



**ST.MARRY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**MBA PROGRAM**

**CHALLENGES OF DEPOSIT MOBILIZATION IN BUNNA INTERNATIONAL  
BANK S.C CASESTUDY IN ADDIS ABABA BRANCHES**

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**JUNE, 2019 G.C  
ADDIS ABABA, ETHIOPIA**

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**A THESIS SUBMITTED TO ST. MARY UNIVERSITY, SCHOOL OF GRADUATE  
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**JUNE, 2019 G.C  
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## **DECLARATION**

I the undersigned, declare that this thesis is my original work which was prepared under the guidance of Mohammed seid (Ass.prof). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Demeke Tilahun Zelalem

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## **ENDORSEMENT**

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

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Advisor

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Signature

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## **List of Acronyms**

ATM	Automated Teller Machine
BIB	Bunna International Bank
BIB	Brehan International bank
CBE	Commercial bank of Ethiopia
NBE	National bank of Ethiopia
OIB	Oromia International bank

## **ABSTRACT**

*The focus of this research is assessing challenges of deposit mobilization in Bunna international bank s,c in Addis Ababa Branches. Deposit mobilization is an integral part of banking activity. Mobilization of savings through intensive deposit collection has been regarded as the major task of banking in Ethiopia. This paper was assessed the performance, challenges and activities of deposit mobilization in Bunna International bank s.c. Most of the challenges for deposit mobilization in BIB challenges of political unrest with in the country, challenges of bank management administration, challenges of promotion, challenges of banking ethics, challenges of working hour, challenges on increment of consumption, challenges of employees experience sharing, challenges of attitude and beliefs of customer, challenges of bank service standard and challenges of adapting new technology. The method of the study used descriptive analysis method with probable and none probable sampling techniques. This study data collection depended on city branch managers; employee and shareholder. The findings of the study show that BIB, poor management administration for branch location and lack of product announcement, inaugurating working hours is not enough, low service quality, ATM and POSS machine services charge is higher and not easily adopted by customer, there is no incentive program for new depositor, there is no implementation of interest free banking. Finally BIB were recommended to extend evening hours to provide excellent customer service, evaluate the existing products and develop new product with aggressive promotion for different types of product which customized to the needs of different target groups, to make efforts and awareness creation campaigns to have well informed society, increase its branch number with convenience location to create new technology that is easily adopted by customer with less cost service charge, to arrange and apply incentive program for new depositor and apply interest free banking.*

*Key words. Deposit Mobilization, Bank, Challenges,*

## CHAPTER ONE

### 1. Introduction

#### 1.1 Background of the study

Deposit mobilization is the fundamental activity in bank industry in developed and under developed countries over the world (Mavrotas, 2017). Deposit mobilization is the collection of cash or funds by a financial institution from the public through its current, savings and fixed amounts and other specialized schemes (Banson, 2012). Normally deposits are considered as the cost effective working funds that can increase the sustainability and profitability of the deposit taking institutions (Garro.G, 2015). Commercial banks are those institutions, which deals in accepting of deposit mobilization from public and individual and giving loans to those organs (Mashamba, 1980-2000).

Banking system is the backbone of financial intermediation through the mobilization and channeling of financial resources to the economy (Bello, 2005). Performances of the bank depend on deposits, as the deposits are normally considered as a cost effective source of working fund. Deposits constitute of a vital source of funds required for banking business, the success of the banking related to deposit greatly lies on the deposit mobilization and its management (Slavaraj & Kumar, 2015). Financial resources are naturally provided from people's deposit. Therefore, deposits are the most important resource of commercial banks. Thus the amount of deposit a commercial banks should have at hand should be enough to make the bank involve in the market and to satisfy the financial needs of its customers. Given this general facts, therefore, the bank is expected to mobilize its deposit. Managing deposits is not possible without knowing and controlling the challenges facing during deposit mobilization activities (Mohammed, 2010)

In the sub-Saharan Africa standards, Ethiopia's rate of domestic saving has been very low. From 1997 to 2010, the average saving rate in low-income countries of the region was about 9 per cent, while it was about 19 percent for middle-income countries. In the same period, the average saving rate of fragile sub-Saharan African states was 11.5 percent, up to now significantly higher than Ethiopia's rate of 4 per cent (Abay, 2010).

In Ethiopia, during the pre-1975 imperial era, there had few banks (dominated by foreign ownership) and the absorptive capacity of the economy was too low even to accommodate

moderate competition. In the Derg regime (1975-1991), private banks were fully nationalized and left no room for competition. After the down fall of the Derg regime in 1991, private banks were again allowed to operate in consistent with the ideology of market oriented economic policy under the proclamation of licensing and supervision of Banking Business proclamation No.84/1994. Accordingly, new private banks were established and their role and position in the industry have been flourished from time to time. Ethiopia appears unique compared to most African countries and many other developed countries because it has not yet opened its banking sector to foreign participation (Alemayehu, 2006)

When look at this situation in Bunna international bank s.c which is the first largest shareholder private bank in Ethiopia that was joined the bank industry by obtained license from National Bank of Ethiopia (NBE) on June 25,2009 in accordance with ‘’Licensing and supervision of Banking Business Proclamation No 592/2008’’ and the 1960’s commercial code of Ethiopia. The bank officially commenced its operation on October 10, 2010 with subscribed and paid up capital of birr 308 million and 156 million respectively. Deposit mobilization performance of Bunna international bank s.c 7.55 billion in 2016/17 and 9.15 billion in 2017/18 by increase of 22.24% within the budget years with employee number of 1349 in 2017/18.

In this study the assessment of challenges on deposit mobilization in Bunna international bank s.c were studied empirically and the relationship between different challenges and total deposit of BIB is identified. Issue of banks deposits and it’s assess is crucial to the financial sector of developing country like Ethiopia. This study enables the bank and regulators to keep control to the issue of deposit which is very important to the security of their operation as well as the economy as a whole in the country. Therefore, this paper aimed to assess and identifies those challenges affecting deposit of Bunna international bank s.c.

## 1.2. Statement of the Problem

Deposit mobilization is one of major integral part of bank business and primary function of banks for source of fund to facilitate the uses of funds (Shemsu, 2015). The higher the deposits amount leads to the bigger the lending and investments portfolio can be maintained by the banks to sustain its expansion and future growth to get more acceptance on customers (Mordi, 2004). The banks must have adequate deposits to meet the lending volume required by the public and private at the same time maintain extra cash for withdrawals by depositors when it is required by the public and private customer(Sharma, 2009). The inability to get sufficient deposits could result in shortage of funds situation with in the banks. The level of deposit growth also indicates the bank's performance in relation to customers' satisfaction on interest payout and services rendered to the customer satisfaction also increase(Sharma, 2009)

Most of the poor population in sub Saharan Africa have very limited access to deposit facilities and others financial services provided by the formal institutions, for example in Ghana and Tanzania only about 5 – 6% of population has access to banking sector(Basu .Blavy, 2004)

Ethiopian banking industry is still in its growth stage. Deposit generated by the county economy not yet been mobilized as much as expected. National Bank of Ethiopia indicates that the deposit growth rate of Ethiopian commercial banks is 29.8% in 2016/17NBE(NBE, National Bank Annual Report , 2016/2017)and 23.6% in 2017/18 (NBE, National Bank of Ethiopia Annual Report, 2017/2018). Deposit mobilization performance of Bunna international bank s.c during the year of 2016/17 are 7.55 billion and 2017/18 are 9.15 billion end of June 2018 with significant growth of 22.24% BIB, annual report (BIB, 2017/2018), while the peer bank Brehan international bank s.c deposit mobilization performance are 7.6 billion 2016/17 and 11 billion June 2018 BIB annual report, 2017/18 with significant growth of 42% (BIB., 2017/2018).

Many researches were conducted in the area of deposit mobilization such as(Sisay, 2013)(Ketema, 2017), (Abera, 2017),(Mansur, 2012), (Oduro, 2015), (Shemisu, 2015)and (Brenda, 2017) . Most of them focusing on the determinant and factors affecting deposit mobilization in commercial banks. But from these (Abera, 2017), (Sisay, 2013), (Oduro, 2015), and (Mansur, 2012)are related to this study.

(Abera, 2017)assessed the current deposit mobilization practice of bank of Abyssinia. The result of the study shows that bank of Abyssinia's deposit mobilization strategy is successful and the

bank mobilizes its deposit in different strategies. Such as, give incentive to branch managers, attracting depositors by visit customers in their office and contacting customers to reactivate their inactive account.

(Oduro, 2015) studied the challenges of deposit mobilization of agricultural development bank in Ghana in branches of Kumasi metropolitan area. The result of the study identified interest rate, inflation, exchange rate and the cumbersome account opening requirement and processes were a major casual factor of mobilization of agricultural development bank.

(Sisay, 2013) examined the factors that affect deposit mobilization in private commercial banks in case of awash international bank s.c. The result of the study shows the main factors that affect the deposit mobilization process of Awash International bank are the here and their reconstruction of Addis Ababa roads, the direct and indirect government intervention or control on private banks activities that can hinder the growth of the deposit balances of the bank.

(Mansur, 2012), identified the assessment of the factors that influence deposit mobilization in Tanzania the case study of commercial banks, Dar Es salaam, Tanzania. The result of the study shows factors such internet banking facilities, location of the bank, interest rate, and marketing strategies of the bank are applied in mobilizing deposits on commercial banks in Dar es Salaam - Tanzania.

The previous researchers such as (Abera, 2017), (Sisay, 2013), (Oduro, 2015 and (Mansur, 2012) doesn't address challenges of deposit mobilization with regard to challenges of political unrest with in the country, challenges of bank management administration, challenges of promotion, challenges of banking ethics, challenges of working hour, challenges on increment of consumption, challenges of employees experience sharing, challenges of attitude and beliefs of customer, challenges of bank service standard and challenges of adapting new technology. Therefore, the researcher aimed to assess challenges of deposit mobilization in Bunna international bank s.c.



### **1.3. Objectives of the Study**

#### **1.3.1. General Objective**

➤ The general objective of the study is challenges of deposit mobilization in Bunna international bank s.c in Addis Ababa branches.

#### **1.3.2. Specific objectives of the study**

**In line with the general objective of the study the following specific objectives**

**Were identified**

- To assess the existing performance of deposit mobilization in BIB
- To assess the challenges that affect total deposit mobilization of BIB
- To assess the activities of deposit mobilization in BIB

### **1.4 Significance of the Study**

The study helps to assess the existing challenges and deposit mobilization activities expected to indicate the strategic intervention areas that might improve the banking practice, and to show those areas that need corrective measures to improve the deposit mobilization activities with Bunna International bank s.c deposit mobilization performance. These study help for clear understanding and awareness of deposit mobilization practices and the activities for bank management. The study increase deposit level of Bunna international bank s.c in order to gain more deposit as well as record deposit sustainability of the bank deposit amount. It helps assess to addressing the challenges of deposit mobilization and helps the branches to know challenges and their role in the deposit activities by branches. Moreover, it may serve as a source of reference and give some highlights for others who would like to know more about the issue and interested in undertaking further and detail studies in challenges of deposit mobilization as a research title and on the other branches and other banks as well.

In addition the study to provide information related with deposit practice and its challenges for different stakeholders such as bank shareholders.

### **1.5 Scope of the Study**

The study coverage is focuses on assessing the challenges and activities of deposit mobilization in Bunna international bank s.c in Addis Ababa branches. The data was collected from city branches managers, employees and shareholders of Bunna international bank S.C. The secondary data was collected from different document and it helps the researcher to manage the data. As a result recent five consecutive years (2013/14-2017/18) data was collected related to deposit collection from Bunna international bank about deposit mobilization practices.

### **1.6 limitation of the study**

The main limitations of the study used of descriptive analysis. The study limited on BIB deposit level performance, deposit challenges and deposit activities. This Study doesn't consider all the other related forces that influence the deposit mobilization efforts of in BIB in city and outline branches. However, necessary precautions made so that these limitations may not affect the findings of the study through taking appropriate sample size by using probable and none probable sampling in triangulating different data collection methods.

### **1.7 . Organization of the study**

Chapter one does present the background to the study, the research problem, the research objectives, the research significance, the research scope and the research limitation. Chapter two presents the literature that discuss issues pertaining to the factors that influencing the deposit mobilization in Bunna international bank s.c with empirical studies discussion and experiences. The methodology to be used for this research is discussed in chapter three, whereas chapter four will cover centre on the research findings data analysis. The final chapter present the conclusions and recommendations for the study.

## CHAPTER TWO

### 2. Literature Review

#### 2.1 Theoretical Review

##### 2.1.1 Definition of terms

Banks are one of the oldest professions in human history, it also flourished with civilizations. Since humans started, using money bank services were in use throughout history. Modern banking as we know it today was established in Italy and Greece in the 15<sup>th</sup> century. Today, banks are one of the most important institutions for modern economy to work in any country(Gedey, 1990). Different historical sources states that the first foundation of the banking service in the world were put by goldsmiths and silversmiths. They have a safe box to put and they were the most trusted. They used to receive gold, silver and various jewelries to put with them. Therefore an individual or a merchant puts his wealth under their custody, for their service they charge a small amount of money and give the customer a receipt to guarantee their acceptance. Then they started using money paying instrument what we now call this document as 'check'. However as time goes by the goldsmiths and silversmiths observed that their customers wouldn't take their jewelry soon, and those clients, whenever they face the shortage of money, they started lending to this people and started to get profit from their service. They encouraged depositing and lending and rather than making the customers to pay a charge for depositing, they started to pay them interest and introduced the public to work with money. It is believed that, ancient Assyrians, Babylonians, Athenians, Romans and Abyssinians also used the banking service (Gedey, 1990)

Some authorities, relying upon a broad definition of banking that equates it with any sort of intermediation activity, trace early banking as far back as ancient Mesopotamia, where temples, royal palaces, and some private houses served as storage facilities for valuable commodities such as grain, the ownership of which could be transferred by means of written receipts. There are records of loans by the temples of Babylon as early as 2000 BC. Temples were considered especially safe depositories because as they were sacred places watched over by gods, their contents were believed to be protected from theft. Companies of traders in ancient times provided banking services that were connected with the buying and selling of goods (Britannica, 2010). A broad definition of banks is any financial institution that receives, collects, transfers, pays, exchanges, lends, invests or safeguards money for its customers. This broad definition includes many other financial institutions that are not usually thought of as banks but which

nevertheless provide one or more of these broadly defined banking services. These institutions include finance companies, investment banks, mortgage companies, and real estate investment trust (Encarta, 2009)

Deposit' means the amount of money accepted or mobilized on various accounts from the people. A deposit is a financial term that has multiple definitions. Deposits' Money placed into a banking institution for safekeeping. Bank deposits are made to deposit accounts at a banking institution, such as savings accounts, checking accounts and money market accounts. The account holder has the right to withdraw any deposited funds, as set forth in the terms and conditions of the account. The "deposit" itself is a liability owed by the bank to the depositor. Deposits are considered liabilities because the depositor could pull the money out at any time. The deposits are really a "loan" to the bank that the bank will have to pay out some day. Deposit banking definition is - banking in which bank credit is in the form of deposits instead of the issue of notes. A deposit is a financial term that has multiple definitions. The first definition is a transaction involving a transfer of funds to another party for safekeeping(Gedey, 1990)

### **2.1.2 Major types of Deposit products**

Deposit account is a savings account, current account or any other type of bank account that allows money to be deposited and withdrawn by the account holder. These transactions are recorded on the bank's books, and the resulting balance is recorded as a liability for the bank and represents the amount owed by the bank to the customer. Some banks may charge a fee for this service (in developed countries), while others may pay the customer interest on the funds deposited. The account holder has the right to withdraw any deposited funds, as set forth in the terms and conditions of the account. The following are most common type of bank deposit.

**Demand Deposit:** it consists of funds held in an account from which deposited funds can be withdrawn at any time without any advance notice to the depository institution. Demand deposits can be "demanded" by an account holder at any time. Many checking accounts today are demand deposits and are accessible by the account holder through a variety of banking options, including teller, ATM and online banking.

**Savings Account:** is a deposit account held at a bank or other financial institution that provides principal security and a modest interest rate. Depending on the specific type of savings account,

the account holder may not be able to write checks from the account (without incurring extra fees or expenses) and the account is likely to have a limited number of free transfers/transactions.

**Time Deposit:** time deposit or certificate of deposit (CD) held for a fixed-term, with the understanding that the depositor can make a withdrawal only by giving notice. A time deposit is an interest-bearing bank deposit that has a specified date of maturity. Generally speaking, the longer the term the better the yield on the money (Dereje, 2017)

### **2.1.3. Importance of deposit mobilization**

#### **A. source of investment**

(Orgore, 2013)the Intermediation function of banks play vital roles in the efficient allocation of resources of countries by mobilize of resources for productive activities. They transfer funds from those who don't have productive use of it to those with productive venture. States that, savings are resources which one decides to put aside for investment purposes and not for luxury. What people save, avoiding consuming all their income, is called "personal savings". These savings can remain on the bank accounts for future use or be actively invested in houses, real estate, bonds, shares and other financial instruments.

#### **B. Low cost**

According to (Sheshgiri, 2014)the success of the banking greatly lies on the deposit mobilization. Performances of the bank depend on deposits, as the deposits are normally considered as a cost effective source of working fund.(Elser, 1999)savings are a source of funds with low financial costs i.e., interest costs, Compared to other commercial funds. With regard to financial costs, most of the institutions apply a differentiated interest rate schedule, compensating for the higher administrative costs with no or low interest rates on small savings and increasing them according to the size of the deposit.

#### **C. Source of profit**

According to (Varman, 2005) the ability of a bank's management and staff to attract checking and saving accounts from business and individuals is an important measure of the bank's acceptance by the public. Deposits provide most of the raw materials for bank loans and thus represent the ultimate source of bank profits and growth. Deposits are an indispensable tool commercial banks use to enhance its profitability through advancing deposits mobilized to its customers in form of loans which make in return interest to commercial banks.

## **D. Economic Growth and Development**

According to (Orgore, 2013) bank performance rewards the shareholders with sufficient return for their investment. When there is return there shall be an investment which, in turn, brings about economic growth. On the other hand, poor banking performance has a negative repercussion on the economic growth and development. Poor performance can lead to runs, failures and crises. Banking crisis could entail financial crisis which in turn brings the economic meltdown.

### **2.2 Challenges of Commercial Banks Deposits**

#### **2.2.1 Saving Interest Rate**

The main focus of every financial system is financial intermediary that is, mobilizing financial resources from the surplus sector and lend to the deficit outlets to facilitate business transactions and economic development based on the monetary and fiscal policy of the nation. The attraction for getting the deposit from the surplus sector is interest payment, which must be reasonable and acceptable to the owner of the money (Dereje, 2017)

The classical theory of interest otherwise called the demand and supply theory of interest, maintains that the rate of interest is determined by the demand for and the supply of funds by business men and households respectively. The supply of funds is governed by the time preference and the demand for capital by the expected productivity of capital.

(Mckinon, 1999) argue that for the typical developing country, the net impact of a change in real interest rate on saving is likely to be positive. This is because, in the typical developing economy where there is no robust market for stocks and bonds, cash balances and quasi-monetary assets usually account for a greater proportion of household saving compared to that in developed countries.

#### **2.2.2 Security**

Security of the bank is a much-concerned challenges affecting for deposit mobilization. When a bank has high security adoptions they can attract more deposits. In recent times, many banks address the issues and risks related to deposits by adopting, deposit insurance scheme. This movement can be witness nowadays in each country. This insurance scheme signals the depositors that their deposits are protected in the event of bank failure (Samuel., 2014)

People save money in the banks because they believe banks are the most efficient caretakers of their short term and long term savings. Therefore, banks should be more provident and careful on the funds when they do their business activities since banks use savings as their capital to carry on the business (Samarasiri., 2014).Hence deposits are the oxygen for banks(Garo, 2015).Therefore, it is must to maintain security of people's deposits in order to get a good reputation and well-establishment of banks among public (Samarasiri., 2014)

However according to the study on safeguarding the banks; the challenging role of the security manager carried out by (Wan, 2016), he indicates that even though traditional banks prioritized their security requirements to protect its physical assets as cash, after the technology greatly intervene to banking activities, present banks face many serious security issues than the past.

The security management of deposit taking institutions by considered 157 deposit taking institutions in Washington(McNeal, 2014). The study identifies that, 75% of institutes manage their system internally and also 90% majority of institutes follow up five pillars of avoiding security threat related to banking technology, namely (1) a written security policy, (2) Security awareness education (3) risk management and cyber risks, (4) information security audits and (5) incident monitoring and reporting. Also, most banks use diversified security technologies as anti-virus, spy ware, mal ware detection, intrusion prevention. Furthermore, banks allocate more shares in their budget to ensure system security. Therefore, according to (McNeal, 2014)these adoptions are finally enabling a secured banking environment and attract more deposits as a result of that.

### **2.2.3 Branch Expansion**

There is a relationship between branch expansion of banks and deposit growth of banks(Banqui, 1987) .Banks make their expansion decisions based on level of competition, deposit potential, regional income and development of infrastructure (roads). However, since deposit mobilization is the main role of banks, branch expansion also decided on the level of deposit mobilization (Samuel., 2014). According to the study of (Bhattecherjee, 2012)reveal that branch expansion is a significant factor affecting for deposit mobilization.

(Haresh, 1999)explain, how branch expansion determines the deposit mobilization. Among many challenges affecting for deposit mobilization, to deposit money in a bank depositors first

take into consider location of branch (whether bank is rural, urban or semi-rural) and second, they consider the region of bank belongs. The study further reveals that regions with high income earners and abundant of branches have high deposits per branch while regions with low income earners and also associate with low spread of branches denote low amount of deposits. This study has been concluded by deciding branch expansion is the most effective factor for deposit mobilization.

Among the challenge prominently identified as affecting deposit variability one is bank size. Evidence indicates that the number and diversity of the ownership of individual deposit accounts as well as the distribution of deposits by type vary with bank size (George, 1972). (Harald, 2009), founds that although insignificant once controlled by other variables bank size have an effect on deposits. A smaller bank has to generate less deposit in absolute terms to achieve the same deposit growth than large banks, thus possibly favoring smaller banks in achieving higher deposit growth.

#### **2.2.4 Bank Image**

Customers select a bank to deposit their money based on several determinants as attractiveness of the deposit interest rate, attractive adverting on mass media, minimum loan conditions and also sometimes customers assumed that state-owned banks are more reliable than the private banks. Moreover, some customers assume that when banks have wide branch network then that bank is good for their deposits. Although all the aforementioned factors are important when depositing money, among them bank image is the most important factor of choosing a secured place to deposit valuable deposits of customers. Bank image can be determined through the financial business and the management information about the business activities of the bank. Therefore, one of the most significant challenges affecting for deposit mobilization is bank image. Since customers always expect a secured place for their deposits, most of the time they tend to deposit money in the institutions or banks which have a positive image (Samarasiri., 2014)

According to (Telatela., 2013) bank image is determined by the reliability, responsiveness, assurance and empathy. Savers are always nosy about the safety of their funds, recurring cases of forgeries, theft and bankruptcies occurred. Therefore, they always deposit more money in banks which have good bank image.



### **2.2.5 Promotion**

The marketing and advertising fraternity can tailor these promotional channels to address specific goals, audiences, and budgets. These channels deliver highly targeted advertising content to multiple audience segments, including the expanding online audiences. Marketing gurus and professionals aver that paid media promotional channels generate very heavy brand 'lift' and confer significant exposure upon the products and services being advertised (Kumar, 2013).

Display advertising represents one of the most effective promotional channels in modern markets. The purveyors of this mode of publicity and advertising can design graphical advertisements and ensure their strategic placement on various websites, e-mails, social media messages, landing pages, search engine result pages, online video platforms, micro-blogging platforms, and other digital formats. Display ads can be placed in the form of text, images, audio clips, video clips, animation, and other manifestations of interactive content. The efficacy of online display advertisements is determined by calculating the number of received by an advertisement. Other metrics include the number of times a display ad was shown to online audiences and any follow-up action initiated by audiences. Promotion plays an important role in today's competitive world by which banks communicate with their customers, both current and potential (Kumar, 2013).

### **2.2.6 Service quality**

It is known that banks are service oriented organizations and the service delivery can affect all the activities that a bank performs. According to (Khalily, 1987) indicates that two variables affecting for deposit mobilization in their models in which services to customers considered as a significant and positively related to each other.

The study by (Goiteom, 2011), on the bank selection decisions customers more emphasize on factors such as convenience, service provision, employers influence and bank image. Therefore, banks should consider these factors when implementing their market strategies to absorb more deposits. Generally, banks are providing services but competition among banks are determined by the quality of the banking services. According (Khalily, 1987) there should be strategy requires as policy and procedural changes, development of innovative programs and improvement in the quality of services provided to the depositors. Furthermore, the quality of

banking services mainly depends on several factors as, Branching Policy: The expansion of banking facilities is the key factor for deposit mobilization and when providing facilities accessibility is the most important factor, Innovative approaches, Interest rate policy, more incentives to depositors, more incentives to bank employee when achieving targets on deposit mobilization, training for bank employees and expansion of infrastructure. However similar studies have carried out by(Hooman, 2016), regarding the factors affecting for quality of services. The phenomenon of quality of banking services can be obtained only by ensuring the quality of e-banking services, employee's competence and skills, reliability of the banking system, an impeccability banking system integrity and accountability measurements are the effective factors that make the quality service.

According to (Johnton, 1997), there is a close relationship between banking services and customer awareness. These two variables should be integrated with each other to have high deposit mobilization. However, by considering modern banking services, the study indicates that, banks need to constantly look for innovative services which offer convenience of transacting from anywhere, anytime. Demands and expectations of the customers are fast growing. Therefore, banks should be able to achieve these rapid growing customer needs to attract more customers since banks operate in the oligopolistic market structure. Therefore, interdependency among banks are high, this will create customers to shift from one bank to the other bank easily.

(Maharana, 2015)also carried out a study similar to the study of (Johnton, 1997), showing out that deposit mobilization is affected by innovative banking services. Thus, computer based banking services like ATM encourage customers to deposit more money since the transaction cost is very low.

According to (Samuel., 2014), European central bank stated that the information communication technology development had a strong influence on the structure and the activities of the banking sector. The elements that have changed are several, besides allowing transactions to be conducted more efficiently; technology allows banks to market their products more effectively. The technology deployed in banks affects its operational efficiency and determines its competitive position in the market. Nowadays, all kinds of traditional and conventional banking activities have changed. So much of man power has been substituted by machines with very fast responses (Magembe, 2002).

According to (Andrew, 2004), IT driven banking services increase the productivity of the employees thus it increases the business without the number of employees. Further this productivity can cause to increase customer satisfaction and deposits can be mobilized automatically.

According to the study “The effect of location and Information Technology on bank deposit mobilization status in Ethiopia carried out by (Banson, 2012), there is a significant and positive correlation between using of information technology and deposit mobilization. Furthermore, this study reveals that, holding other factors constant, the probability of adopting ICT increased by 1.94% of deposit status of banks.

According to (Kariyawasam, 2016), there is broad range of the advantages of internet banking as convenience, speed and reliability, security and low cost. However, they further illustrate barriers of internet banking as, system failures, security threats, internet and E-banking unawareness in remote locations. This study also reveals the issues related to the lack of using internet banking facilities.

### **2.2.7 Society awareness**

Awareness is a social component which increases the collective consciousness among the people and generates confidence in the industrial to face problems confidently. However, the success of the banks depends on to which extent people in the particular country aware about the banking activities. When considering about the deposit mobilization, customer awareness is a key element to absorb high amount of deposits. Customer awareness about the services depends upon many factors such as return on investments, promptness, care, security, convenience, growth, flexibility etc. Hence integral part of banks is deposit mobilization, therefore banks should pay attention to attract more deposits by giving knowledge and promoting them (Kanthi, 2015).

According to (Banqui., 1987) some analysts argue that demand for deposits influenced by education level and awareness of customers related to banking activities. Moreover, according to the study done by Banqui it considers the awareness as the factor affecting for deposit mobilization and concluded as it has significant and positive impact on deposit mobilization. “Challenges of Deposit Mobilization and related Costs”, the study carried out by (Garoo.,

2015)reveals that customer awareness is highly associates with the deposit mobilization by performing regression analysis.

According to(Banqui., 1987), also indicates that among so many factors affecting for deposit mobilization, consumer awareness is crucial factor. Some factors that emphasize the need of making consumer aware in order to achieve maximum satisfaction as protection, against exploitation, control over adverse selection, motivate people for savings, knowledge to handle problems, and finally to construct healthy society, customers are to be awaked by the banks because customers have right to safety, informed, choose, information and redressed.

## **2.2. 8. Working hours**

Working hours is the best method of business area to provide for customer to sale the output .Working time in bank industry the major input. Majorly, an investment banker is an individual who works in a financial institution that is in the business primarily of raising capital for companies, governments and other entities, or who works in a large bank's division that is involved with these activities, often called an investment bank. Investment bankers may also provide other services to their clients such as mergers and acquisition advice, or advice on specific transactions, such as a spin-off or reorganization. In smaller organizations that do not have a specific investment banking arm, corporate finance staff may fulfill the duties of investment bankers(Gregory, 2008).

Generally speaking, the investment banker will save the company in question time and money by identifying risks associated with a project before the company moves forward. In theory, the investment banker is an expert in his or her field who has a finger on the pulse of the current investing climate, so businesses and institutions turn to investment bankers for advice on how best to plan their development, as investment bankers can tailor their recommends to the present state of economic conditions(Gregory, 2008).

### **2.2.9 Inflation rate**

Banks in their quest to boost deposits and increase self-sufficiency must analyze the behavior of depositors in a period of inflation. The latter is the persistent increase in the general price level for a specified period of time. Thus, it is a fall in the market value of money (purchasing power) as a result of persistent rise in prices. The real value of money is decline for the result of in benefit to debtors and loss to creditors (Brealey, 2003). From the monetarist point of view inflation is demand pull and an exogenous rise in money supply is the causality. In the short run an increase in money supply induces demand above supply of goods and services which causes prices to rise until the market adjusts to the equilibrium. The structure alist, however, argues from the effect of changes in the socio-political, economic and institutional structures with the view to increasing growth in the economy of market failures". (Kirkpatrick, Nixon, 2001) expresses the most popular view held by economists by characterizing on intlationary period as the period of uncertainty. Distortion of capital gain and negatively impacts on the real interest rate making markets difficult to allocate resources efficiently. Investors with surplus funds hold on to assets which can appreciate in value rather than money whose value are frequently eroded away. Empirical evidence from Latin American countries as stated in the World Development Reports indicates that inflation is an implicit tax on depositors and has the capacity to reduce profits through low deposit rates. A strong correlation exists between real interest rates and inflation as both can impact on deposits and savings.

### **2.2.10 Exchange Rate**

Exchange rates are quoted as foreign currency per unit of domestic currency or domestic currency per unit of foreign currency (Bishop, 2006). Exchange rate allows denominating the cost or price of a good or service in a common currency. As Thomas's explanation, the term depreciation and appreciation is used to show the decrease and increase in the value of currency. Depreciation isa decrease in the value of currency relative to another currency. Appreciationsand increase in the value of a currency relative to another currency. The main factors that influence exchange rate are: inflation, interest rate, speculation, and change in competitiveness, balance of payment, government debt, government intervention and Economic growth / recession.

According to(Ngula, 2015) as currencies depreciated in one country deposit will be reduced since investors tend to withdraw deposit and exchanged to keep it by appreciating currency

(Hard currency) or invest in another form of investment rather than bank deposit. (Alemayehu., 2015)also confirms that for developing country in general saving is negatively correlated with unstable exchange rate.

### **2.2.11 Technology**

Technological progress and banking organization size Technological progress may facilitate increases in bank size(Radecki, 1997). It may create new services that are subject to more scale economies or fewer diseconomies than traditional services. For example, IT-driven innovations for delivering depositor services, such as call centers, ATMs, and Internet banking, may exhibit greater economies or less diseconomies of scale than traditional branching networks (Wenninger and Orlow, 1997). Similarly, some wholesale products that are financial technology-driven, such as securitization, derivatives, and other off-balance activities may be more efficiently provided at the margin by large banks, consistent with the dominance of large banks in these products. Technological progress may create new technologies for producing existing banking services that are subject to greater scale economies or fewer diseconomies than the technologies they replace. The newer electronic payments processing technologies may have increased scale economies due to IT innovations. Similarly, credit scoring may be characterized by greater scale economies or fewer diseconomies than the lending technologies it replaces. This may be most likely when credit scoring supplants relationship lending, which may be most efficiently provided by small institutions. Third, technological progress may allow large banks to push out their risk-expected return frontiers more than small banks. Any scale economies in new risk management systems may help large banks control risks more than small banks. This may expand or create advantages for large banks to make high risk-high expected return investments, improve access to uninsured funding, and/or economize on costly equity capital. Fourth, technological progress may reduce managerial diseconomies of scale. IT advances may improve monitoring and control within large banks more than within small banks. These technologies may make it easier for managers of large banks to monitor the behavior of their staff, reducing agency problems and better aligning incentives within the bank. New technologies may also help spot operational problems and keep track of the profits and risks associated with different operations. In addition, many of the advances in financial technologies are based more on “hard” quantifiable and verifiable information that may be easier for the management of large organizations to track. To the extent that new products of financial engineering, such as derivative contracts or loans based on credit scores, are more the provinces of large banks, they may improve their monitoring of performance more than small banks (Orlow, 1997).

### **2.2.12 Consumption**

Consumption theories have been developed over the years to explain consumption and income. The specific and simple consumption has a positive function of disposable income. Thus, consumption expenditure increases as disposable income increases and saving amount decrease (Smith, 2005). Though consumption depends on disposable income, there is a part of consumption which does not depend on disposable income and this is called the autonomous consumption. Consumers increase their consumption as their income increases but not as much as the increase in their income. The average propensity to consume which is the ratio of total consumption to total income falls as the level of income increases (Smith, 2005). Current consumption depends on current income but this assumption is not always true in reality. Taken consumption and savings decision, people considers both present and future. So that, the more people consume in the current period the less they save, the less they save less they will be able consume in the next period. Deposit rate is major motivating factor for consumers to save in the current period (Smith, 2005).

### **2.2.13 Management Administration**

Management administration refers to the process of managing the bank's statutory activity. Bank management is characterized by the specific object of management financial relations connected with banking activities and other relations, also connected with implementation of management functions in banking (Minsk, 2017)

The main objective of bank management is to build organic and optimal system of interaction between the elements of banking mechanism with a view to profit. Successful optimization of the "profitability-risk" ratio in a bank lending operations is largely determined by the use of effective methods of bank management (Belarus, 2017). Ability to take reasonable risk is one of the elements of entrepreneurship culture in general and banking culture in particular. Reliability of the bank management is determined by the following characteristics, management expertise in strategic analysis, planning, policy development and management functions; quality of planning; risk management (credit, interest rate and currency risks); liquidity management; management of human resources; creation of control systems: audit and internal audit, monitoring of

profitability and risks liquidity; unified information technology system: integrated automation of workflow, accounting, current analysis and control, strategic planning (Minsk, 2017).

The role of managers to facilitate deposit mobilization are assess and studying the saving culture of target community , evaluate the relevance and sustainability of strategy selected to expand saving schemes and studies and submit alternative saving models to assist in the inculcation of saving culture and hence increase of deposit(Tobias ,2011).

Performance will depend on the vision, capability, agility, professionalism, integrity, and competence of the Financial Institution's management. A sound management is crucial for the success of any institution. The quality of the management will determine the success of a bank or financial institution. The performance of a bank is largely dependent on the vision, competence, and integrity and risk appetite of the management (Tobias, 2011).

A positive relationship is expected between efficiency and profitability of banks. The analysis of the quality of a management is based on the experience of the management and their track record in terms of their vision and competence in running the bank. The analysis of the management also factors in their integrity and the overall corporate governance standards in the bank. The risk appetite in terms of the bank's exposure to various categories of asset, adoption of technology and responsiveness to competition and growth strategy impacts the bank's profitability thus is considered during the analysis of bank profitability (Brickwork ratings 2008). Although, the relationship between expenditure and profits appears straightforward implying that higher expenses mean lower profits and the opposite, this may not always be the case. The reason is that higher amounts of expenses may be associated with higher volume of banking activities and therefore higher revenues (Tobias, 2011).



### **2.2.14 Banking Ethics**

Banking ethics for the development of banking were developed three general concepts like Concept of general ethics, Concept banking professional ethics and Concept of ethical bank. The first concept is related to the promotion of the basic idea of the banking that there can be no moral standards other than generally accepted by society. This is the earliest conception of the ethics of banking rather be called general banking ethics and some basic rules, for example, are related to the formation of customer relationships have been formed since antiquity. In some countries, traditionally, any activity, including banking, is influenced by the dominant religion. New era of knowledge comes with a new concept of banking development which is mainly related to the practice of banking in the virtual environment in which regular personal contact with the customer in classical banking actually become an exceptional personal service for elite. Bank management must take into account that a well- managed complaint (discussed and resolved properly) is a commercial act strongly contributing to the preservation and deepening customer relationships, to preserve the image of the bank and not least the continuous improvement of services (Dobran, 2009). Concept of ethical bank which in some sources is called social civic or sustainable banks activity is related to the financial institution that gives priority in its social and environmental impact of its investments and loans. Promoting support for sustainable development in the banking sector is facing two main directions (Eremia, 2006). The mainstreaming sustainable development is the core activities of the bank by integrating environmental and social considerations into product design policies and strategies. A similar form of manifestation of banking ethics is the concept of socially responsible bank referring to an alleged bank debt (as a social actor) would have it to all parties involved in the conduct of banking. According to the literature, the banking sector showed a delay in considering issues of sustainable development despite the exposure to risk this intermediate sector of the economy. The effort to adopt socially responsible practices includes adhering to a series of internationally recognized principles and practices. In many countries, some banks are considered as adhering to the concept of social bank statements only at confusing it with mere charity activities (Dobran, 2009).

### **2.3 Empirical Literature Review**

Under this section, previous empirical studies on the challenges of deposit mobilization in commercial banks and related studies in developed and developing countries like Ethiopia will be reviewed. The past models for banks deposit have been further developed in recent times and empirically tested worldwide. Many empirical studies have estimated the effects of various economic and demographic variables on bank deposit in cross-country, using time series and panel data samples. The literature suggests that there are a number of challenges that crucially affect the commercial banks deposit activities including Interest Rate, Inflation, exchange rate, monetary policy, service, security, bank image and value of money.

The study conducted by (Abera, 2017), the study were used to identify deposit mobilization activities by using descriptive analysis, techniques in managing deposit mobilization used by the bank and challenges faced with respect to deposit mobilization in bank of Abyssinia .The study shows that bank of Abyssinia's deposit mobilization strategy is successful and the bank mobilizes its deposit in different strategies. Such as, give support to branch managers, attracting depositors by visit customers in their office, contacting customers to reactivate their inactive account, handling staff salary of the customer company. But, BOA fails to offer different products for women and youth, incentive for new customers, enough training for staffs about deposit mobilization, fair loan distribution for its branch and customer.

The study conducted by (Kibebe, 2016), to assess determinants of deposit mobilization in Ethiopian private commercial banks and the study adopts mixed approach to gather the data. The primary data is gathered using questionnaire. Sampling method of the primary data is purposive sampling technique. While the secondary sources of data were extracted from annual reports of all private commercial banks of Ethiopia, data from National Bank of Ethiopia (NBE) and from Central Statistical Authority (CSA). Regarding the secondary data, the study used time series data from 2000-2014 for analysis made using Classical linear regression method. The study shows that, Age dependency ratio, Investment and money supply, are the most significant factors of deposit mobilization activity. The other variable such as per capita income has insignificant power to influence the dependent variable. As a result, the study recommended that, Government should increase investment so as to promote economic growth to mobilize deposits since there is exist a positive relationship between deposit and investment. And private banks ought to increase number of branches to mobilize more resources.

The study conducted by (Sisay, 2013), examines and assesses factors affecting deposit mobilization of private commercial banks. Those having two years and above experience senior Addis Ababa area branches and head office employee were selected for data collection. The research has used questionnaire and structured interview discussion for employees and the management of Awash International Bank Share Company. The result shows that the reconstruction of Addis Ababa roads, aggressive branch expansion of CBE, the current condominium house construction program, peoples attitude towards using private banks and poor parking area are strongly influence the deposit mobilization process of Awash International Bank S.C. Opening of additional branches, and upgrading service deliverance can boost the deposit balance of a bank positively. The study suggested the management of the bank should arrange and apply incentive program such as coupon prizes to attract more depositors, open additional branches near to the customers, promote excellent services and other mores are discussed in the research

The study conducted by (Sylvester, 2011)the article were used data aims to evaluate the design of bank products and services; assess their effectiveness of harnessing domestic deposits and challenges they face in mobilizing deposits. The research is based on relevant books, journals, articles and other publications. In addition, data from commercial banks in Ghana on deposits they received from 2000 to 2004 were studied to make recommendations. Results from the analysis indicated that deposits mobilization of Commercial Banks in Ghana though, has an upward trend, it increases at a decreasing rate hence, the present level of deposits as a ratio of the total amount of money in circulation is woefully inadequate. The study also reveals certain basic facts about commercial banks in Ghana. Their concentration in the cities and a few urban areas as well as their product design and services are targeted to the literate formal sector employees. In addition, unfavorable macroeconomic conditions have resulted in negative real interest rate on deposits while unnecessary government intervention has reduced the confidence in the banking sector. The effects of these factors are the low deposits that commercial banks receive. The study concluded with recommendations for commercial banks such as; the need to redefine their product target, increase their scope to include the large majority etc. in order to ensure improvements in their operations.

## **2.4 Research Gap**

The literatures revealed above were not enough by themselves to answer the research question under consideration, they have some limitations. Most of the literatures were not considered challenges of political unrest with in the country, challenges of bank management administration, challenges of promotion, challenges of banking ethics, challenges of working hour, challenges on increment of consumption, challenges of employees experience sharing, challenges of attitude and beliefs of customer, challenges of bank service standard and challenges of adapting new technology which may effect on the result of deposit mobilization on the study. Some of the literatures were conducted on determinant and factors that affect deposit mobilization of the bank. And even the variables included in those studies were not all inclusive of the variables considered in the current study. In order to address the research gap this study uses the research design presented in the following chapter.

## CHAPTER THREE

### 3. RESEARCH METHODOLOGY

#### 3.1 Research methods and approaches

The three common approaches to conducting research are quantitative, qualitative and mixed approach. Researchers typically select the quantitative approach to respond to research questions requiring numerical data, the qualitative approach for research questions requiring textual data, and the mixed methods approach for research questions requiring both numerical and textual data. Quantitative research can be used in response to relational questions of variables within the research. Quantitative researchers seek explanations and predictions that will generalize to other persons and places. Quantitative research “employs strategies of inquiry such as experimental and surveys, and collect data on predetermined instruments that yield statistical data. Qualitative research is also described as an unfolding model that occurs in a natural setting that enables the researcher to develop a level of detail from high involvement in the actual experiences. In Mixed methods approach to research, researchers incorporate methods of collecting or analyzing data from the quantitative and qualitative research approaches in a single research study. That is, researchers collect or analyze not only numerical data, which is customary for quantitative research, but also narrative data, which is the norm for qualitative research in order to address the research question(s) defined for a particular research study (Creswell, 2003).

The researcher used mixed approach. Because Mixed methods research is an approach to inquiry involving collecting both quantitative and Qualitative data provides a more complete understanding of a research problem than either quantitative or qualitative approach alone (Creswell, 2003). Looking at the research problems and the philosophy of the different research approaches together triangulation approach adopted in this study. In this triangulation, both qualitative and quantitative methodologies used to increase the perceived quality of the research. The study used both quantitative and qualitative research approaches (used mixed method) in order to generate the advantage of both approaches like; to address different objectives of the study, which cannot be achieved by a single method and to enable one approach to inform another approach, either in design or in interpretation. It also helps to triangulate the findings of different approaches (either performed concurrently or sequentially) in an effort to provide greater confidence to the study. But it presents challenges

of identifying the quantitative results to further explore and the unequal sample sizes for each phase of the study.

### **3.2 Sources of data**

The study used both primary and secondary data. The primary data collected through questionnaire and interview. The questionnaire may comprise both closed and open ended questions. Closed ended questions are quicker and easier both for respondents and researcher. Adding open ended questions allows respondents to offer an answer that the researcher didn't include in the questions. And also, interviews made for those most related bank officials. Secondary data will be collected from banks annual report of Bunna international bank s.c Oromia international bank s.c Brehan international bank s.c, and CBE. While collecting and using these data for the study, more considerations give to their time period, reliability, and relevance to the purpose of the study.

#### **3.2.1 Methods of data collection**

Method of data collection for this study used questioners, interview and document sources method. From the several methods of data collection for primary data collection particularly in surveys is better for descriptive researches. Because it is more important by using of (i) observation method, (ii) interview method, (iii) through questionnaires, (iv) through schedules, and (v) other methods which include. Secondary data means data that are already available i.e., they refer to the data which have already been collected and analyzed by someone else. Secondary data may either be published data or unpublished data. Researcher must be very careful in using secondary data (Kotheri, 2004). Therefore the researcher used questionnaire, interview and document source methods of data collection.

##### **3.2.1.1 Questionnaire**

Questionnaire as a tool for data collection has its own advantages and limitations. The advantages found from the literature includes that the data collected through the use of questionnaire are efficient, reliable because of anonymous, honest, economical (in terms of time and money), quick (even possibly mailed), consistent (little scope for bias), offers the possibility of standardizing and comparing scales, and enables the anonymity of the data sources to be preserved. Nevertheless, the major limitations are nonflexible (no longer possible to backtrack once the administration phase is under way), lack of qualitative depth, low response rate, inability to offset a lack of sufficient data or an error in the scale used

(Manion, 2000). The researcher can select several types of questionnaire, from highly structured (closed ended) to unstructured (open ended). Structured questionnaire is appropriate to gather straightforward and uncomplicated information. The researcher also may not have a full range of responses to prepare closed ended questionnaire. In addition, the respondents have no chances to express their own views, and to qualify, develop or clarify their own answers. On the other hand, unstructured questionnaire gives a greater insight and understanding of the topic being studied. To mitigate the limitations of both types of questionnaire, semi-structured questionnaire is a powerful tool. Researchers tend to use a combination of both open and closed questions (Dawson, 2002).

Therefore the researcher used questioners for senior staffs and shareholder of Bunna international bank s,c by using of survey method to accomplished the study of this paper.

#### **3.2.1.2 Interview methods:**

An interview is a purposeful discussion and/or conversation with two or more people, and helps the researcher to gather valid and reliable data that are relevant to achieve research questions and objectives. The interview method of collecting data involves presentation of oral-verbal stimuli and reply in terms of oral-verbal responses. This method can be used through personal interviews and, if possible, through telephone interviews. This sort of interview may be in the form of direct personal investigation or it may be indirect oral investigation. The method of collecting information through personal interviews is usually carried out in a structured way. As such we call the interviews as structured interviews. Such interviews involve the use of a set of predetermined questions and of highly standardized techniques of recording (Kotheri, 2004)

The researcher used to interview for branch managers. The reason for the use of interview with branch manager is summarized reports are prepared by them and also they are involved on the deposit, supervision and monitoring of the deposit mobilization process in the branch.

#### **3.2.1.3 Document source**

The use of documentary analysis has its own strengths and limitations. The strengths are enables the researcher to obtain the language and words of participants, can be accessed to the researcher at a time conveniently, represents data which are thoughtful and economical. Whereas, the limitations include incompleteness, lack of accuracy, requires transcribing or

optically scanning for computer entry, not all people are equally articulate and perceptive, and may be protected from private access (Cresewell, 2003)). For this study data obtained through other documents such as annual report Bunna international bank s.c, annual report of Oromia International bank s.c , annual report of Brehan international bank s.c annual report CBE, accounting manual ,credit producer manual ,domestic banking manual and others documents that are relevant for the study.

The document analysis is applied for examining the number of employees and shareholders a given fiscal year challenges of management administration, challenges of country political unrest, challenges of promotion, challenges of increase in consumption, challenges of banking ethics, challenges of working hour, challenges of employees experience sharing, challenges of attitude and beliefs of customers, challenges of bank service standard and challenges of adapting new technology report from 2013/2014\_2017/2018 in five consecutive years in Ethiopia. The data collected five consecutive years because if more than this the researcher may be difficult to manage. This study use multiple sources of data including document review, interview and questionnaire that helps to cross validate the data.

### **3.3 Target Population**

Population is the full universe of people or things with a sample would draw from (Diamantopoulos, 2004). The target population suitable for this study is 359 staff employees for questioner and 76 branch manager for interview in 76 branches of BIB in Addis Ababa branches. Target population does not include outline branches because of for deposit mobilization purpose more represent by city branches and highly effective in deposit mobilization activities in BIB to considering of other constraint to collect the data from outline branches. In addition to this the target population includes 20 shareholder of BIB. But target population does not include outline branches staff 532 (Human resource Directorate, 2017/18), non-clerical staffs 217 (Human resource Directorate, 2017/18) and division head, department directors and senior officer in head office 165 (Human resource Directorate, 2017/18) because of for deposit mobilization purpose city branches are highly characterize and more effective in BIB. From the target population the researcher collect different information and data on the character, practice, type and source of deposit mobilization challenges in the study area. Employees selected as a target population because, all are working in bank industry BIB and they are expected to know the challenges of deposit mobilization of the branches. Shareholders selected as a target population because since they



are the owners of the bank and to know the service quality provided by the banks with branch location and employees, the bank working hours, availability of technology by the bank with its used challenges and other related problems according to deposit mobilization challenges.

### **3.4 Sampling technique and procedure**

Census type of inquiry involves a great deal of time, money and energy. Therefore, when the field of inquiry is large, this method becomes difficult to adopt because of the resources involved. At times, this method is practically beyond the reach of ordinary researchers. Further, many a time it is not possible to examine every item in the population, and sometimes it is possible to obtain sufficiently accurate results by studying only a part of total population. The respondents selected should be as representative of the total population as possible in order to produce a miniature cross-section. The selected respondents constitute what is technically called a 'sample' and the selection process is called 'sampling technique' (Kotheri, 2004)

Probability sampling refers to the sampling method in which all the members of the population have a pre-specified and an equal chance to be a part of the sample. This technique is based on the randomization principle, wherein the procedure is so designed, which guarantees that each and every individual of the population has an equal selection opportunity. This helps to reduce the possibility of bias (Kotheri, 2004). Therefore to achieve the objective of the study the researcher used probability sampling of stratified sampling for senior. For selecting sample employee the researcher use stratified sampling because in order to get critical information that banking industry's branches are different grade level and each grade level has different parameter like in deposit amount, different services quality, variation in employees in sex, age, education, batch, customer status, work experience etc.

The researcher also used none probable of judgmental sampling to select a particular group of unit from the population by using of judgmental sampling for appropriate particular unit from the selecting shareholders. It help in a accomplishing the purpose of a research and

enables a researcher to pick those respondents who were useful in data collection for research findings. Also supported by (Babbie, 1992), this technique enabled the researcher to select a sample on the basis of his or her knowledge of the population, its elements and research aims. Maximum variation sampling, also known as heterogeneous sampling used in this research to capture a wide range of perspectives relating to the thing that the researcher is interested in studying. It helps the researcher to identify common themes that are evident across the sample.

The total numbers of target population are 455. From this 359 are branch senior staffs for questioners, 76 branch manager for interview and 20 are shareholders of BIB for questioners. Thus in this case the sampling procedure firstly, identify and define the population, determine the desired sample size, identify the variable and subgroups (strata) for which you want to guarantee appropriate, equal representation, classify all members of the population as members of one identified subgroup, randomly select, using a table of random numbers an “appropriate” number of individuals from each of the subgroups, appropriate meaning an equal number of individuals

### **3.5 Sample Size Determination**

Sample size determination is the act of choosing the number of observation or replicates to include in a statistical sample. Sample size refers to the number of individual pieces of data collected in a survey (Kotheri, 2004). Sampling formula uses two key factors: firstly, the risk the researcher is willing to accept in the study, commonly called the margin of error, or the error the researcher is willing to accept, and secondly, the alpha level, the level of acceptable risk the researcher is willing to accept that the true margin of error exceeds the acceptable margin of error(Sangeeth, 2007). Often, the sample size is expressed in terms of variance. Provides the Following simplified formula to calculate sample sizes Yamane, (1967:886)

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

Where n is the sample size, N is the population size, and e is the level of precision

Sample Size for ±5% Precision Levels where Confidence Level is 95%, N= 359 and P=0.05

Therefore for questioners  $n = \frac{359}{1 + 359(0.05)^2} = \frac{359}{1.89} = 189$  employees and for interview Sample Size for ±5% Precision Levels where Confidence Level is 95%, N= 76 and

$P=0.05 \quad n=76/ (1+76(0.05)^2) =76/1.19=63$  branch managers and 20 shareholders the total sample size is 272. The larger the sample size means the error was minimized therefore large sample size is meaning full for reducing errors.

**Table3. 1**Number of senior staff in different grade level in city branch in BIB

No	Grade level	Branch number	For questioner			Branch number	For interview		
			No of employee	%ge share	% share*sample size 189		No of branch manager	%ge share	% share*sample size 63
1	Grade1	64*4	256	71	134	64	64	84	53
2	Grade 2	9*8	72	20	38	9	9	12	7
3	Grade 3	2*9	18	5	9	2	2	3	2
4	Grade 4								
5	Grade 5	1*13	13	4	8	1	1	1	1
	Total	76	359	100	189	76	76	100	63

Source: BIB human resource directorate, 2017/18

### 3.6 Validity and reliability of the tools

Sound measurement must meet the tests of validity, reliability and practicality. Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity can also be thought of as utility. In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested. One can certainly consider three types of validity in this connection: (i) Content validity; (ii) Criterion-related validity and (iii) Construct validity. The validity of the secondary data approved through different mechanisms. The researcher use bank report of the bank but in order to check the truth the researcher used the team leader’s report of different department in each year. The researcher assured the validity of the data and method by showing to research experts. The researcher determined sampling validity by comparing the instrument items from the sample with the population items that theoretically explained. This paper compare characteristic of the challenges for deposit mobilization the sample and from remaining population.

**The Pilot Study:** The pilot study conducted in 10 branches to see whether the intended instruments could work as planned. The study suggests that certain items of the questionnaires and interviews need to be modified. Accordingly, some inconsistencies among

the items will be avoided and the ambiguous questions will be corrected. The researcher used the language of editor in order to assure the reliability of the questioner. In order to check reliability of responses the researcher followed two procedures. If the percentage and nature of response are similar and the statistical analysis is the same, the sample can be regarded as reliable (Inter-rater reliability).

**Cronbach's Alpha:** Cronbach's alpha is most commonly used to assess the internal consistency of a questionnaire (or survey) that is made up of multiple Likert-type scales and items. First, Cronbach's Alpha for pilot study of the instrument devised by the researcher was determined, and then, after some modifications, the tests were subjected to the final questionnaire. All of the measures included in the questionnaire showed acceptable levels of internal consistency reliability (Bagher, 2003). Therefore the researcher used Cronbach's Alpha in order to assess reliability of the questionnaires.

**Table3. 2Cronbach's Alpha result**

variables	No of items (n)	Cronbach's $\alpha$
Deposit mobilization activities	10	0.84
Management administration	9	0.95
Adapting of new technology	10	0.92
Legal framework	4	0.82
Customer attitude and beliefs	5	0.81
Service quality standard	6	0.83

Source: Output of SPSS 20

Reliability should not be below 0.80 (Carmines & Zeller, 1979, p. 51). Coefficient  $\alpha$ : Exemplary .80 or better; Extensive 0.70 -0.79; Moderate .60-.69; Minimal <.60 (Robinson, 1991, p. 12-18). Look for high positive coefficients e.g., .60 or above (Creswell, 2008, p. 181). According to Zikmund Coefficient alpha 0 meaning no consistency, 1 meaning complete consistency, scales with a coefficient  $\alpha$  between 0.80 and 0.95 are considered to have very good reliability. Scales with a coefficient  $\alpha$  between 0.70 and 0.80 are considered to have good reliability, and  $\alpha$  value between 0.60 and 0.70 indicates fair reliability. When the coefficient  $\alpha$  is below 0.6, the scale has poor reliability

From the above table 3.2, it is seen that the reliability value was estimated to be between the scales 0.8\_0.96. Therefore, for all cases the scales used by the research are very good reliable for data analysis.

### **3.7 Methods of data analysis**

The term analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data-groups. A psychometric response scale primarily used in questionnaires to obtain participant's preferences or degree of agreement with a statement or set of statements. Likert scales are a non-comparative scaling technique and are unidimensional (only measure a single trait) in nature. Respondents are asked to indicate their level of agreement with a given statement by way of an ordinal scale. Most commonly a 5-point scale ranging from "Strongly Disagree (SD)", "Agree (A)", "Neither (N)", "Disagree (DA)", "Strongly Agree (SA)" used. Each level on the scale is assigned a numeric value or coding, usually starting at 1 and incremented by one for each level (Likert, 1932). Therefore the researcher used a 5-point Likert scale "Strongly Disagree", "Agree", "Neither", "Disagree", and "Strongly Agree". Descriptive statistics were employed to analyze data and to conduct documentary analysis. The data presentation conducted based on Percentages, median, average, tables, and figures to understand the data. Data may also be used to examine the data in graphical format, to obtain additional insight regarding the messages within the data and to help clearly and efficiently communicate the message to the audience. Data visualization uses information displays such as tables and charts to help communicate key messages contained in the data. Tables are helpful to a user who might lookup specific numbers, while charts (e.g., bar charts or line charts) may help explain the quantitative messages contained in the data.

## CHAPTER FOUR

### 4. DATA PRESENTATION AND ANALYSIS

This chapter presents the detail analysis make to assess the challenges of deposit mobilization in Bunna international bank s.c based on the techniques and procedures identified in the third chapter. As it was mentioned earlier, data collections was using questionnaires, interviews and reviews of secondary data. Total questionnaires were 187 collected senior branch staffs and BIB shareholders. From this questionnaires were 167 from senior branch staffs and 20 from share holders. In addition the primary data were collected from interview of 45 branch managers. That is the response rate is 89.4% for questioners and 71.4% for interviews. The chapter includes the summaries of data using graphs, tables and charts, different description of values and interpretations.

#### 4.1 Background information of respondents

From table 4.1 out of the total 167 senior branch staff respondents, 45.5% has females and 54.5% were males. Regarding education level, 82.6% of respondents were BA degree holder, 11.9 % are master holder and 5.5% are attaining master program. Banking work experience of the respondent are 7.8% were below 3 years, 55.1% were 3-5 years, 23.9% were 5-7 years and 13.2% were more than 7 years. The variation of respondent's in terms of education level and job experience show that they have able to understand the addressed questions.

**Table4. 1** Respondent Information Background

Variable	N=167	Count	Percent
Sex	Female	76	45.5
	Male	91	54.5
Education level	Degree	138	82.6
	Master	20	11.9
	Attending master	9	5.5
Banking work experience	Below 3 years	13	7.8
	3-5 years	92	55.1
	5-7 years	40	23.9
	Above 7 years	22	13.2

Source survey result of 2019

#### 4.2 Deposit mobilization performance of BIB

All private banks including BIB mobilize their funds from shareholders contribution, their operational profit and customers' deposit. From this source largest proportion is deposit. Therefore, deposit mobilization is a major task for banks and is becoming a decisive factor

for private banks in Ethiopia following the growing demand for loan of the expanding business activities of the country and after the issuance of NBE directive with regard to 27% bill purchase. This directive instructs all private banks to purchase government bond on 27% of all loan disbursements (NBE Directive MFA/NBEBILLS001/2011).

Bunna international bank deposit mobilizes mainly in three forms, by demand deposit, fixed time deposit and saving deposit. Demand deposit is non-interest bearing deposit in BIB that the bank collects mainly from companies and businessman with the deal that they can withdraw their money on demand. Fixed time deposit is the contract between the bank and its customers, which states about the date of withdraw and the special and negotiated interest the bank should give to the depositor. The last one is saving deposit is an interest bearing the minimum interest on saving deposit is fixed and settled by national bank of Ethiopia(NBE). Commercial banks in the country can give interest above the minimum interest rate more than fixed by NBE as a means to attract customer and compete with each other, but doesn't pay less than minimum interest settled / fixed by National bank of Ethiopia (BIB, 2010).

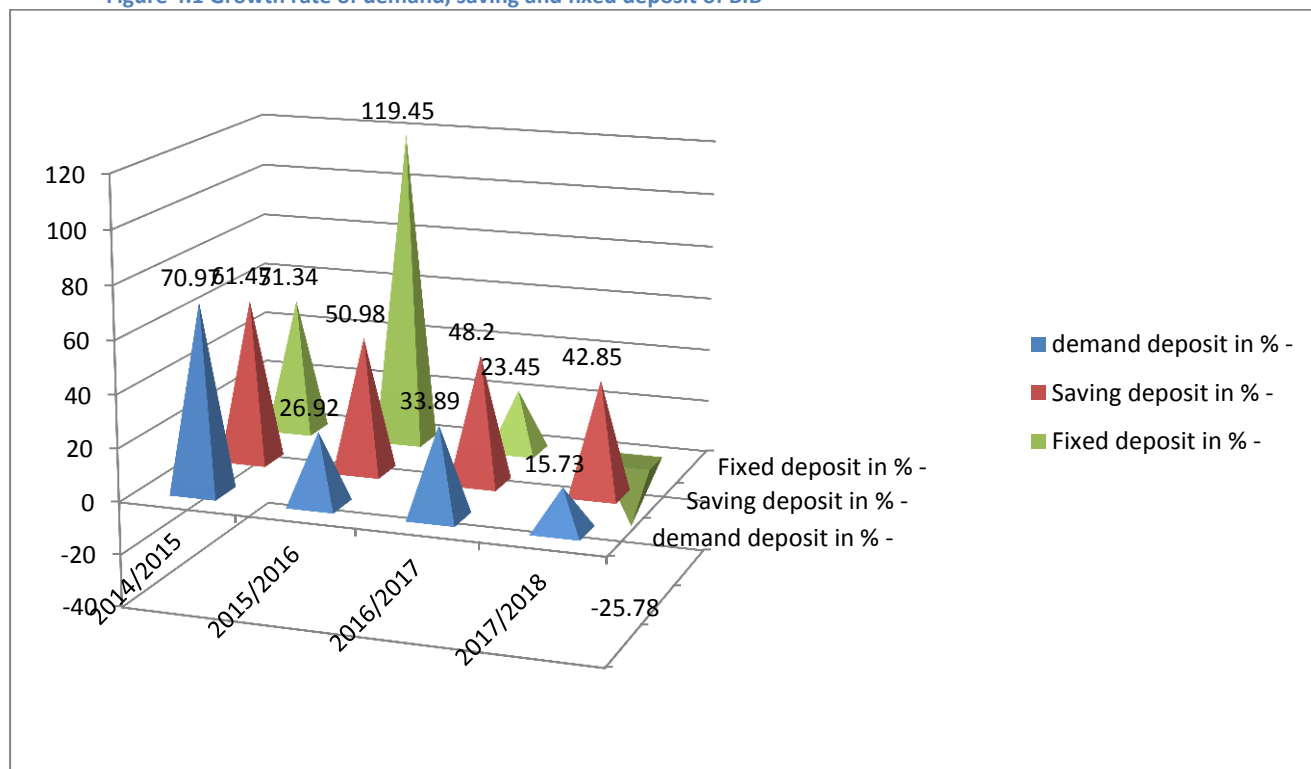
**Table4.2 Deposit performance of Bunna International bank s.c**

Years	Demand	Saving	Fixed	Total	Growth rate in %			
					d	saving	fixed	total
2013/2014	663,582,816	1,129,550,072	358,457,851	2,151,590.74	-	-	-	-
2014/2015	1,134,566,302	1,823,960,182	542,514,975	3,501,041,459	70.97	61.47	51.34	
2015/2016	1,440,008,614	2,753,995,548	1,190, 599,600	5,384,603,762	26.92	50.98	119.45	
2016/2017	1,928,093,371	4,081,614,416	1,469,878,258	7,479,586,045	33.89	48.2	23.45	
2017/2018	2,231,392,000	5,830,959,000	1,091,209,000	9,153,260,000	15.73	42.85	-25.78	
Total	7,397,643,103	15,620,079,218	4,652,659,684	27,670,382,005				
Share in %	26.73	56.45	16.82	100%				
Mean	1,479,528,620.60	3,124,015,843.60	930,531,936.80					
Variance	388,209,316,201,023,000	3,512,372,433,585,350,000	215,543,171,140,316,000					
Standard deviation	623,064,455.90	1,874,132,448	464,266,271.80					

Sources BIB Annual report from 2013/14- 2017/18



Figure 4.1 Growth rate of demand, saving and fixed deposit of BIB



Sources BIB Annual report from 2013/14- 2017/18

An analysis of table 4.2 and figure 4.1 reveals that BIB total five year deposit mobilization are birr 27,670,382,005 which is constituted from saving, demand and fixed deposit by the contribution share of 56.45%, 26.73% and 16.82%, of deposited respectively largest to smallest. Which means the bank largest source of deposit is saving deposit. The deviation of demand deposit is 623,064,455.9, fixed deposit 464,266,271.8 and saving deposit 1,874,132,448. The low standard deviation mean close to the mean while high standard deviation indicate the data are spread out over wider range of values. When we see the growth rate of demand deposit in 2014/2015 it accounts 70.97% growth but it gradually increase in decreasing rate at four consecutive years and in 2017/2018 increase at a rate of 15.73%. the growth rate of saving deposit are seems like demand deposit in 2014/2015 it accounts 61.47% growth but it gradually increase in decreasing rate four consecutive years and in 2017/2018 increase at a rate of 42.85%. The growth rate of fixed deposit in 2014/2015 is 51.34% and in 2015/2016 the growth rate is 119.45% and gradually increases at a decreasing rate in 2016/2017 the growth rate is 23.45%. But in 2017/2018 the growth rate of fixed deposit are negative which decrease at 25.78%. From the interview result these gradual increase at decreasing rate and negative growth rate the result of challenges of BIB characterized by heightened internal weakness and external stiff competition from rivalry between 16 private banks and 2 government owned banks, customer sophistication,

technological advancement, general high cost of doing business, easy availability of substitute products from other banks within bank industry, office rent cost etc. These and other challenges reduce Bunna international bank s.c deposit mobilization growth performance. Therefore the fluctuation of gradual increase at decreasing rate and negative growth rate showing an unfavorable environment for the BIB.

### 4.3 Challenges of deposit mobilization

#### 4.3.1 Challenges related to deposit mobilization activities performed by the bank

The main task of commercial banks in order to increase deposit mobilization are increase the awareness of the people about saving, increase quality of customer services, increase scope of their branch, assess best legal environment, reduce transaction cost, differentiate interest on different saving account, winning stiff competition by introducing new product and applying different technology (Kibebe, 2016)

**Table 4.3 Challenges related to deposit mobilization activities performed by the bank**

s/no	Statement	Percent				
		SA	A	N	D	SD
1	BIB is strongly expand its branch number	1.2	44.3	0.6	53.9	
2	The bank introduce new product for deposit mobilization	2.9	64.1	1.8	31.2	
3	The bank are not offer gift for new depositors	4.2	73.7	1.2	19.8	1.1
4	BIB use different deposit mobilization activities		51.3		48.7	
5	BIB gives different train for its staff about deposit mobilization	4.2	22.2	2.4	71.2	
6	Branch manager and customer relation manager visit selected customer and invite to use the bank product	15.6	8.4	3.6	72.4	
7	The branch doesn't collected cash from customer by home to home services		81.4	1.2	17.4	
8	Branches have their plan and achieve the given target plan		44.7		55.3	
9	The branch handle different company staff salary for deposit activity	1.8	64.1	4.2	29.9	
10	BIB doesn't use fully operate interest free banking services to increase deposit of bank		92.8		3.6	3.6

Source survey questioner 2019

Table 4.3 show that more than a half of respondents (53.9%) expansion of branch in BIB is not ample, and on the reverses 44.3 % of respondents say that the branch expansion is more than enough. According to (Nursofiza.W, 2006) there is a long run relationship between commercial bank branch and commercial banks deposits. While branch manager interview about branch expansion even if the bank try to expand the branch number by intimidation of NBE the branch opening activity is not accessible and comfort to the customer because of most of BIB branch's that operate on first floor and second floor. So that, the challenges of this factor is difficult to achieve the bank deposit performance activities.

The majority of respondents about 64.1% are BIB introduced new products for depositors and 31.2% of respondent oppose the idea of on BIB introduced new products for depositors on the other hand interview of branch managers indicate that BIB introduced different product like Bunna minor's trust account , Bunna youth target deposit account, Bunna deposit account for investment , salary drawing account, student fund transfer account, Bunna star account, Bunna gold account, gift cheek account, Bunna special purpose account and Bunna money market account to attract depositors they are not fully implemented due to lack of announcement to customers and lack of initiation of employee to make the customer to use this product. All in all introduction of new product in BIB as not effective to mobilize deposit. Commercial banks should offer well designed saving products so that customers of all types can customize their use of these products to meet their own need which help the bank to mobilize more deposit(Ariful, 2014).

BIB use different deposit mobilization activities 51.3% and 48.7% of respondent agree and disagree respectively. From interview result Bunna international bank s.c is start their activities by use of good name of visionary bank, public powered, uniquely flavored and the most accessible bank. The bank strategic activities were maintaining its focus on markets and segments can apply its core competence and strength to win business and deepen relation with various stakeholders. The bank use five years strategy plan activities to perform deposit mobilization that strategy plan stretching to 2020/2021(BIB M. , 2016).

That is why 71.2% of respondents are BIB cannot provide training for their employee on deposit mobilization, and 26.4% respondent are together BIB gives different training for its

staff about deposit mobilization. Remain 2.4% respondent are in tacit. Giving training about the bank service, marketing, and customer service and so on increases the knowledge and confidence of employees(Girma, 2015).

The majority of respondents about 72.4% are suppose that branch managers and customer relation managers not visit and promote selected customer and invite to use the bank product while 15.6% of respondents diverge. Communicating individuals and companies helps the bank to know the needs of the customers which increases the opportunity to the bank to satisfy its customers(Assefa, 2014). In other direction the majority of respondents from the survey result 73.7%, 82.4% and 92.8% are suppose the bank cannot perform the activity of offering gift to depositors, home to home service and interest free banking service respectively and the remain respondents oppose the issue. According to (Kumar, 2000), create time-limited marketing incentives to attract new deposits. For instance by offering a gift to new depositors commercial of Ethiopia from 2016 up to 2018 developed there deposit by 10%(CBE, 2017/18) and Oromia international bank mobilized there deposit by 3.2 billion birr from deposit and 188 million birr profit by providing interest free banking service(OIB, 2017/18) . But in BIB there is no implementation of these activities. So that BIB lost most of benefit for the previous years from above product.

Branches have their plan and achieve the given target plan 55.3% and 44.7% agree and disagree respectively. From BIB branch manager response in bank level and all branch level there is deposit strategy plan. The plan implementation in different branch depends on branch capacity. The plan that is forward to branches depends on the previous implement activities of each branch. The level of plan implementation in some years achieved while in other is not achieved because of internal and external factor. The challenge in bank industry is specially in BIB is , political unrest in the country, challenges of stiff competition with other private and government owned bank, customer attitude and believes towards BIB, government interruption in bank industry related to interest rate, network interruption from Ethio-Telecom and their own bank system, services quality give to the customer, the problem of adapting and availability of new technology to the customer, branch location, branch accessibility and branch convenience, customer expectation from bank.

Even though 64.1% of respondents agree On BIB handle different company staff salary for deposit activities, the branch managers responded during interviews that the performance is low due to government enforcement of government office and NGO employees paid their salary on government owned bank.

### 4.3.2 Challenges related to bank management administration for deposit mobilization

Bank management administration depends on the vision, capability, agility, professionalism, integrity, and competence of the Financial Institution’s management. A sound management is crucial for the success of any institution. The quality of the management will determine the success of a bank or financial institution. The performance of a bank is largely dependent on the vision, competence, and integrity and risk appetite of the management(Nugel.R, 2012).

Table4.4 Challenges related to bank management administration for deposit mobilization

s/n	Statement	Percent				
		SA	A	N	D	SD
1	The bank management use aggressive promotion to increase deposit amount	1.2	32.9	5.4	60.5	
2	The branch get necessary support from bank management about deposit	4.8	46.7		48.5	
3	The bank management use effectively new product announcement to increase deposit of the bank		24.6	8.3	67.1	
4	The bank management fulfill the branch required staff number		43.7		56.3	
5	The management /branch/ manager assess and studying saving culture of target community		53.3	1.2	45.5	
6	Management /manager/ evaluate the relevance and sustainability of strategy selected to expand saving scheme		52.7	7.8	39.5	
7	Management/manager can study alternative saving model to assist in the inculcation of saving culture and hence increase of deposit	3.6	50.3		46.1	
8	The management provides training schemes to the employee		10.7	4.8	84.5	
9	The management introduce sharing experience with in the branch and other bank branch staffs		1.8	5.4	84.4	8.4

Source survey questioner 2019

The above table 4.4 shows more than half of respondents disagree (60.5% and 67.1%) on BIB management used aggressive promotion to increase deposit amount and management of bank can use effectively new product announcement to increase deposit of the bank; for underpin of this idea: from branch managers interview the bank using different promotion method and announcement, but not effective for the reason that media cost and the used media is infrequent attending from the customer. Promotion plays an important role in today's competitive world by which banks communicate with their customers, both current and potential (Kumar, 2013).

On the issue of BIB offering branches necessary support from management about deposit: there is a dispute among respondents 48.5% of the respondents adversary bank management of BIB offer branches necessary support about deposit mobilization, although 51.5% of advocate: there are management support to branches on deposit mobilization since 4.8% of respondents strongly agree on the idea. From the interview result deposit mobilization activity is the major the strengthen function of branch. But the plan is forwarded from head office the department of Economic Research planning Monitoring and Evaluation department. So that, departments that is not support deposit mobilization activities of branches rather than plan and forward strategy plan to branch and prepared the final deposit mobilization report by collecting from different branch. Furthermore 56.3% of respondents the branch required staff amount in number is not fulfill by BIB management; on the reverses other respondents 43.7% BIB management can fulfill the branch required staff amount in number as per requested. However during the interview BIB branch managers respond the required number of employees that the task need are not balanced with the actual job description and lode performed that mean small no of employees cover different tasks beyond their capacity.

The 53.3% of respondents believes that the management /branch manager/ assess and studying saving culture of target community while 45.5% of respondents are there is no management /branch manager/ assessment and studying on saving culture of target. Community Communicating individuals and companies helps the bank to know the needs of the customers which increases the opportunity to the bank to satisfy its customers (Assefa, 2014).

### 4.3.3 Challenges related to adapting of Technology for deposit mobilization

The use of technology is sophisticated information and communication between customer and banks to give better services in a secure, reliable affordable manner and sustain competitive advantage over the other banks. Technology deployed in banks affects its operational efficiency and determines its competitive position in the market (Brickwork ratings 2008). Technological development removed repetitive and time consuming tasks, reduced human error and extended access to banking related facilities.

Table4.5 Challenges related to adapting of technology for deposit mobilization

s/no	Statement	Percent				
		SA	A	N	D	SD
1	The bank uses internet banking, and easily understand by customer to facilitate deposit mobilization		20.9	8.9	70.2	
2	The bank use new technology and update system to increase deposit amount by competing with other banks and to run deposit	1.8	48.5	2.4	47.3	
3	ATM & Poss machine is available for provide/necessary area for satisfaction of customer to deposit mobilization		22.7	1.8	73.1	2.4
4	The bank use PC banking to increase customer satisfaction for deposit mobilization			7.8	92.2	
5	The use of mobile banking to facilitate deposit mobilization for customer is without internet			2.9	94.6	2.5
6	The bank has call banking center to increase deposit		1.2	2.9	91.6	4.3
7	There is no system and internet interruption from Ethio-telecom and the bank			25.7	72.5	1.8
8	Different service charge to provide new technology is fair		5.4	25.7	68.3	0.6
9	The use of technology is easily understand by customer		3.5		93.6	2.9
10	The bank use merchant banking			9.6	85.1	5.3

Source survey questioner 2019

From table 4.5 over third fourth and above respondents which are as a ratio of hundred 70.2%, 73.1%, 92.2%, 94.6% and 85.1% are have no interest to use internet banking, ATM and POSS service, Personal Computer banking, regular mobile banking and merchandise banking respectively. This indicates that BIB adaptation of technology is not as such effective and fruitful to mobilize deposit. The reason of the respondent not adopts the available technology and it is sophistication to adopt this technology; it is not user friendly (93.6% of respondent) and in addition (68.3% of respondent) service charge on ATM service is costly compared with other commercial banks in the country. E-banking has enabled banking institutions to compete more effectively in the global environment by extending their products and services beyond the restriction of time and space (Turban 2008).

More and more the challenges of adoption of new technology is emanates from other third party called Ethio-telecom which provide networking and communication service for Ethiopian as a monopole. From the survey 72.5% of respondents there are system and internet interruption to provide a service. These implies that the eternal and external factors as one have effect on adoption of modern technology that leads to the deposit mobilization of in BIB develop into at decreasing rate. From the of that described that even if BIB introduce new the use of mobile and internet banking to facilitate deposit mobilization for customer is without internet is impossible and doesn't easily adopted by users rather than it is difficult and very complex to apply and it required more knowledge to use these new technology even if new technology is an essential feature of international banking system. From shareholder response banking sector has embraced the use of technology to serve its client's faster and also to do more with less time. Shareholders indicate that emerging of technologies have changed the banking industry from paper and branch based banks to digitalized and networked banking services is changing the way how banks are delivering services to their customers by accessing of money through an automatic teller machine (ATM) any time, to pay bills and transfer money without leaving from living room by using online banking etc. But the drawbacks of technology are not easily adopted by bank users especially in developing countries like Ethiopia. Due to these customers are forced to go to banks for payments and still they do not to feel comfortable due to long queues and people are not aware of utmost utilization of technology since they have a threat towards safety. Introduction of information communication technology enhances deposit status of the bank adopts information technology based banking which modifies the way in which customers have accesses to banks and increase customer access to funds by expanding ATM networks and improving online banking services (Kumar, 2013)

#### **4.3.4 Challenges related to legal framework for deposit mobilization**

Banks in Switzerland have been facing pressure due to regulatory and legal developments. They have led to heavily increased reporting burdens. In addition the tougher international capital and liquidity standard set and have led to increase cost of bank capital and long term funding which together have resulted in declining profitability. Government participation in banking industry, government law such as imposing tax based on bank statement and report to financial intelligence center Banking regulation in (Swizerland, 2019)



Table 4.6 Challenges related to legal framework for deposit mobilization

s/n	Statement	Percent				
		SA	A	N	D	SD
1	NBE rule and regulation equally support all commercial bank		45.5	0.6	52.7	1.2
2	NBE rule and regulation allows commercial banks use incentive for deposit mobilization		69.6	2.9	27.5	
3	Government rule and regulation for high paid up capital & reserve saving to banks negatively affect deposit growth of the bank	5.4	80.8	1.2	12.6	
4	The country political unrest is negatively effect of deposit mobilization activities		97.6	0.6	1.8	

Source survey questioner 2019

The rule and regulation which is admin the commercial bank is emanated from national bank of Ethiopia centrally. The imposition and regulation of the rule and regulation have their own dilemma some of respondents about 45.5% are the rule and regulation of NBE support and compress all commercial banks equally; but about 52.5% of respondents are suppose that NBE rule and regulation have a bias among commercial bank source from survey table 4.6. The government laws such as private banks doesn't have permission to process every export goods to china which leads the major depositor of the bank to transfer their account to public banks and report also another challenge for private banks because the customers were in fear to deposit in the bank (Shemisu, 2015).

Government rule and regulation for high paid up capital & reserve saving to banks negatively affect deposit growth of the bank 82.8% agree and 12.6% are disagree. From the additional suggestion high paid up capital is negatively affected banks because of this amount of money put in NBE with less interest rate even if that money collected from customer by high interest rate. The result on country political unrest is negatively effect of deposit mobilization activities show the 97.6% agree while 1.8% disagrees. From branch manager interview indicate that in previous few years' political unrest that has great uncouncted impact on deposit mobilization activities and the great challenges in all private and government owned bank.

### 4.3.5 Challenges related to customer attitude and beliefs towards private bank

Demographic, social, economic, cultural, psychological and other personal factors largely beyond the control and influence of the market have a major effect on customer behavior and purchasing decision (jobber, 2001). Attitude towards a brand is a predisposition to respond in a favorable or unfavorable manner to a particular brand after the advertising stimulus has been shown to the individual. Attitude towards a brand has been found to play an important role in influencing customer purchase decision (Phelps, 1996).

Table4.7 Challenges related to customer attitude and beliefs towards BIB

S/n	Statement	Percent				
		SA	A	N	D	SD
1	The attitude and belief of customer is good to the BIB for deposit mobilization		43.2	5.9	50.9	
2	The customer withdrawal their money frequently from BIB bank		49.7		50.3	
3	The customer save their money frequently from private bank		44.3		55.7	
4	The deposit habit of customer for BIB bank are high		31.7	2.9	65.3	
5	Customers deposit their money from excess of consumption		89.2		10.3	

Source survey questioner 2019

Table 4.7 indicates that 43.2% and 50.9 % of respondents agree and disagree in feel of customer's attitude and belief to the BIB for deposit mobilization. The additional comment from BIB manager shows that the customer belief and attitude to private banks still in growing stage depend on brand name of bank, name of the bank builder and other related issue customers less interest on BIB even if BIB shareholder is mixed of every region population and number of shareholder is more and more than other bank shareholder from the beginning. Most of shareholder selection depends such as profit, amount of dividend, reputation; interest charged on savings accounts, interest charged on loans, accessibility, attitude toward bank nationality, bank brand name, incentives for depositor, new product availability within bank, quick service, location on city and hours of operation are viewed as having more importance than other criteria such as friendliness of employees, modern facilities, drive-in-service, etc are the criteria for shareholder purchase of share and the use of service bank selection.

The result of customer withdrawal their money frequently their money from BIB bank show 49.7% respondent agree and 50.3% respondent are disagreeing. The customer saves their money frequently the result indicate the respondent 44.3% agree and 55.7% disagree. For deposit habit of customer for BIB are high respondent result 31.7% agree and 65.3% are disagree. While 89.2 and 10.3% agree and disagree respectively customers deposit their money from excess of consumption. From the comment result of respondent said that the saving culture of in developing country like us saving is the excess of consumption rather than to save the money by minimizing expenditure.

#### **4.3.6 Challenges related to service quality standard by the bank**

Bank is a customer oriented service industry. A bank depends up on the customers for their survival in the market. The customer is the focus and customer service is the different factors (Guo et al.,2008). Organization in business operating in service industry should consider service quality a key strategic issue for the business success (Spathis et al., 2004). Research indicates that companies with an excellent customer service quality record reported 72% increase in profit per employee, compared to similar organization that have demonstrated poor customer service quality, it is also five times costlier to attract new customer than to retain excising customers (Duncan,2004).

Table4.8 Challenges related to service quality standard by the BIB

S/n	Statement	Percent				
		SA	A	N	D	SD
1	The bank working hours are enough for deposit mobilization		43.7	2.4	53.9	
2	The branch opening are full fill the standard requirement that sitting by NBE		71.5	1.1	25.7	1.7
3	The branch location are convenience for the customer		22.2	2.9	68.3	6.6
4	The BIB applies standard service measurement in order to provide service to the customer		64.6		35.3	
5	The services serve to the customer is the same in all BIB branches		81.8	1.2	17.9	
6	The quality of service to give the customer it has good quality		51.7		48.3	

Source survey questioner 2019

Table 4.8 most of respondent 43.7% agree and 53.9% disagree about bank working hours are enough for deposit mobilization and from shareholder and other respondent result indicated that even if the BIB working hours is for inaugurate local time 2:00 AM up to 12:00 AM hours are doesn't enough for deposit mobilization even if working hours depend on three main factors: the bank, the team, and the situation. In the competition industry the working hours in BIB is not enough. BIB extends the working hours like that of other banks until local time 2:00 AM up to 1:00 PM or more than that in order to competitive with other private and government bank.

The branch opening are full fill the standard requirement that sitting by NBE the respondent result 71.5% argued and 25.7% are oppose the idea. The respondent result about branch location is convenience for the customer 22.2% and 68.3% respectively. From interview result indicate that the branch location for BIB not convenience because most of BIB branch open around first flower, second floor and notin clear area. So that, the BIB management administration over views their branch location and introduce new method about branch location. The bank applies standard service measurement in order to provide service to the customer 64.6% accept and 35.3% reject the opinion. The services serve to the customer is the same in all BIB branches the respondent result is 81.8% agree and 17.9% are disagree. The majority of respondent indicate that the quality of service to give the customer it has good quality 51.7% agree and 48.3% are disagree. From the shareholder indication services quality of in BIB is in growing stage. Quality of service delivered to customers has been argued to be critical to customers' satisfaction, customer retention and contribute to continued existence of

the business organization that provides the services. Because customers' perpetual demand for improved services quality has kept organizations in the service industry that desire survival in the highly competitive markets on their toes to continue to seek ways to provide high quality services for product of the BIB. The BIB services quality is leading performance metric that is used to rate the bank. In order to competitive with other bank service sundered by BIB good. But in some branch employee service to the customer there is unexpected response from branch manager as well as other employees like services not give the customer on time related to foreign remittances and loan borrowing area, corruption, services delaying from employees etc. This was also supported by (Macintosh and lockshin, 2007), they said that quality of service is an important element in the business for maintaining and attracting more customers, as it increase value (that means may permit higher margins, improve profits, gain competitive advantages, and maintain loyalty to customers)

#### **4.5 Compressions deposit mobilization challenges**

The descriptive statistics (such as mean of distribution and standard deviation of the distribution) can be employed to investigate and present an overview of from deposit mobilization, management administration, adopting new technology, legal framework, customer attitude and beliefs and Service quality standard challenges of deposit mobilization in BIB bank branches which is more observed problem. Table 4.9 shows the descriptive statistical results of corresponding 167 total observations. It also describes the overall nature of employed in the study and their interpretation is presented as follow.

Table4.9 descriptive statics output

variables	observation	mean	Standard deviation
Deposit mobilization activities	167	2.9	1.35
Management administration	167	2.6	1.22
Adapting of new technology	167	2.5	1.2
Legal framework	167	2.45	1
Customer attitude and beliefs	167	2.7	1.21
Service quality standard	167	2.8	1.37
Buna international bank		2.74	1.23

Source: Output of SPSS 2020

According to (Best, 1977), standard deviation of the score from 1-1.80 is lowest, from 1.81-2.61 is lower, from 2.62-3.41 is average/moderate, from 3.42-4.21 is good/high, and 4.22-5 is considered very good. Besides, the decision rules used in the analysis was average mean less than 3 was considered as low, average mean equal to 3 was considered as medium and average mean greater than 3 was considered as high (Best and Khan, 1995). The mean distribution of deposit mobilization of the study is 2.74 which are less than 3 that are low and standard deviation statistics is 1.21, which is in between 1-1.8 that is lowest. It shows as per the employees perception challenges of deposit mobilization BIB are high.

The mean value of deposit mobilization activities was 2.9 which are lower than the medium level 3 and its standard deviation was 1.35 which is in between 1-1.8 that is lowest. It shows the as per the employees perception challenges of deposit mobilization activities on deposit mobilization of Buna International Bank are higher. The mean value of management administration was 2.6 which are lower than the medium level 3 and its standard deviation was 1.22 which is in between 1-1.8 that is lowest. So its implication is employee's perceptions on management administration in deposit mobilization are lowery workable for the bank done in target population. The mean value of adapting of new technology was 2.5 which are lower than the medium level 3 that is low and its standard deviation was 1.22 which is in between 1-1.8 that is lowest. So its implication is employee's perceptions of adapting of new technology on providing bank service are lower.

The mean values of legal framework are 2.45 which are lower than the medium level 3 that is low and its standard deviation was 1 which is in between 1-1.8 that is lowest. So its implication is employee's perceptions of Legal framework on deposit mobilization of BIB bank service are lower.

The mean values of customer attitude and beliefs are 2.7 which are lower than the medium level 3 that is low and its standard deviation was 1.21 which is in between 1-1.8 that is lowest. So its implication is employee's perceptions of customer attitude and beliefs on deposit mobilization of BIB banking services are lower. The mean values of Service quality standard are 2.8 which are lower than the medium level 3 that is low and its standard deviation was 1.37 which is in between 1-1.8 that is lowest. So its implication is as employees perceptions of service quality expected from deposit mobilization of BIB banking service provisions are low.

## **CHAPTER FIVE**

### **5. Summary, conclusion and recommendation**

#### **5.1 Summary**

The purpose of this study was to examine the challenges of deposit mobilization in Bunna international bank s.c in Addis Ababa branches using of descriptive statistics. The research instruments were survey questionnaires developed with stratified sampling method, interview with deposit activities for branches department and documentary review on the last 5 years performance of the deposit process are applicable constructs. The study applied mixed approach to get advantage on draw backs of using one approach. In the chapter four, the data instruments (questioner, interview and documentary analysis) has been analyzed and interpreted in relation with the statement of the problem and objectives of the study. Then in this chapter conclusions are made by summarizing the results stated on the data collection instruments on chapter

#### **5.2 Conclusions**

According to the analysis made above in the fourth chapter the researcher has identified a number of challenges which generally stated below.

From the five consecutive deposit mobilization performance of Bunna international bank s.c deposit mobilization growth rate increase at decreasing rate for different deposit product especially fixed time deposit. One of the challenges encountering for deposit mobilization activities of BIB doesn't use remarkable branch expansion even if to know its branch number to increase deposit performance of the bank. The introduction of new product for deposit mobilization are present but lack of effective promotion these product are not properly implement with poor selection of announcement media. The way of training support each staff for deposit mobilization are not properly apply. Even if most branch manager and customer relation manager visit selected customer but doesn't invite to use the bank product due to these new product implementation is low. The cash collection home to home service of the BIB branches does not use. The branch more likely attempt to handle different company staff salary for deposit activity but the government and NGO company employees doesn't use this product. BIB doesn't use fully operate interest free banking services to increase deposit of bank.

BIB management administration relatively good related management support to branches by way of giving plan and evaluate the result of deposit performance with manger study the saving culture of society but, there is poor management administration related to aggressive promotion for deposit and new product announcement, branch require staff number is not enough as with job burdens , low level of training supply and sharing of experience between bank to other banks and within branch to branches are poor.

BIB apply to use technology in order to create cashless society by providing new technology and update system to increase deposit amount to competing with other banks and to run the deposit mobilization activities but, mobile and internet banking not easily understand by customer, ATM and Poss machine is not available for provide/necessary area with high service charge, person computer, call banking center and merchant banking is not implement within the bank. System and internet interruption from the bank and Ethio-Telecom is higher with in country.

The government rule and regulation allows using all commercial banks incentive for deposit mobilization but, NBE not equally support all commercial bank there is a bias between private and government owned banks. High amount of paid up capital and reserve on saving to banks negatively affect deposit growth of the banks because the collect amount of deposit that fully use by the bank rather than save on reserve account with less interest rate. The country political unrest is negatively affected of deposit mobilization activities.

The main challenges of deposit mobilization in BIB is the attitude and belief of customer is significantly affected that means frequently withdraw their money and as much as not frequently deposit their money in private bank. The deposit habit of customer in BIB saving are after excess of consumption.

The services provision to customers from employees serve to the customer is the with branch to branch is the same by full fill the standard requirement settled by NBE to giving quality service to the customer but, working hours are not enough for stiff competition for convenience time for every customer.



### 5.3 Recommendations

Based on the conclusion as well as analysis made in the previous chapters, the following recommendations are proposed:

- From the finding of the study shows that BIB deposit mobilization growth rate increase at decreasing rate so that, to advise BIB use increase rate growth at increasing rate by minimize the finding challenges in order to competitive with other private and government owned bank in the country.
- BIB branch expansion, connivance location of the branch, service quality and inaugurate of working hours not attractive and effective. In order to avoid these challenges BIB advised to use the remarkable branch expansion, connivance location of the branch in ground level and clear area, rendering quality service excellence to customer and extended working hours. These would maintain, satisfy and attract more customer to increased deposit mobilization, because the study confirmed that these challenges are mostly affected and at the same time show effectiveness in influencing increased deposit mobilization.
- BIB is also advice to apply of interest free banking and give incentives for depositor, because the study confirmed that these challenges are extremely effective but not applied by BIB to influence increased deposit mobilization. Therefore if these challenges applied then will effectively influencing increased deposit mobilization.
- BIB are advised to use new technology and updated version system and E-banking such as internet banking facilities, telephone banking facilities, ATM services in all branches, Poss machine, other credit card banking services, Personal computer banking, merchant banking and call center banking to facilities deposit inter-bank networking and widening their services in different areas with minimum service charge because these challenges were found applied but not effective in influencing increased deposit mobilization.
- BIB new product promotion and supervision of branches by management are not properly effective. So that, to recommended BIB management not only product creation and plan forward to branches rather to using of aggressive product promotion with frequently attainable media selection and regular supervision and orientation are necessary for effective deposit mobilization activities.

- From the finding system and network interruption in Ethiopia is common in bank industry in BIB. In order to avoid system and network interruption recommended to BIB use other alternative system or other option to save the customer.
- The present study assessed only 10 challenges includes challenges of political unrest with in the country, challenges of bank management administration, challenges of promotion, challenges of banking ethics, challenges of working hour, challenges on increment of consumption, challenges of employees experience sharing, challenges of attitude and beliefs of customer, challenges of bank service standard and challenges of adapting new technology. The study also focused only on senior staffs and branch managers in Addis Ababa and shareholders. Therefore further studies could asses more challenges that influence deposit mobilization focus on all bank staff and customers' in city and outline branches and also other banks and/or other financial institution, and if possible in other area of studies, as it might have different outcomes when compared to the current study.

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## APPENDIX I

### Questionnaire for employees

#### St. Mary's University School of Graduate Studies

#### MBA Program

#### Questionnaire to be filled by Bunna international bank S.C Employees

The purpose of this questionnaire is to collect first-hand information for a study being conducted on the topic, "challenges in Bunna international bank S.C." case study Addis Ababa branch as partial fulfillment of Masters of Business Administration (MBA) program at St Mary's University prepared by Demeke Tilahun. To this end, I kindly request you to provide me genuine information, to the best of your knowledge, so that the findings of the study would be legitimate. The study is purely academic research.

Therefore, for sure, all your responses will be kept confidential. I would like to thank you for your willingness, effort and sharing precious time to fill the questionnaire and returning it the earliest possible.

**Instruction:** Please use the choice from the options given and answer in appropriate. You don't have to write your name.

#### Part I: Respondent profile

1. Gender A, Male  B, Female
2. Age A, below 25  B, 25-40  C, 40- 55  D, above 55
3. Education A, Diploma  B, Degree  C, Master  D, Phd
4. Work experience in bank industries A, below 3 years B, 3-5 years  
C, 5-7 years D, above 7 years

**PART II - Questions on deposit mobilization Please read each statements in this part carefully and show the extent of your agreement on the statements by putting "√" or "X" mark in the boxes using the following rating scales( likert scales): Strongly agree = (SA), Agree = (A), Neutral = (N), Disagree = (D), and Strongly disagree = (SD)**



**1. Challenges related to deposit mobilization activities performed by the bank**

s/no		SA	A	N	D	SD
1	The bank is strongly expand its branch					
2	The bank introduce new product for deposit mobilization					
3	BIB mostly offer gift for new depositors					
4	BIB use different deposit mobilization activities					
5	The bank gives different train for its staff about deposit mobilization					
6	Branch manager and customer relation manager visit selected customer and invite to use the bank product					
7	The branch collected cash from customer by home to home services					
8	Branches have their plan and achieve the given target plan					
9	The branch handle different company staff salary for deposit activity					
10	BIB does not full operate interest free banking services to increase deposit of bank					

Please indicate any additional suggestion if you think it is important for question number 1

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**2. Challenges related to bank management administration for deposit mobilization**

s/n		SA	A	N	D	SD
1	The bank management use aggressive promotion to increase deposit amount					
2	The branch get necessary support from bank management about deposit					
3	The bank management use effective product announcement to increase deposit of the bank					
4	The bank management fulfill the branch required staff number					
5	The management /branch/ manager assess and studying saving culture of target community					
6	Management /manager/ evaluate the relevance and sustainability of strategy selected to expand saving scheme					
7	Management/manager can study alternative saving model to assist in the inculcation of saving culture and hence increase of deposit					
8	The management provides training schemes to the employee					
9	The management introduce sharing experience with in the branch and other bank branch staffs					

Please indicate any additional suggestion if you think it is important for question number 2

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### 3. Question related to adapting of Technology for deposit mobilization

s/no		SA	A	N	D	SD
1	The bank uses internet banking to facilitate deposit mobilization easily understand					
2	The bank use new technology and update system to increase deposit amount by competing with other banks and to run deposit					
3	ATM machine is available for provide/necessary area for satisfaction of customer to deposit mobilization					
4	The bank use PC banking to increase customer satisfaction for deposit mobilization					
5	The uses mobile banking to facilitate deposit mobilization for customer is without data					
6	The bank has call banking center to increase deposit					
7	The is no system and internet failure from Ethio-telecom					
8	E- banking system is properly effective in BIB					
9	The use of technology is easily understand by customer					
10	The bank use merchant banking					

Please indicate any additional suggestion if you think it is important for question number 3

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### 4. Question related to legal framework for deposit mobilization

s/n		SA	A	N	D	SD
1	NBE rule and regulation equally support all commercial bank					
2	NBE rule and regulation allows commercial banks use incentive for deposit mobilization					
3	Government rule and regulation for high paid up capital to banks negatively affect deposit growth of the bank					
4	The country political conflict is negatively affect of deposit mobilization activities					

Please indicate any additional suggestion if you think it is important for question number 4

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**5. Question related to customer attitude and beliefs towards private bank**

S/n		SA	A	N	D	SD
1	Attitude and belief of customer is good to the private bank					
2	The customer withdrawal their money frequently					
3	The customer save their money frequently					
4	The deposit habit of customer for private bank are high					
5	Customers deposit their money only excess of consumption					

Please indicate any additional suggestion if you think it is important for question number 5

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**1.Question related to service quality standard by the bank**

S/n		S A	A	N	D	SD
1	The bank sitting working hours are enough for deposit mobilization					
2	The branch full fill the standard requirement that sitting by NBE					
3	The branch location are convenience for the customer					
4	The BIB apply service standard measurement in order to provide service to the customer					
5	The services serve to the customer is the same in all BIB branches					
6	The quality of service to give the customer it has good quality					

Please indicate any additional suggestion if you think it is important for question number 6

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## **Appendix II**

### **Interview question**

#### **St. Mary university MBA program**

1. Can you explain the existing performance and practices of deposit mobilization in BIB depend on your branch activities?
2. What are the main challenges that affect total deposit mobilization of Bunna international bank s.c (BIB) especially in your branch briefly explain?
3. Do you have any department that support in your bank deposit mobilization process? If your answer is yes how this department works?
4. Do you have deposit plan in your branch, if yes what are your strategies to achieve your deposit plan? Can you achieve the plan in previous budget years?

Appendix III

**ሰቡና ኢንተርናሽናል ባንክ ባለ አክሲዮኖች የተዘጋጀ መጠይቅ**

ይህ መጠይቅ በ ደመቀ ጥላሁን የሁለተኛ ድግሪ በቅድስት ማሪያም ዩኒቨርሲቲ ትምህርት ዝግጅት ለ ማጠናቀቅ የተዘጋጀ ሲሆን የጥናቱ ርዕስም በ ሰቡና ኢንተርናሽናል ባንክ አ.ማ ቁጠባ ላይ የሚታዩ ተግዳሮቶችን ለመዳሰስ በአዲስ አበባ ላይ ወስጥ ባሉ ቅርንጫፎች የተመሰረተ ሲሆን ይህንን ጥያቄ ለመመለስ ወድ ግዜዎትን ሰወተዉ ፍቃደኛ በመሆንዎ በቅድሚያ ምስጋናየን እያቀረብሁ ለሚያደርጉልኝ ትብብር ከልብ አመሰግናለሁ።

1. የሰቡና ባንክ የአክሲዮን ባለበት የሆኑበት እና የባንኩ ደንበኝነት የመፈጠብት መስፈርት ምንድን ነዉ ? ቢያብራሩልኝ? \_\_\_\_\_

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2. ሰቡና ባንክ አገልግሎት አሰጣጥ ላይ የሚታዩ ችግሮች ካሉ ቢያብራሩልን?

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3. ሰቡና ባንክ አገልግሎት አንዲሰጡ በተመደቡ ሰራተኞች በኩል የሚታዩ ችግሮች ካሉ ቢያብራሩልን? \_\_\_\_\_

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4. ሰቡና ባንክ የሚጠቀምበት የስራ ሰዓት ከጥዋቱ 2:00 እስከቀኑ 12:00 በቂ ነዉ ወይ?

ሀ. አዎ ለ. አይደለም

5. በተራ ቁጥር ጥያቄ 4 መልስዎ አይደለም ካሉ ከስንት እስከ ስንት ቢሆን ይላሉ? \_\_\_\_\_

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6. በአሁኑ-ሰዓት-ባንኮች እየጠቀሙበት ያለቴክኖሎጂ እና የህብረተሰቡ ንዩቴክኖሎጂ አጠቃቀም እንዴት ያዩታል? \_\_\_\_\_

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