnaire is to be complete by the respondent (John *et al*., 2007:128-42). The questionnaire was organized based on Likert scale ratings of individual factors. The respondents are asking to rank on a scale of 1-5 (where 1 indicates Strongly Disagree and 5 indicates Strongly Agree) the degree in which they agree with statements given, relating to determinate of Employee Performance. Respondents were requested to express their level of agreement in each statement on Likert scale.

3.6. Procedures of Data Collection

The data collection procedure in this study was developed by the researcher. These procedures were intended to help improve the usefulness, timeliness, accuracy, and comparability of performance data that represent employees in selected privet banks in Ethiopia. These procedures describe processes that would result in high quality data. The questionnaire would construct in a very short and clear manner using Likert scale and open ended questions. The

questionnaires would distribute to the employee after orientation was given to them. Questionnaires were distributed by the researcher himself on face to face base to get further and reliable information with the employee of those selected privet commercial bank branches to enrich the data gathered by questionnaire.

3.7. Validity and Reliability

3.7.1. Validity

Validity is an instrument of accurately measures what is supposed to measure and it is concerned with how well the concepts are defined by the measures (Hair et al., 2020). In other words, Validity simply refers to the degree in which the measures used in the questionnaire are truthfully measuring the intended and not something else. The questionnaires were developed based on examination of previous research works such as Hee et al.,(2019),Karim et al.,(2019),Imran (2015) and Chatzoglou et al.,(2019) and other literature review to prove the validity of instrument were used.

3.7.2. Reliability

According to Lombard (2010), the Cronbach's alpha coefficients of 0.9 or greater are n always acceptable, 0.8 or greater is acceptable in and 0.7 and above acceptable most situations. To check completeness and logical consistency of responses, data editing would be carry out each day by the researcher and reliability test would be takes-place. The data were analyzed by using SPSS Version 26. The summary of result was interpreted by using frequency distribution and percentages, which used to assess the proportion of respondents choosing the various responses. Researcher was used tables, charts and graphs to ensure easy understanding of the analyses. Pearson Correlation and multiple linear regression statistical models were used to assess the causal relationship with dependent and independent variables. Pearson Correlation analyses would be helped to identify all the possible correlations on the dependent variable. And multi variable analysis used to control the confounding factors in the way of identifying the real predictor variables. To claim statistical significance tests, the cut-off value set is $P < 0.05$.

Table 2 Reliability test statistics

Variables	**Number of items**	**Cronbach's Alpha**
Organizational culture	6	.773
Communication	12	.854
Training and development	5	.785
Motivation	5	.789
Employees performance	5	.749

Source: researchers survey (2024)

3.8. Methods of Data Analysis

Data from questionnaires would be analyzed by using SPSS software version 26. The descriptive statistics (frequency distribution, percentile, mean and standard deviation) helped the researcher to examine the general demographic information of employee performance. This would use the further transformation of the processed data to look for patterns and relationship between data groups analysis by using inferential statistical tools. The SPSS 26 would use to analyze the data obtained from primary sources. Specifically, descriptive statistics (frequency and percentage) and inferential statistics (correlation and regression) would employ in this study.

3.9. Model specification

Correlation was employed to test the impact of factors affecting on employees performance. It was a useful technique that could be used to analyze the relationship between independent variables and dependent (Hair et al., 1998).

Regression tests shown in equation; $Y=a+bX$, where Y was the dependent variable, as is the Y intercept, that is the value; $X= 0$ and b was the regression coefficient which indicates the amount of change in Y given a unit change in X, and finally X was the value for the

independent variable. Multiple regression analysis would be used in this study to measure the effect of the explanatory variables over the dependent variable, which was Employees performance.

$$EP = \delta + \beta_1 M + \beta_2 C + \beta_3 TD + \beta_4 OC + \varepsilon$$

EP= Employees performance and α (alpha) = constant

$\beta_1 - \beta_4$, (beta) = were the coefficient of independent variables and ε = the error terms

M = motivation

C= communication

TD= Training and development

OC= Organizational culture

3.10. Ethical Considerations

In this study, research was taking ethical considerations properly regarding informants and similar issues. Accordingly, respondents would participate on voluntary basis. They were well informed about the purpose of the study and their consent was being asked verbally. Measures were also taken to ensure the respect, dignity and freedom of each individual participating in the study. Moreover, participants were assured that the information they provided would be kept confidential and would not be disclose to anyone including the bank under the study. Summary of some ethical principles that were engaged; First, regarding, data, results, methods and procedures, and publication status are honestly report; No attempt used to fabricate, falsify, or misrepresent data in this study and the research work will carefully and critically examined. And also the researcher given proper acknowledgement to all, who have contribution to research never plagiarize.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.1. Introduction

In this chapter the collected data from the respondent would be analysis, interpretation and discussed. The measures on the questionnaire data of respondent were summarized and analyzed by using SPSS version 26 software. The research questions were designed as questionnaire form on the Likert Scale and based on the respondents view regarding employees' performance of three privet banks selected branches. Questionnaires were prepared and distributed to respondents of 396, from those respondents 340 (85.86%)) responses were valid and used for data analysis purposes and the remaining 56(14.14%) respondents response data were not valid. In addition to questionnaires, documents of those branch banks data, literature, and related journals were used for the purpose of this study which has been discussed and analyzed per their content.

4.2. Respondents Demographic Information

In this section the demographic profile of the respondent was presented and analyzed as per their gender, age, educational level, and work experience in those organizations. Descriptive statistics were used to present the frequency and percentage of respondents on the demographic variables.

Table 3 Percentage and demographic information of respondents

Item		Frequency	Percent
Gender of respondents	Male	203	59.7
	Female	137	40.3
	Total	340	100.0
Your age of respondents	21–30 years	95	27.9

	31–40 years	203	59.7
	41–50 years	30	8.8
	Above 50 years	12	3.5
	Total	340	100.0
Level of education of respondents	Diploma	21	6.2
	Degree	269	79.1
	Masters	32	9.4
	Others	18	5.3
	Total	340	100.0
Work experience of respondents	≤ 5 years	37	10.9
	6 – 10 years	193	56.8
	11 – 15 years	64	18.8
	Above 15 years	46	13.5
	Total	340	100.0

Source: researcher survey (2024)

According to table3; 59.7.9% of respondents were males and 40.3% of employees participated in the study were female employees, this indicates most of respondents in those selected bank branches were males.

Regarding to the age of the respondent 27.9% were found between 20-30 years, 59.7% of the respondents had 31-40 years old, 6.6% respondent were 41-50 years and 3.5% of the respondent had above 50 years. Therefore most of the respondent in those selected banks were adults.

Regarding to educational level, 6.2% respondent were diploma holders, 79.1% respondent were degree holders, 9.4% master's holders and the remaining 5.3% were other than diploma, degree and masters holders. Based on this data most of the respondents were degree holders, therefore most of the respondents can easily understand about factors of employee performance and fill the questionnaire as desired by the researcher.

Based on the work experience of respondent in the bank sector 10.9% had less or equal to five years, 56.8% had experience 6-10 years, 18.8% had 11-15 years of experience and the remain had more than 15 years of experience in those banks. There for most of the respondent were more experienced, which enables the researcher to fill confident about their awareness to the research questions and response.

4.3. Descriptive statistics

In this section the level of agreements of the respondents in each item on the independent and dependent variables were interpreted. And also the participant's level of agreement or disagreement towards each item with regard to five point Likert scale would be presented and analyzed. To present the respondents rate of response in percent, the researcher used strongly disagree (SD), disagree (D),uncertain (U), agree (A) and strongly agree (SA).When we see mean and standard deviation on respondents response rate in the below table of each items, the highest the mean and the lower standard deviation indicates almost most respondents have similarly response. On the other term high standard deviation and the lower the mean indicates the respondents rate were almost near to positive and negative towards the item.

4.3.1 Organizational Culture

It is a set of ideas and rules that would practice with in employees and organization or that influence employees' performance within an organization.

Table 4 Respondents opinion on organizational culture

Item	Respondents rate in 100%	Mea	Std.

	SD	D	U	A	SA	n	Deviation
The vision, mission and values of our organization is very clear, focused and easily conceptualized to perform well	1.5	18.2	.9	71.8	7.6	3.66	.913
All employees adhere strictly to the organization policies and procedures	5.3	27.9	1.5	52.6	12.6	3.39	1.171
The adherence to policies have reduced cases of uncounted for water, service hours and loan collection efficiently perform	2.1	22.4	11.5	50.6	13.5	3.51	1.046
Our institutions service charter is clearly written and focused on improving employees performance	.9	22.1	7.1	54.1	15.9	3.62	1.025
The staff at the front office record contacts of customers and kept well for ease of accessibility	7.1	42.6	2.4	30.9	17.1	3.08	1.303
Managers are consistent and fair in administering work policies and this enables me to have positive attitude	5.0	27.6	6.2	50.9	10.3	3.34	1.134

Source: researcher survey (2024)

Based on table 4; the first item on respondents participation towards effect of vision and mission clarity with their performance; about 1.5 % of the respondents strongly disagreed, 18.2% disagreed, 0.9% of the respondents felt uncertain, 71.8. % of the respondents agreed and 7.6% strongly agreed. Therefore most respondents agreed that clear vision and mission of organizations enables them to perform well.

Item2 indicates the measure the respondents' adhere strictly to the organization policies and procedures; 5.3% of the respondents strongly disagreed, 27.9% disagree, 1.5% uncertain, 52.6% agree and 12.6% of the respondents strongly agree that all employees were obey to the policies of their bank. This response rate shows most of the respondents agreed that good organizational culture of adhere the policy and procedure of their bank.

Regarding to item3,2.1% of the respondent were strongly disagree, 22.4% were disagree,11.5% were uncertain and 13.5% of the respondent were strongly agree that the adherence to the policy reduced unnecessary costs and enables them to collect loan efficiently. Most of the respondents (50.6%) agreed that employee's adherence to the policy helps to reduce wastage of resources and also there is a good culture of loan collection efficiently.

Based on item4; 0.9% of the respondent were strongly disagree,22.1% were disagree, 7.1% were uncertain, 54.1% were agree and the remaining 15.9% of the respondent were strongly agreed that the good clarity of organization culture enable them to improve their performance. Therefore majority of the respondent agree that good culture of clear charter to improve employee's performance.

According to item5;the respondents filling towards weather staffs in front office record customers to well access;7.1% were strongly disagree,42.6% disagree,2.4% uncertain,30.9% agree and the remain 17.1% of the respondent were strongly agree. Therefore most of the respondents disagree that there was good culture of recording customers at front office. This indicates no good culture of recording customers by front office staffs.

Item6; the respondents rate in this statement were 5.0%,27.6%,6.2%,50.9 percent and 10.3% strongly disagree, disagree, uncertain, agree and strongly agree respectively. Majority of the respondent indicate a good organizational culture of manager's administration system and have positive feeling towards their bank.

4.3.2 Communication

You should support your employees to work effectively and to develop their full potential. It is advisable to have regular conversations and updates with your employees, not just appraisal process. This builds the relationship with the employee and keeps communication open.

Table 5 Respondents opinion on communication

Item	Respondents rate in 100%	Mea	Std.

	SD	D	U	A	SA	n	Deviation
you think that employees in this organization say what they mean and mean what they say	6.2	14.7	1.2	64.4	13.5	3.64	1.081
employees in top managers say what they mean and mean what they say	5.9	16.2	1.8	64.1	12.1	3.60	1.077
employees in this organization are encouraged to be really open and candid with each other	4.1	26.2	5.9	56.5	7.4	3.37	1.074
employees in this organization freely exchange information and opinions	6.2	25.9	20.3	42.1	5.6	3.15	1.063
You are kept informed about how well organizational goals and objectives are being met	12.1	13.8	8.5	59.1	6.5	3.34	1.165
Top managers is providing you with the kinds of information you really want and need	6.8	44.1	5.6	38.8	4.7	2.91	1.133
Communication from other employees is detailed and accurate	4.4	45.9	6.8	38.5	4.4	2.93	1.093
You receive information from the sources that you prefer (e.g. from your superiors, meetings, coworkers, newsletters and managers)	7.6	26.8	14.7	38.2	12.6	3.21	1.192
The information you receive from other employees is consistently reliable	7.1	13.5	7.1	65.3	7.1	3.52	1.043
The directives that come from top managers are clear and consistent	6.8	19.7	4.7	60.0	8.8	3.44	1.108
Your job is not delayed because you get the information you need	7.4	26.5	15.9	43.8	6.5	3.16	1.111
Most of the information you receive from your manager is detailed and accurate	11.2	35.6	15.9	33.5	3.8	2.83	1.126

Source: researcher survey (2024)

According to table 5; 6.2%, 14.7%, 1.2%, 64.4% and 13.5% of the respondents strongly disagree, disagree, uncertain, agree and strongly agree respectively that employees can understanding organization say what they mean and mean what they say. Therefore most respondents agree on there is a good way of communication between organization and employees.

Item2; respondents participation towards the communication between manager and other employees 5.9% were strongly dis agree,16.2% were disagree,1.8% uncertain ,64.1% agree and 12.1% of the respondent were strongly agree on there is a good understanding between top manager and other employees in their bank. This indicates most of the respondent agrees that there is a good communication among top manager and employees.

On Item3; regarding to this statement 4.1%,26.2%, 5.9%,56.5% and 7.4% respondents were strongly disagree, disagree, uncertain, agree and strongly agree that employees in their organization were encourage to be really open and candid with each other . Therefore most respondents were agreeing that employees were encouraged to communicate openly with each other.

Item4: regarding to this item 6.2% of the respondents strongly disagree that there is freely exchange information and opinions in the organizations 25.9% of them were disagree, 20.3%, of them were uncertain, 42.1% of them were agree and 5.6% of the respondent were strongly agree on this statement. Therefore this respondent rate indicates that most of them agree on there was a way of freely exchange information and opinions in the organization.

Item5: according to this item most respondents (59.1 %) agree that there were informed about how well organizational goals and objectives are being met.

Based on Item6; 6.8% of the respondents strongly disagree that top managers provide information that they want really,44.1% of them were disagree,5.6%, of them were uncertain38.8% of them were agree and 4.7% of the respondents strongly agree on this item. This indicates that 44.1% of the respondents disagree that there was provided information really want from top managers as they want.

Item7: according to this item 4.4% of the respondent strongly disagree that Communication from other employees was detailed and accurate ,45.9% of them were disagree, 6.8% of them were uncertain to this item,38.5% were agree and 4.4% of the respondent strongly agree on the communication of employees was detail and accurate. Therefore most of the respondent disagree that communication of employees was detail and accurate. This might be affect good communication among employees.

Regarding to this Item8; respondents feeling on weather on receive information from the sources that they prefer were 7.6%,26.8%,14.7%,38.2% and12.6% strongly disagree, disagree, uncertain, agree and strongly agree respectively. This shows majority of the respondent agree that information were received from the source as they prefer enables them to full inform.

On item9; The respondents response on the question information that they receive from other employees is consistently reliable 7.1% strongly disagree, 13.5% disagree, 7.1% uncertain, 65.3% of them were agree and the remaining 7.1% of the respondent were strongly agree. This indicates 5that most respondents agree that information received from other employees were consistently reliable and it helps to them to make good communication among employees.

Based on Item10; The respondents response on the question whether the directives that come from top managers were clear and consistent indicates most of them (60.0%) agree that there was clear and consistent.

Item11;7.4%, of the respondent strongly disagree, 26.5% of them were disagree,15.9% of them were uncertain, 43.8% of them were agree and 6.5% of them were strongly agree the question rise one their job is not delayed because they get the information as they need. This shows most of the respondent agree that their job could not delayed because of lack of information and this good communication enables them to perform their job without delayed.

Regarding to Item12: respondents feeling towards the question on Most of the information they receive from their manager was detailed and accurate were11.2% strongly disagree, 35.6% disagree, 15.9% uncertain, 33.5% agree and the remain 3.8% of the respondent were strongly agree on this statements. Therefore most of the respondents disagree that the

information received from their manager was detailed and accurate. This might affect the good communication among managers and other employees within their bank.

4.3.3 Training and development

It is organizational processes that aim to improve employees' skills, knowledge, and capabilities. Training typically focuses on enhancing job-related skills, while development is a longer-term approach that focuses on employees' overall growth and potential.

Table 6 Respondents opinion on training and development

Item	Respondents rate in 100%					Mean	Std. Deviation
	SD	D	U	A	SA		
Your organization provides training and Development helps you to brings positive attitude in employees performance	7.6	22.4	2.1	55.6	12.4	3.43	1.184
You think employees enhancement in your organization come through Training & Development	3.5	23.8	4.7	48.2	19.7	3.57	1.154
There is no methods of evaluation after employees take training	3.5	40.3	2.4	46.8	7.1	3.14	1.131
You think training and development boost up the morale of the employees in your organization	2.9	29.4	3.5	45.9	18.2	3.47	1.176
Training and development enhance the skills of employees performance in my organization	3.5	24.1	1.8	50.3	20.3	3.60	1.160

Source: researcher survey (2024)

According to the first item; the respondent feeling towards the question on how their organization provided training and Development, helps them to brings positive attitude in employees performance were 7.6% of them strongly disagree, 22.4% of them disagree, 2.1% of them were uncertain, 55.6 % of them were agree and the remaining 12.4% of the respondent were strongly agree on this item. Therefor most of the respondent agrees that the training provided by their organization helps them to bring positive attitude in employee's performance.

Regarding to item2; the respondents answer on question rise do you think employees enhancement in your organization come through Training & Development, were 3.5% strongly disagree, 23.8% disagree, 4.7% uncertain, 48.2% agree and the remain 19.7 % strongly agree. This indicates majority of the respondents agree that employees enhancement in their organization comes through, training and development.

Based on item3; the respondents rate towards there is no methods of evaluation after employees take training inn their bank 3.5% of them were strongly disagree, 40.3% of them were disagree, 2.4% of them were uncertain, 46.8% were agree and 5the remain 7.1% of the respondents strongly agree on this item. There for most respondents agree that there were no methods of training after employees take training in their bank.

On item4; the respondents response rate on the question whether they think training and development, boost up the morale of the employees in their bank were 2.9% of them strongly disagree, 29.4% of them were disagree, 3.5% uncertain, 45.9% of them were agree and the remaining 18.2% of the respondent were strongly agree by this statement. Therefore most of the respondents agree on training and development, boost up the moral of the employees in their bank.

Based on item5; 3.5%, 24.1%, 1.8%, 50.3% and 20.3% of the respondent were strongly disagree, disagree, uncertain, agree and strongly agree respectively on training and development enhance the skills of employees performance in their bank. Therefore majority of the respondent agreed on training and development, enhance the skills of their performance in their bank.

4.3.4 Motivation

It is a way of appreciation and acknowledges the contribution of employee's towards feeling motivated.

Table 7 Respondents opinion on motivation

Item	Respondents rate in 100%					Mean	Std. Deviation
	SD	D	U	A	SA		
I am satisfied by the car loan provided by the bank	4.7	36.2	2.4	46.8	10.0	3.21	1.173
I am satisfied by the payment given by the bank when i work over time	3.5	32.9	8.5	43.2	11.8	3.27	1.143
I believe the money I am paid is a strong indication of the value the organization has placed on my performance	2.6	34.7	5.6	43.5	13.5	3.31	1.157
Our bank has a pay policy that attract and retain high performing employees	3.5	42.1	5.0	34.4	15.0	3.15	1.219
I am satisfied with the annual profit bonus provided by the bank in order to motivate me	4.4	25.3	2.9	57.1	10.3	3.44	1.107

Source: researcher survey (2024)

According to item1;4.7%,36.2%,2.4%,46.8% and 10% of the employees were strongly disagree, disagree, uncertain, agree and strongly agree by the car loan provide by their bank enables them being satisfied respectively. Therefore most respondents agree on the car loan provide by their bank makes them satisfied and motivated.

Item2: based on question 2 the employees satisfaction level with their overtime payment held by their banks were 3.5%.32.9%, 8.5%,43.2% and 11.8% respectively respondents feedback strongly disagree, disagree, uncertain, agree and strongly agree. So majority of the respondent agree that they were satisfied and motivated the payment proved by the bank with their additional work.

Regarding to item3; 2.6%, 34.7%,5.6%,43.5% and 13.5 % of the respondent were strongly disagree, disagree, uncertain, agree and strongly agree respectively. Most of them believed that their payment indicates the bank has value to their performance. This indicates most of the respondents believed that their bank has value to their performance.

Based on item4; the respondents feedback towards this item their bank has a pay policy that attract and retain high performing employees were 3.5%. 42.1%.5.0%, 34.4% and 15% respectively strongly disagree, disagree, uncertain, agree, and strongly agree. Therefore most of the respondent disagree that their bank has a pay policy to attract and retain them.

Item5;4.4%,25.3%,2.9%,57.1% and 10.3% of the respondent respectively strongly disagree, disagree, uncertain, agree and strongly agree that they were satisfied with the annual profit bonus provided by the bank..

4.3.5 Employees Performance

It is the degree of employees' accomplishment of their tasks. Many organizations assess their employees' to determine the achievement their goal.

Table 8 Respondents opinion on employees' performance

Item	Respondents rate in 100%					Mean	Std. Deviation
	SD	D	U	A	SA		
I understand the procedures, policies and culture of my organization	1.2	23.8	4.4	58.8	11.8	3.56	1.016

I actively get involved in training and development, projects so as to benefit my organization	4.4	28.5	4.7	52.6	9.7	3.35	1.122
I always keep my superiors well informed about my work	2.9	29.4	5.3	55.6	6.8	3.34	1.062
I work well communication and motivation stand with other employees	1.5	26.2	2.1	57.6	12.6	3.54	1.057
I take motive in solving problems in my organization	.6	25.3	2.4	64.1	7.6	3.53	.973

Source: researcher survey (2024)

According to item1;1.2%,23.8%,4.4%,58.8% and 11.8% of the employees were strongly disagree, disagree, uncertain, agree, and strongly agree by they had understand the procedures, policies and culture of their organization respectively. Therefore most of the respondents agree on they had understand the procedures, policies and culture of their organization.

Item2: based on question 2 the employees actively get involved in training and development, projects so as to benefit them held by their banks were4.4%.28.5%, 4.7%,52.6% and 9.7% respectively respondents feedback strongly disagree, disagree, uncertain, agree and strongly agree. So majority of the respondent agree that they were they actively get involved in training and development, projects so as to benefit their bank.

Regarding to item3; 2.9%, 29.4%,5.3%,55.6% and 6.8 % of the respondent were strongly disagree, disagree, uncertain, agree, and strongly agree respectively they always keep their superiors well informed about their work. This indicates most of the respondents keep informed about their work.

Based on item4; the respondents feedback towards this item they work well communication and motivation stand with other employees were 1.5%. 26.2%.2.1%, 57.6% and 12.6% respectively strongly disagree, disagree, uncertain, agree, and strongly agree. Therefore most

of the respondent agrees that they were work well communication and motivation stand with other employees.

Item5;.6%,25.3%,2.4%,64.1% and 7.6% of the respondent respectively strongly disagree, disagree, uncertain, agree, and strongly agree that they were take motive in solving problems in their bank.

4.4 Correlational Results

According to kraha, et.al, (2012) correlation analysis describes the strength and relationships between variables, if the value of r which tells us the strength lies between 0.7 to 1 is high, 0.5 to .7 is strong, 0.3 to 0.5 is moderate and less than 0.3 is week and positive relation.

Table 9 Correlation result among the study variables

Correlations						
		organizational culture	communication	training and development	motivation	employees performance
organizational culture	Pearson Correlation	1	.735**	.732**	.719**	.596**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	340	340	340	340	340
communication	Pearson Correlation	.735**	1	.684**	.708**	.599**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	340	340	340	340	340
training and development	Pearson Correlation	.732**	.684**	1	.763**	.674**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	340	340	340	340	340

motivation	Pearson Correlation	.719**	.708**	.763**	1	.671**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	340	340	340	340	340
employees performance	Pearson Correlation	.596**	.599**	.674**	.671**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	340	340	340	340	340
**. Correlation is significant at the 0.01 level (2-tailed).						

Source: researcher survey (2024)

Based on the above table9 correlation result among the study variables indicate that all four independent variables affect employees performance could have positive correlate with the dependent variable. Employees' performance has positive relation with all four variables namely organizational culture, communication, training and development and motivation. The above correlation result indicate that the strong relation found between employees performance and, training and development at correlation of 0.674 and followed by motivation (0.671), communication (0.599), organizational culture at correlations of 0.596 and the relationship between the study variables was examined based on the Pearson correlation and the result of all study variable implied statistically significant, which has $p<0.05$ value. This shows that they are directly related each other and any change in any one of particular variable would affect the employee's performance in their bank.

4.5 Model Assumption test

The following basic assumption tests were conducted to assess the strength of the relationships between the independent and dependent variables. Under this Multi collinearity (also Collinearity), Linearity Test, Homoscedasticity Test, Auto Correlation (Durbin Watson Test), and Normality Test will be tested.

4.5.1. Multi collinearity

Multi collinearity occurs when several independent variables correlate at high levels with one another or independent variable is a near linear combination of other independent variables. According to Jaccard et al., (2006), multi collinearity can result in misleading and unusual results, inflated standard errors, and reduced power of regression coefficients that create a need for larger sample sizes. Widely used technique of identifying the existence of Multi collinearity is calculating variance inflation factor (VIF) between all independent variables. The VIF is an index of the amount that the variance of each regression coefficient is increased over that with uncorrelated independent variables (Keith, 2006). When a predictor variable has a strong linear association with other predictor variables, the associated VIF is large and is evidence of Multi collinearity (Shieh, 2010). A rule of thumb of Collinearity VIFs is 10 or lower to suggest no Multi collinearity in the model (Kock, 2013). Higher VIFs mean more severe Multi collinearity. More over the Rule of thumb: VIFs (βi) >5 indicates severe Multi collinearity. The researcher checked through Tolerance and VIF and the above table result indicated no Multi collinearity between the variables. Multi-collinearity among independent variables will result in less reliable statistical inferences.

Table10 Multi col linearity test result

Multi col-linearity test result		Col-linearity Statistic	
Model 1	Variables	Tolerance	VIF
	(Constant)	.344	2.909
	organizational culture	.384	2.607
	Communication	.340	2.945
	training and development	.335	2.982
	Motivation	.344	2.909

Dependent Variable: Employees performance

The above table10; shows VIF for each independent variable is smaller than 10 and not lower than 1, so that the problem of Multi-collinearly does not exist.

4.5.2. Linearity test

The linearity relationship between the dependent variable (employees' performance) and the independent variables, namely training and development, communication motivation and organizational culture indicated by plots of the regression residuals were generated using SPSS V26 software. The P-P Plot below was employed to determine whether the data followed a linear distribution by examining the alignment of the data points against a reference line. Based on evident shown below that the data points closely align with the reference line, exhibiting minimal deviation ups and downs with the strait line. So we can conclude that it is linearly distributed.

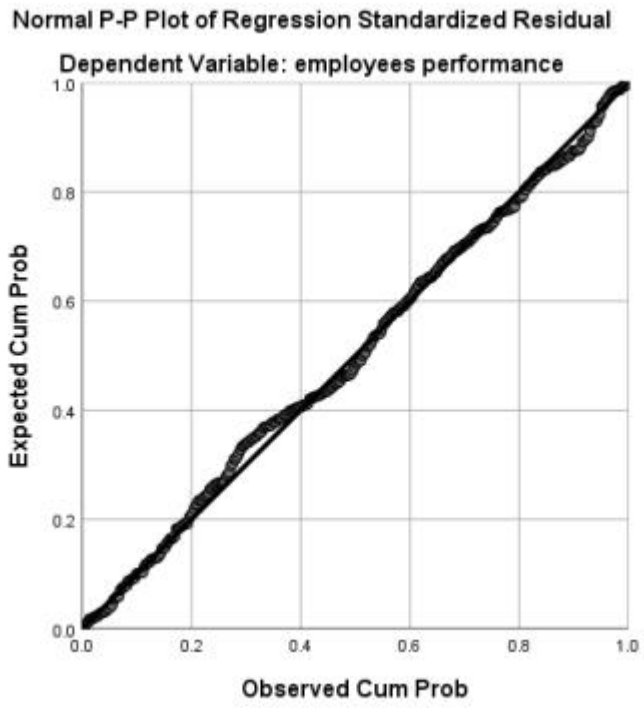


Figure 2 linear p-p plot of regression of standardized residuals

Source: SPSS 26 output 2024

4.5.3 Auto Correlation (Durbin Watson Test)

Auto-correlation assumption states that the errors are uncorrelated with one another. If the errors were not uncorrelated with one another, it would be stated that they are 'auto correlated' or that they are 'serially correlated' (Brooks, 2008). Durbin Watson test and the Breush Geoffrey test is the most common test of auto-correlation. Thus, in this study Durbin Watson assumption of independence statistic value from 0 to 4. In order for this assumption to be satisfied, the Durbin Watson value should be close to 2. Values below 1 and above 3 can be problematic and raise concerns about the presence of auto-correlation. To evaluate this assumption, we examine the Model Summary box provided below.

Table 11 Durbin Watson test statistics

Model	Std. Error of the Estimate	Durbin-Watson test result
1	2.565	1.840
Predictors: (Constant), motivation, communication, organizational culture, training and development		
Dependent Variable: employees performance		

Based on the table11 Durbin Watson value of 1.840 which is closer to 2, this could confirm the auto-correlation assumption was satisfied.

4.5.4. Normality Test

Under normality test of multiple regressions model require the independent variables to be normally distributed. This means that errors are plot of residuals will approximate a normal curve (Osborne & Waters, 2003). Frequency distribution comes in many different shapes and sizes. Therefore the vertical line draws through the center of the distribution look the same on both sides. This is known as normal distribution and is characterized by a bell shaped curve. Such a distribution indicates that the most of scores cluster around the center. The normal distribution graph, presented in Figure2 below, shows that there is no problem of normality on the model.

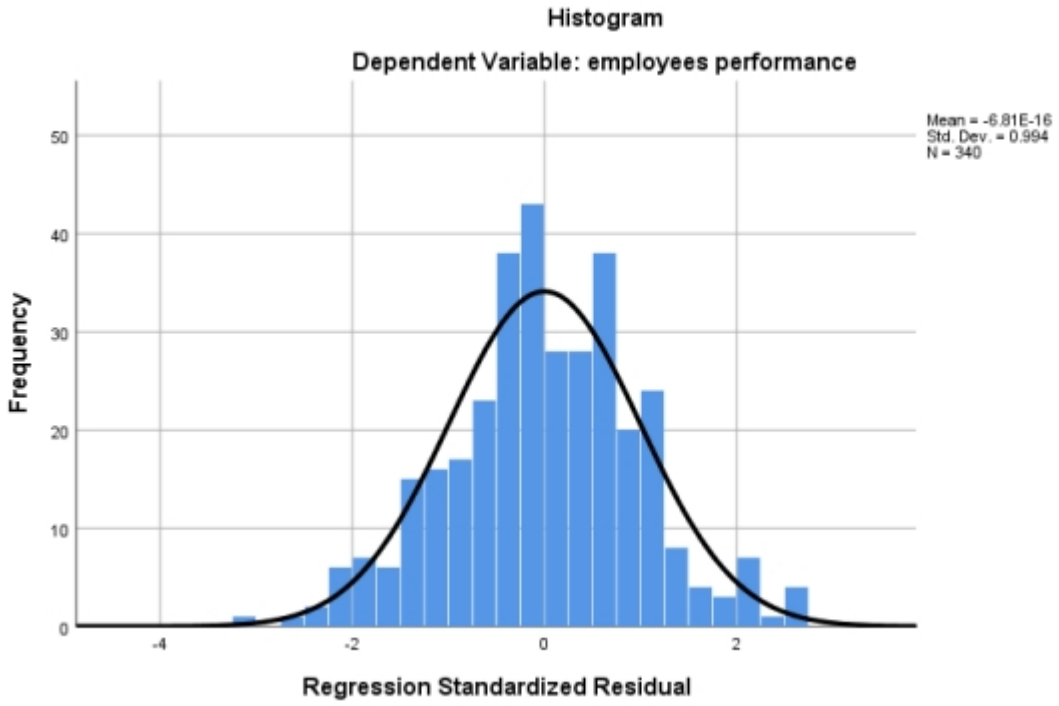


Figure3 Normal p-p plot of regression of standardized of residuals

Source: SPSS 26 output 2024

4.5.5. Homoscedasticity Test

The homoscedasticity assumption refers to the equal variance of errors across all levels of the variables (Osborne & Waters, 2003). It implies that the residual terms should be evenly distributed or show homogeneity of error terms throughout the data. To check for homoscedasticity, a visual examination of a plot depicting standardized residuals against regression standardized predicted values can be conducted (Osborne & Waters, 2003). If the error terms are randomly distributed without any discernible pattern, it indicates no violation of homoscedasticity. The absence of a clear pattern in the Scatterplot indicates that the assumption of homoscedasticity is not violated.

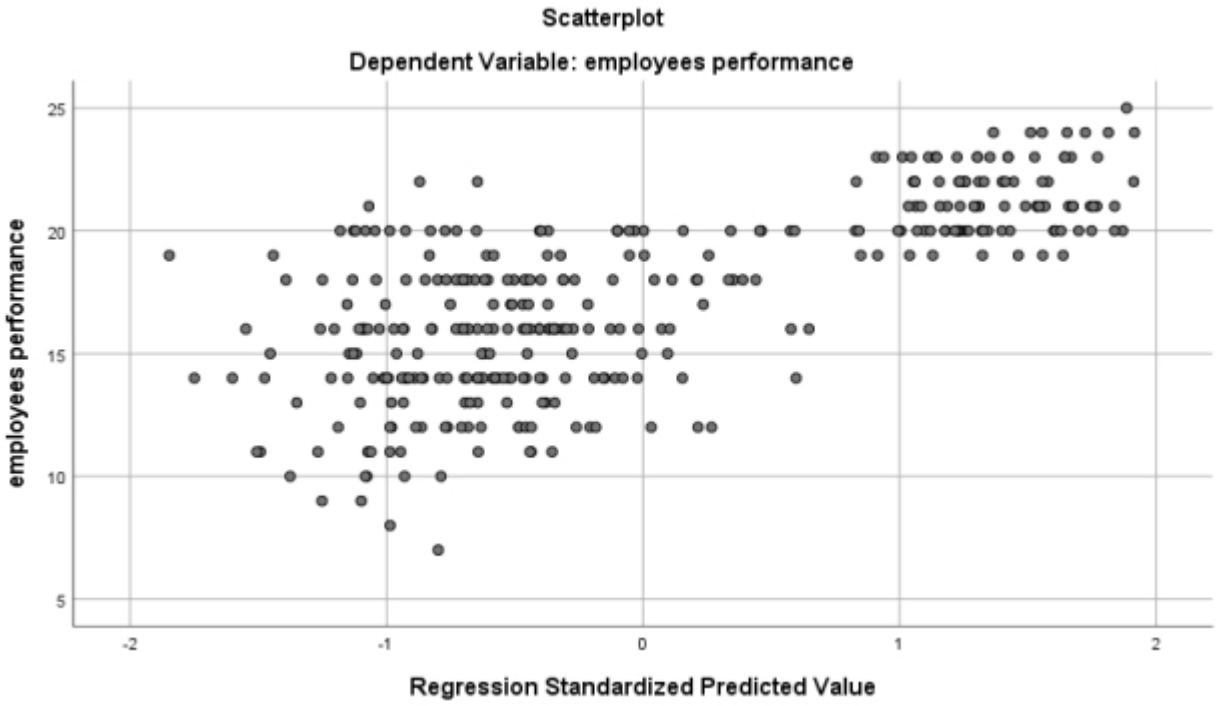


Figure4 Scatterplot of standard residuals

Source: SPSS 26 output 2024

4.6 Multiple Regression Model Results

The multiple regression analysis used to test the influence between predictor's variables on dependent variable and used to assess the determinant factors affecting employees' performance. In this research the predictors were the effects of organizational culture, training and development, motivation and communication to Employees performance. The effect of these predictors on employee's performance was analyzed by using SPSS version 26 to compute the measurements of the multiple linear regressions.

Table 12 Model summary

Model Summary					Change statistics			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F Change	df1	df2	Sig.
1	.724[a]	.524	.518	2.565	92.196	4	335	.000
a. Predictors: (Constant), motivation, communication, organizational culture, training and development								

R-squared is an important measure that describes the goodness of fit of a regression model. The higher the R-squared, the better the model fits the data. In this study R-squared is 52.4% and the above model summary shows that employees performance R =.724 or R^2=0.524 indicates the degree of correlation among independent variable and dependent variable. And also it tells 52.4% of employees' performance was explained by independent variables (organizational culture, training and development, communication and motivation). This means, other factors not studied in this research contribute 47.6% of the employees performance. Therefore, further research should be conducted to investigate the other factors (47.6%) that affect Performance of employees.

Table13 ANOVA result of the model

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2426.824	4	606.706	92.196	.000[b]
	Residual	2204.503	335	6.581		
	Total	4631.326	339			

a. Dependent Variable: employees performance

b. Predictors: (Constant), motivation, communication, organizational culture, training and development

The above ANOVA table13, it has been determined that F = 92.196 and p<.05, which confirms that independent variables have significant impact on employees performance. Hence the result depicted that the alternative analysis of independent variables have a positive impact on employee's performance in those three selected privet commercial banks and the researcher can concluded that the mode is acceptable.

Table14 Coefficients of regression model

Coefficients[a]								
Model		Coefficients					Col-linearity Statistics	
		Unstandardize B	Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.	Tolerance	VIF
1	(Constant)	5.146	.713		7.218	.000		
	organizational culture	.042	.052	.052	.803	.423	.344	2.909
	Communication	.060	.027	.134	2.206	.028	.384	2.607
	training and development	.278	.056	.319	4.938	.000	.340	2.945

	Motivation	.255	.056	.295	4.526	.000	.335	2.982
a. Dependent Variable: employees performance								

The above table14; shows that tables of regression coefficients that indicates the un standardized beta coefficients. The researcher constructed a regression equation by using the communication improves employees performance by 0.06,training and development improves employees performance by .278 and motivation increases employees performance by 0.255. This result indicate training and development, motivation, communication and organization culture variables make strong effect on employees performance of those three selected private commercial bank branches. In estimating this study, it was established that only three independent variables significantly contributed in variance of the employees Performance at significance level of $p<0.05$, but the remaining one variable, which is organizational culture has no significant relation with employee's performance. Therefore the regression equation would be:

$$EP=\delta + \beta_1 M + \beta_2 C + \beta_3 TD + \varepsilon$$

$$EP=5.146 + 0.255 \text{ motivation} + 0.06 \text{ communication} + 0.278 \text{ training and development} + \varepsilon$$

The hypothesis test H1; organizational culture carries as insignificant impact on employees performance. The dependent value employee performance was regressed on predicting variable organizational culture to test the hypothesis H1. (β=.042, $p>0.05$) indicates that organizational culture cannot play significant impact on employees performance. Based on this study organizational culture contribution for the employees performance is insignificant which means they need to these systems referring with another variable instead of organizational culture result clearly direct the less effect of the employees' performance.

The hypothesis test H2; training and development carries as significant impact on employee's performance. The dependent value employee's performance was regressed on predicting variable training and development in H2. Based on this study (β =.278, $p<0.05$) indicates

training and development would play a significant role in employees performance these result clearly indicates the effect of training and development.

The hypothesis test H3; communication carries as significant impact on employees performance. The dependent value employee's performance was regressed on predicting variable communication in H3. ($\beta = .06$, $p<0.05$) which indicates that communication would play a significant impact on employees performance.

The hypothesis test h4; motivation carries as significant impact on employees performance. The dependent variable employee performance was regressed on predicting variable motivation to test the hypothesis H4; ($\beta =.255$, $p<0.05$), which indicates that motivation would play a significant impact on employees performance. Based on this study motivation contribution for the employees' performance management is significant.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Introduction

Under this chapter summary of the major findings, conclusions and recommendations are forwarded which were being analyzed on the previews chapter of this study.

5.2 Summary of findings

The basic objective of this study was factors affecting employees' performance in selected private banks in Ethiopia. The main focus under this study was to assess factors affecting employees' performance in three selected private banks, which was focus on their branches found in Addis Ababa Ethiopia (Awash bank, Dashen bank and Bank of Abyssinia). The findings of this research mainly depend on information gathered from target population of respondents & literature comprised in the document. In this study quantitative approach and descriptive as well as explanatory research design were used. The regression analysis conducted using organizational culture, motivation, training and development, and communication as independent variable and considering employees performance as dependent variable.

The population of this study was employees of Awash bank, Dashen bank and Bank of Abyssinia who were working at different branches dispersed in Addis Ababa Ethiopia. From total population of 41824 (AB, BOA and DB) report June 30 (2023), 340 sample size were selected through sampling technique for this research. Accordingly, 396 questionnaires are delivered in paper to the respondents and the researcher received 340 answers. The reliability of the questionnaires used to measure employee training and development, organizational culture, communication and employee performance was assessed, and their respective Cronbach's alpha coefficients were found to be 0.785, 0.773, 0.854 and 0.749 indicating a good acceptance level of reliability for the entire measures questionnaire in the study. Questioners were provided in Likert scale to the respondents data collected from 340 participants was analyzed using SPSS version 26. The regression analyses of this research showed that there is no significant violations of the model assumption test of normality, linearity, Multi-collinearly, Auto-correlational and homoscedasticity tests.

The summary of the regression analysis model shows that the R-squared value suggests that 52.4% of the variability in the independent variables (training and development, organizational culture, motivation and communication) and dependent variable of employee performance would be explained by the research study. However, the remaining 47.6% of changes in employees' performance within those selected private banks were influenced by other factors that were not considered in the study.

Pearson's correlation coefficients were computed to assess the relationships between the variables in this study. The analysis indicates positive and significant correlations between the dependent variable (employee performance) and independent variables (organizational culture, Training and development, communication and motivation). The strength of correlation independent variables (organizational culture, Training and development, communication and motivation) showed positive and strong significant correlations with dependent variable employee performance, with correlation coefficients of 0.596, 0.674, 0.599 and 0.671, respectively (all significant at $p<0.01$).

The ANOVA model in table13 determined that $F = 92.196$ and $p<.05$, which confirms that independent variables have significant impact on employees performance. Hence the result depicted that the alternative analysis of independent variables have a positive impact on employees performance in those three selected private commercial banks and the researcher can concluded that the mode is acceptable.

The overall results of hypothesis testing indicate that the effect of organizational culture contribution for the employee's performance is insignificant which means they need to these systems referring with another variable instead of organizational culture result clearly direct the less effect of the employees' performance H1. The effects of training and development on employees' performance were found to be positive and significant, satisfying hypotheses H2. And also communication and motivation has positive and significant impact on employee's performance H3 and H4 respectively.

5.3 Conclusion

The findings of the study indicate there were positive relationship among employees performance with communication, motivation, training and development. In this study when employees are satisfied with their way of communication, the employees encourage performing more and this will enables the organization to achieve their goal. When employees motivated by their bank with standard procedures and polices, they become more effective and well perform.

All those organizations who are interested for increasing employee performance must pay attention on training and development, motivation and communication. According to the study result, the employees seem happy with the opportunities offered to them for training and development, which enable them to extend their performance. But the employees believe the bank they were working for has no methods of evaluation after training and development made. Hence, the result of this study has shown that giving adequate training and development to employees are positively related to employees' performance.

Evidence from previous researches also indicates that, organizations with superior training programs were increases employees skill and attitude in the organizations. Decision makers should have to be concerned about the employees benefit package (motivation) and create employees can enjoy and feel sense of belonging while they are working. Continuous motivation along with fair and justice procedures and policy can lead to increase the employees' performance to achieve organizational goal.

5.4 Recommendations

Based on the above findings of main determinant factors of employees' performance at selected private banks in Ethiopia, improving employees' performance through improving factors affecting their performance and the organization management levels should consider the following recommendations:

- The banks should improve front office recording system by increasing the technological awareness of employees and by improving the skill of employees for contacts of customers and kept well for easy of accessibility. And also improving record system enhances its employees performance and changes the attitude of customers to bank and

employees. This makes employees to work with great confident and comfort in the organization.

- Banks Management should increase positive motivational actions accordance with work experience and in equitable manner within the bank and equitable when compare to others which are in the same industry on the basis. Besides to equitable salary payment, recognition and promotion programs should be regularly considered to recognize good employee performance of the bank. Promotional opportunities should also be administered based on employees performance evaluation score in a fair and transparent way in which considers all employees equally without any discrimination. And also, alternative forms of reinforcement should also be introduced and used frequently, including verbal reinforcement and priority for educational opportunities for employees who excel in their performance.

- The banks should give attention to bring really, detailed, accurate, clear and open communication among top managers, supervisors and other employees to increase productivity and employees performance by making meeting session with staffs, by providing orientation. Smooth way of communication enables the employees to strength internal integrate employee to employee within the organization.

- The banks should improve way of training and development mechanisms by making performance based selection or by evaluated through various methods, including performance appraisals, feedback from supervisors and colleagues, and metrics such as sales figures or customer satisfaction ratings, by developing check list to evaluate the effectiveness of training and development that was provided by them. Because this finding indicates that there are no methods of evaluation after employees take training and development. Since training and development was found to be a positive predictor of employees' performance, the Bank management should engage in increasing the qualities and quantities of the training and development program so as to increase their employee's performance which helps the company to make best use of its human resources in favor of gaining competitive advantage; enhance employees' ability to adapt to the changing and challenging business environment and technology for better performance; increase their knowledge to develop creative and problem solving skills; but also important for the survival of the bank. Therefore, once human resource manager decided the training and

development needs have been identified using the various analyses through gathering data to compile all skill gaps which must be identifies the distance between the current performance and the standard desired performance, they should be set the training and development objectives that are close to the gaps and then priorities must be established. After that, decision should be made to use among different training and development methods based on the objectives of the training and development program.

- The banks should improve the pay policy by strictly implement and follow the standard procedures and polices that was guided by national banks and their internal incentive polices that enables to attract and retain high performing employees. The bank provides loans and other incentive mechanisms, but their payment policy should be improve to avoid employees complain in this area and to bring motivated employees.

- The bank should make awareness to the employees by offering workshops and seminars on financial risk and personal interactions to improve their way of communication among each other, develop a system of evaluation after training and development made and should improve its pay policy to increase employees' performance.

5.5 Future Research Directions

The study identified several areas for future research:

- Expanding the research to cover all banks throughout the country and increasing the sample size to obtain different factors affecting employees' performance in Ethiopian private bank sectors.

- The limitations of the study at three banks in the private bank industry, indicates that further research needs to be done at other similar banks.

- Future researchers can also use different models and variables to conduct research and collect more detailed primary data and to address different questions related to determinant factors affecting on employees performance.

- Conducting similar research in this private banks sector to explore more effects of training and development, communication, and motivation on employees' performance in that context. By considering these future directions, researchers can build upon the current study and enhance the impact of training and development, communication and motivation on employees' performance.

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APPENDIX

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

MASTERS OF BUSINESS ADMINISTRATION

QUESTIONNAIRE

I am post graduate student in Addis Ababa University carrying out a research under the topic factors affecting employee's performance in selected privet banks in Ethiopia. The aim of this paper is to assess factors affecting employees' performance in selected privet banks. To this end, the study intendeds to gather information from those selected privet banks employees found in Addis Ababa, Ethiopia through administered questionnaire. Therefore, your precise and clear answers to this questionnaire are critical for the success of this study. All information provide will be kept entirely confidential manner and the results will be used only for the purpose of the research. This research is undertaken as part of fulfillment for the Masters of business administration program.

Section A: Demographic Data

Close-ended questions are answered by placing a tick **(√)** mark with in the box.

Your gender**:** I. Male ☐ II. Female ☐

2. Your Age: I. 21–30 ☐ II. 31- 40 ☐ III. 41- 50 ☐ IV. Above 50 ☐

3. Please indicate your level of education: I. Diploma ☐ II. Degree ☐ III. Masters ☐ I V . O t h e r ☐

4. Your work experience in this organization? I. ≤5 years ☐ II. 6 – 10 years ☐ III. 11 – 15 years ☐ IV. Above 15 years ☐

Section B: selected privet bank employee's opinion for factors affecting employees performance

For each of the questions in the following sections, please tick a number that represents your choice as to the level of agreement with a check mark (**X**)

Strongly disagree=1, Disagree =2, Uncertain =3, Agree =4, strongly agree=5

No	**Statement**	**Rating**				
A	**Organizational culture**	**1**	**2**	**3**	**4**	**5**
1	The vision, mission and values of our organization is very clear, focused and easily conceptualized to perform well					
2	All employees adhere strictly to the organization policies and procedures					
3	The adherence to policies have reduced cases of uncounted for water, service hours and loan collection efficiently perform					
4	Our institution 's service charter is clearly written and focused on improving employees performance					
5	The staff at the front office record contacts of customers and kept well for ease of accessibility					
6	Managers are consistent and fair in administering work policies and this enables me to have positive attitude					
B	**Communication**					
7	you think that employees in this organization say what they mean and mean what they say					
8	employees in top managers say what they mean and mean what they say					
9	employees in this organization are encouraged to be really					

	open and candid with each other					
10	employees in this organization freely exchange information and opinions					
11	You are kept informed about how well organizational goals and objectives are being met					
12	Top managers is providing you with the kinds of information you really want and need					
13	Communication from other employees is detailed and accurate					
14	You receive information from the sources that you prefer (e.g. from your superiors, meetings, coworkers, newsletters and managers)					
15	The information you receive from other employees is consistently reliable					
16	The directives that come from top managers are clear and consistent					
17	Your job is not delayed because you get the information you need					
18	Most of the information you receive from your manager is detailed and accurate					
C	**Training and development**					
19	Your organization provides training and Development helps you to brings positive attitude in employees performance					
20	You think employees enhancement in your organization come through Training & Development					
21	There is no methods of evaluation after employees take training					

22	You think training and development boost up the morale of the employees in your organization					
23	Training and development enhance the skills of employees performance in my organization					
D	**Motivation**					
24	I am satisfied by the car loan provided by the bank					
25	I am satisfied by the payment given by the bank when i work over time					
26	I believe the money I am paid is a strong indication of the value the organization has placed on my performance					
27	Our bank has a pay policy that attract and retain high performing employees					
28	I am satisfied with the annual profit bonus provided by the bank in order to motivate me					
E	**Employee performance**					
29	I understand the procedures, policies and culture of my organization					
30	I actively get involved in training and development projects so as to benefit my organization					
31	I always keep my superiors well informed about my work					
32	I work well communication and motivation stand with other employees					
33	I take motive in solving problems in my organization					

Thanks every one!!