



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**EFFECT OF REWARD MANAGEMENT ON EMPLOYEE
MOTIVATION IN COMMERCIAL BANK OF ETHIOPIA HEAD
OFFICE**

BY

KEBERE TESSEMA

MAY, 2019

ADDIS ABABA, ETHIOPIA

**EFFECT OF REWARD MANAGEMENT ON EMPLOYEE
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A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY SCHOOL
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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of my advisor and 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.

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ABSTRACT

Effect of Reward Management on Employee Motivation in Commercial Bank of Ethiopia Head office

The purpose of this study is to examine the effect of reward on employee motivation in Commercial Bank of Ethiopia head office. There is a gap between what employees perceive as most significant rewards and the reward practices which managers consider to be the most motivating. The reward scheme is not tailored with employee need. The target population of this study includes commercial bank of Ethiopia head office employee in Addis Ababa. This office has 3240 employee and management staffs and from this office the population of clerical employee size is 2630. Total sample population taken was 340 from the population size of 2630. In this study simple random sampling was used to select respondents from commercial bank of Ethiopia head office. Simple random sampling method was used because employees are available and this sampling technique gives equal chance for all respondents to be included in the sample. To address research objectives and test the hypotheses the study adopted the mixed research approach. The questionnaire data were analyzed using descriptive statistics, correlations, and multiple linear regression analysis and data from interview and document reviews were interpreted qualitatively. The study finds that with the exception of job security and indirect benefit the other eight independent variables which are basic salary, bonus, retirement, interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making are significantly affect the employee motivation in Commercial Bank of Ethiopia head office. They can design effective compensation package to motivate their competent employees. Based on the findings CBE is required to revise the current reward scheme and procedure of the bank in accordance with employees need and a number of recommendations and direction for future research are provided.

Keywords: Reward, Motivation

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Acronyms

ANOVA	Analysis of Variance
ATM	automatic Teller Machine
CLRM	Classical Linear Regression Model
NPP	Normal Probability Plot
SPSS	Statistical Package for Social Science
VIF	Variable Inflation Factor

CHAPTER ONE

Introduction

1.1 Background of the Study

Bowen (2000) states that reward systems date back to the 18th century when Taylor perceived and advanced theories and concepts of the economic man. He argued that man is predominantly motivated by economic gain and therefore the prospect of more pay is sufficient to bring about an increase in the desired motivation.

Motivation refers to the process by which a person's efforts are energized, directed, and sustained toward attaining a goal. Effort that's directed toward, and consistent with, organizational goals is the kind of effort required from employees (Stephen, P.R., Mary. C 2012). Motivation will join with high levels of commitment, a good feeling of satisfaction and well-being and a sense of being an important part of the organization (organizational citizenship) to produce high levels of performance (John, S., 2005). The effectiveness of an organization is greater than before when it has a motivated workforce. The reason behind this is that employees who are motivated are more productive for the organizational excellence. The more the motivated an employee is, the better he will perform his job. The motivated workforce is more quality oriented and dedicated to accomplishing goals. Companies can gain competitive advantage over other firms by motivating and retaining human resource. Organization motivates the high performers by providing financial and non-financial reward systems which motivate the employees and enhance job satisfaction. Financial and non-financial rewards have a strong influence over the employee motivation and are directly related to performance (Saira, Y., Madiha, L., Sumaira, A., & Anam, S. 2014).

Employee reward programs play a powerful role in motivating appropriate employee behavior. Motivating high levels of employee performance is an important organizational concern and managers keep looking for answers. Moreover understanding and predicting employee motivation is one of the most popular areas in management research (John, S., 2005).

Employees' motivation is the heart of giving people what they really want most from work (Onanda, 2015). The ability to provide what they want yields to expectations required, namely: productivity, quality and service. Akinyi (2015) argues that employees' motivation is as the psychological force that determines the direction of person's behaviour, level of effort and level of persistence in an organization. Employee reward programs play a powerful role in motivating appropriate employee behavior. Motivating high levels of employee performance is an important organizational concern and managers keep looking for answers. Moreover understanding and predicting employee motivation is one of the most popular areas in management research (John, S., 2005).

The use of rewards is normally aimed at aligning workers with the strategy of an organization through the provision of employees' reward, which are meant for acting in the interest of a firm so that it can execute its mission and vision suitably over time. Effects of reward vary from one person to another, and there are some persons who may respond to a higher note to any type of reward offered in an organization. This has the implication that both financial and Non-financial reward have great importance in organizations; most organizations in Ethiopia have offered rewards to employees, in the form of financial reward like pay increase, bonuses and money valued cultures as opposed to rewards like recognition and opportunities to contribute in decision making. Most employees have been trained to operate on a hierarchical platform where managers make decisions and impose them to the middle and lower level employees due to lack of understanding by managements that teamwork and other types of non-financial reward can boost employee motivation. So, most organizations do not embrace flexible working hours for employees and every employee is usually required at the workplace as early in the morning, meaning that family issues and other external duties outside workplace are never put into consideration. It is evident that most organizations still apply the traditional rewards system which is mainly financial because there is lack of enough knowledge regarding how Non-financial incentives relate with employee motivation, how these rewards can impact on the motivation as well as organizational competitive advantage, and most importantly, how effective they can be if used in boosting employee motivation in the workplace.

Reward is not just about pay, although this is the major part, and organizations need to develop a balance between the various components. For example, there are some organizations that pay high salaries, based on performance bonuses, but still have difficulty motivating and retaining their staff, many of whom are not comfortable with the insecurity and pressure that this brings. Other organizations, perhaps still a small minority, maintain high staff performance without any form of incentive and without high-base salaries. They concentrate on ensuring that the indirect rewards are of high quality (John, S., 2005).

There are two kinds of motivation: intrinsic motivation which derives from the individual itself and one feels that he or she does not necessarily need external stimuli to obtain this motivation. The second type of motivation is extrinsic which results from the external factors of the individual such as getting money. Individuals who are possessing extrinsic motivation will be motivated by the stimuli coming outside the individual and their motivation will be the sum of efforts made to motivate them in an organizational context in forms of rewards, promotion, pay increases and punishment. The intrinsic motivation is more powerful in the long run and deeper in meaning as it is integrated in the individual and not coming from the outside whereas the extrinsic motivation might have powerful and visible effects fast but these are not lasting long as the stimuli is coming outside the individual (Serena, A., Muhammad, K. S., Md. Emran, A. 2012).

Likewise rewards are categorized into two group's; financial and non-financial rewards. The financial rewards are also called extrinsic rewards and non-financial rewards are called intrinsic rewards. The financial rewards include pay, bonuses, allowances, insurance, incentives, whereas the non -financial rewards include appreciation, meeting the new challenges, caring attitude from employer, and recognition promotions and job security . Employees expect financial and non-financial rewards for their services and efforts. In the absence of equitable pay, training and development opportunities and recognition, employees get dissatisfied and do not perform to the standards. The dissatisfaction resulting from the unavailability of financial and non-financial reward usually leads to high employee turnover and demotivation (Saira, Y., Madiha, L., Sumaira, A., & Anam, S. 2014).

The importance of reward in the day-to-day performance of employees' duties cannot be over emphasized, especially when it comes to being rewarded for a job done. It is a well- known fact that human performance of any sort is improved by increasing motivation (Muhammad, I.Q., Khalid, Z., and Dr. Iqtidar, A.S. 2010). There is a direct relationship between reward and motivation yet the debate is which reward practice, financial or non-financial impact employee motivation most. Different researches are undertaken on this matter in different context.

Based on a research finding by (Saira, Y., Madiha, L., Sumaira, A., & Anam, S. 2014), money is ranked top as an influential factor in creating employee motivation because it satisfies the basic necessities along with attainment of power and fulfills belongingness needs. Though it contributes a lot in motivating the employees, but at the same time the non- financial rewards are equally important in enhancing the employee motivation. The impact of non-financial rewards is influential in improving the employee confidence. Employees expect recognition and encouragement for their services because nobody likes to be unappreciated for the efforts he or she made. Another research concluded based on its finding non-monetary rewards were given number one ranking by the lower level employees especially (Martha, H.K. 2013).

Identifying which financial and non-financial variables to emphasize on is also equally important issue on this area. The importance of different financial and non-financial motivational variables are different among employee. Some employees may prefer or are motivated most by recognition or fair performance approval than other non-financial motivational factor. Or some prefer good retirement package than indirect financial benefit. This is an indication to management that monetary rewards one by one combined with non-monetary rewards would deliver better motivational results than monetary compensation alone which might be the case in many firms. According to the study findings on related matter organization should adopt reward strategy appropriate to all level of employees.

In order to maximize motivation of employee, designing sound and fitting reward scheme which is aligned with employee need and incorporate employee input is critical. However, despite the importance only limited studies are available in the case company. More studies are still required to understand the significance of reward scheme on employee effort and commitment level. Therefore, to address the current gap in research, this study is designed to examine the

current reward practice of the case company and commonly focusing on which reward scheme have more impact on employee motivation.

1.2 Statement of the Problem

Failure of implementation of sufficient reward frameworks can have a significant negative effect on the motivation of employees.

The importance of motivated employees cannot be emphasized enough in an organizational context. Motivated employees are more productive, more efficient and more willing to work towards organizational goals than the employees who are experiencing low levels of motivation. The central purpose of reward is to motivate and retain the current employee and attract qualified employee (Derek, T., Laura, H., and Stephen, T. 2008).

Motivating and rewarding employee is one of the most important and one of the most challenging activities that managers perform. Successful managers understand that what motivates them personally may have little or no effect on others. Just because one motivated by being part of a cohesive work team, don't assume everyone is. Or just because an employee motivated by challenging work doesn't mean that everyone is. Effective managers who want their employees to put forth maximum effort recognize that they need to know how and why employees are motivated and to tailor their motivational practices to satisfy the needs and wants of those employees (Stephen, P.R., Mary, C. 2012).

It is widely observed that organizations design and adopt financial and non- financial rewards as a means to motivate and retain employee. Yet they fail to measure how exactly it serves its purpose. They lack to estimate which type of reward scheme is effectively activate/ direct their employee behavior toward the attainment of their objectives. If this remain unidentified it is difficult to motivate and retain employee. This leads to resignation of good performer; increase absenteeism; employee dedication to accomplishment of goals become less; quality of work and productivity declined; and companies unable to gain competitive advantage over other firms through motivated workforce. In time, these problems highly impacted organizational effectiveness and excellence.

There is a gap between what employees perceive as most significant rewards and the reward practices which managers consider to be the most motivating. The reward scheme is not tailored with employee need. Employees are not provide quality service, employees are not creative, dedicated and committed on their job because of there is not enough contented reward management in commercial bank of Ethiopia head office. Employee are not involved on and invited to discuss what they feel about reward scheme. As they mentioned, the bank is not emphasizing to motivate and retain employee through the implementation of reward scheme that meets employee need. (Fortune, 2018)

1.3 Research Questions

This study was designed to seek answers to the following basic research questions:

- ✓ What are the effects of financial reward on employee motivation in commercial bank of Ethiopia head office?
- ✓ What are the effects of non-financial reward on employee motivation in commercial bank of Ethiopia head office?
- ✓ Which reward scheme (financial or non-financial) has more impact on employee motivation?

1.4 Objectives of the Study

1.4.1 General Objective

The overall purpose of this study is to examine the effect of reward management on employee motivation in commercial bank of Ethiopia head office.

1.4.2 Specific objectives

1. To examine the effect of financial reward (Basic salary, Bonus, Indirect benefits, and Retirement Benefit) on employee motivation in commercial bank of Ethiopia head office.
2. To examine the effect of non-financial reward (Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision

making, and Job security) on employee motivation in commercial bank of Ethiopia head office.

3. To determine which reward scheme (financial or non-financial), has more effect on employee motivation in commercial bank of Ethiopia head office.

1.5 Significance of the Study

This study attempts to examine the effect of financial or non-financial reward on employee motivation and to assess the reward scheme currently practiced by the bank. Therefore; the outcome would have the following importance:

- ✓ The study would contribute to the banking industry in general in related issue, and specifically to the case study CBE to realize how employee motivation is related to reward schemes
- ✓ The study will certainly contribute to current literature in the field of employee motivation and reward nexus which may provide relevant information for researchers who are interested in conducting research in related area
- ✓ The study may also enable the researcher undertaking this study to obtain in-depth understanding in related issue through the reference of massive amount of literature in this field of study.

1.6 Scope and Limitation of the study

This study is delimited to employees of commercial bank of Ethiopia head office. Undertaking branch wide study would be very important on this matter as for its significance for organization performance and excellence, yet due to the wide geographical dispersion of branches as well as time and money constraints branches were not included; the study selected commercial bank of Ethiopia head office because of most head office employees are hire from all over the country branches and there is high number of employees at different position and can get relevant data. The study is delimited to the concept of examining reward management effect on employee motivation. The study only focused on the group of respondents from clerical and professional employee. Hence the data collection instruments support the inclusiveness. Non clerical employee like security guard, messenger and lobby persons were not included.

The main objective of the study were been examine influences of major factors stated in this study that affect employee motivation, which not include additional factors other than stated.

However, given the aforementioned limitations the researcher tried to provide clear picture through making proper analysis of the different variables considered against the prospects and

Challenges and thereby other researchers may projectile to further studies based on the results found.

1.7 Organization of the paper

The research paper organized into five chapters. The first chapter deals with introductory part consisting of background of the study, statement of the problem, basic research questions, objective of the study, significance of the study, scope and limitation of the study. The second chapter reviews literatures related to the study and deal various theoretical concepts that are related motivation and reward were incorporated. The third chapter contains methods and design of the research; the research design, sampling and sampling techniques, the subjects/participant of the study; sources of the data, data collection tools/instruments employed; the procedures of data collection; and the methods of data analysis used were discussed. The fourth chapter deals with the result and discussion part, data analyzed; the findings summarized and interpreted. And finally, the fifth chapter presents summaries of major findings, the conclusions and the possible recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

In this chapter different theories and concepts related to motivation and reward are reviewed. In the theoretical framework section various theories associated with motivation are presented. Also researches undertaken by different researchers on related matters are treated in the empirical framework segment. This chapter also covers some issues related to reward management.

2.1 The concept of motivation

Motivation has been defined by a number of authorities in a number of ways, depending on their orientation, context, environment and situation. However, the context and emphasis of this paper is on employee-employer work relationship, pay and motivation of employee and organization. Motivation is gotten from the word motive. Webster's Dictionary defines motive as something that causes someone to act (Shank, 2012). Relating this definition to work place environment, they are actions of management that cause employee to put up favorable or unfavorable attitudes towards corporate goals accomplishment. Motivation is the process of influencing employees to act according to plans, to achieve the mutual goals of employees and employer (Ekpudu and Okafor, 2012).

Motivated workforce is an important predictor of an organization's competitiveness, which is why managers and corporate leaders persistently concerned about their employee motivation. When employees become demotivated or not excited about their jobs they may put their time but not their energy and passion into their work. Thus, for an organization to be effective, it must tackle the motivational challenges involved in arousing individuals' needs to be productive members of the organization (Lotta, L. 2012).

According to Don, H., John, W., and Slocum. (2011) motivation is either internal or external forces that influence the person to behave or act in a specific, goal-oriented manner. This force

affects productivity of employee so managers must be certain that they channel employee motivation effectively toward organizational goal achievement.

Steven, L., McShane. And Mary Ann Von, G.(2008) define motivation as " Motivation refers to the forces within a person that affect the direction, intensity, and persistence of voluntary behavior." There are three elements in this definition; *Direction*- refers to where people put their effort. Employee set goal and put their effort toward its achievement. One might set a goal as to finish a project in a specific hour so he/she direct their effort to the achievement of the goal. *Intensity*- the amount of effort employee is willing to exert toward the achievement to the stated goal. The extent to which an employee is willing to push his/her self to the completion of the goal. *Persistence*- how long the employees keep its effort. Whether the employee sustain his/her effort until they attain their goal or not. Motivation is considered as one factor that influences employee behavior and performance along with ability, role perception and situational factor. Another related definition of motivation stated by Robbins, Stephen, P.R., Mary, C (2012),

"...Motivation is the process by which a person's efforts are energized, directed, and sustained toward attaining a goal. This definition has three key elements: energy, direction, and persistence. The *energy* element is a measure of intensity, drive, and vigor. A motivated person puts forth effort and works hard. However, the quality of the effort must be considered as well as its intensity. High levels of effort don't necessarily lead to favorable job performance unless the effort is channeled in a *direction* that benefits the organization. Effort that's directed toward, and consistent with, organizational goals is the kind of effort we want from employees. Finally, motivation includes a *persistence* dimension. We want employees to persist in putting forth effort to achieve those goals."

Now a day's motivating employee has become very challenging. Globalization, information technology and corporate restructuring and other organizational changes are thought to be one factor responsible for the increasing challenge. These changes dramatically affect employment relationship and undermine the level of trust and commitment necessary to make employee to put much effort beyond the minimum standards. The other factor is the flattening of organizational structure in order to reduce cost and because today's professional workforce reject the old command- and- control approach to performance management. Due to this, supervisors now

have too many employees so, they can't possibly be concerned about who performs well or not and why (Steven, L., McShane. And Mary Ann Von, G.2008)

Every reward or potential reward has to some extent different value for every individual. An individual can want a promotion more than reimbursement; somebody else can want only the opposite (Nelson, 2009). When a company provides a reward to a whole work group or team for its motivation.

Non-financial reward is a reward for employees through opportunities and benefits. The rewards are inclusive of Recognition, employee participation in decision making, career development and flexible schedules are as significant as financial reward in increasing employees' motivation. The non-financial incentives are crucial to an employee due to their ability of allowing employees to acquire new skills as well as to pursue opportunities for advancement. For instance, an employee who graduated recently from university may consider a training program that is ideal as better compared to his salary because of the feeling that the training has the ability to benefit him or her in the career that he holds (Allen, 2007).

The entire success of an organization is based on how an organization keeps its employees motivated and in what way they evaluate the performance of employees for job compensation. The perceptions that employees have with regards to their reward climate influences their attitude towards their work effort. In addition, the commitment of managers towards their organization is also shown by how the manager rewards his/her employees. The effectiveness of skilled employees is likely to be limited if they are not motivated to perform. One of the means that organizations can use to enhance employee motivation and performance is to provide performance-related compensation (Serena, A., Muhammad, K. S., and Md. Emran, A. 2012).

There are two types of motivation intrinsic motivation and extrinsic motivation. Intrinsic motivation derives from the individual itself and one feels that he or she does not necessarily need external stimuli to obtain this motivation (e.g. money). Extrinsic motivation which results from the external factors of the individual such as getting money. Individuals who are possessing extrinsic motivation will be motivated by the stimuli coming outside the individual and their motivation will be the sum of efforts made to motivate them in an organizational context in forms of rewards, promotion, pay increases and punishment The intrinsic motivation is more

powerful in the long run and deeper in meaning as it is integrated in the individual and not controlled by external forces whereas the extrinsic motivation might have powerful and visible effects fast but these are not lasting long as the stimuli is coming outside the individual. (Lotta, L, 2012).

How to keep employee motivated is the hardest issue manager's face this days. A number of theories are developed, and those theories explained how motivation is created and how managers can be benefited from the literatures. These motivation theories are supported each other and complimentary (Stephen, P.R. 2002).

Motivation begins from Individuals need and their underlying drives. *Need* is defined as deficiency that energize or trigger behavior into satisfying the needs. The tougher the needs the motivation become more strong. Unsatisfied needs pressure an individual to search for a way to satisfy those needs. *Drive* is tendency of an individual to pursue goal or maintain internal stability and it is more of intrinsic or innate. Need is produced by drives yet can be strengthened through reinforcement and social forces (Steven, L., McShane and Mary Ann Von, G.2008).

The banking industry is in need of employees that are both satisfied and motivated, without them, customer satisfaction level would also be affected. Interpersonal relationships established between bank personnel and the customers are a big driving force behind ensuring that a customer is satisfied or dissatisfied. Add that the relationship established between the employees and the customers may lead to an increase in values perception with regards to the bank's products and services. When a high perception of value is achieved, then it is also highly likely that the customer will be satisfied, thereby bringing in more business for the bank.

Motivation theories divided in two to categories early theories of motivation like Maslow's Hierarchy of need theory, Mc Grigor's theory X and Theory Y, David McClelland three need theory, and Herzbergs two factor theory. Contemporary theories which represent current explanation of employee motivation are, goal-setting theory, reinforcement theory, job design theory, equity theory, expectancy theory, and high-involvement work practices. Some of the theories from both categories presented as their relevance to the paper in theoretical framework section. In the empirical framework section studies or researches undertaken on related matter by

domestic and abroad researcher shall be overlooked. The final section will be covered reward management issues.

2.2 Theoretical Framework.

2.2.1 Hierarchy of Needs Theory

This theory is the most widely recognized motivational theory developed by psychologist Abraham H. Maslow in 1940s. Maslow stated that individual have exceptionally strong needs, that can be arranged in hierarchy.

This model states that a person has five types of needs: *Physiological Needs*: are those needs for food, air, water, and shelter. They are called the lowest order needs according to Maslow need hierarchy. Individuals focus on fulfilling these needs before jumping to the higher order needs or the higher order needs become primary motivators (Don, H., John, W., Slocum. 2011). *Security Need*: are the need for safety, stability, and the absence of pain, threat or illness. Unsatisfied security need cause an individual to be preoccupied with satisfying them. Individual at these need level concerned or value their jobs to keep their lowest order need safe or secured (Don, H., and John, W., Slocum. 2011). *Affiliation Need*: are the desire for friendship, love, and a feeling of belonging. When Physiological and security needs have been satisfied, affiliation needs emerge. Individual that pass the above two need level (Don, H., John, W., Slocum. 2011). This need level is primary source of motivation. Individual value their job and use it as an opportunity to satisfy their need of friendship, love and feeling of belongingness. Supervisor whose employee are motivated to fulfill these needs are likely to act supportively and organize activities that is out of regular daily routines.

Esteem Needs: the desires for feelings of achievement, self-worth, and recognition or respect are. Individuals with esteem needs want others to accept them for what they are and to perceive them as competent and able. Leaders who focus on esteem needs try to motivate employees with public rewards and recognition for achievements And *Self-Actualization Needs*: involve individuals realizing their full potential and becoming all that they can become. Individuals who strive for self-actualization seek to increase their problem-solving abilities (Don, H., John, W., Slocum. 2011). An individual moves up the needs hierarchy from one level to the next. In

addition, Maslow separated the five needs into higher and lower levels. Physiological and safety needs were considered *lower-order needs*; social, esteem, and self-actualization needs were considered *higher-order needs*. Lower-order needs are predominantly satisfied externally while higher-order needs are satisfied internally (Stephen, P.R., Mary, C. 2012). *Physiological, security, and affiliation (social) needs are also known as deficiency needs*. According to Maslow an individual's appearance as a healthy person both physically and psychologically attain only through the satisfaction those needs. In contrast, *esteem and self-actualization needs are known as growth needs* (Don, H., John, W., Slocum. 2011).

2.2.2 Expectancy Theory

The most comprehensive and widely accepted explanation of employee motivation to date. Expectancy theory is developed by Victor Vroom (Stephen P. Robbins, 2002). This model is not only explaining how employees are motivated but also it explains how those drives and needs translated into specific effort and behavior (Steven, L., McShane., Mary Ann Von, G. 2008). The foundation of this model is the assumption that human beings are rational. The model states that individuals are motivated to work when they believe that they can achieve their goal through their job (Don, H., John, W., Slocum. 2011). An individual tends to act/ behave in a certain way based on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual (Stephen, P.R. 2002). As Steven, L., McShane, Mary Ann Von, G. (2008) the key variable of interest in these model is *effort*- individual's actual exertion of energy. Individual's effort depends on three factors effort-to-performance (E-to-P) expectancy, performance-to-outcome (P-to-O) expectancy, and outcome valences (V). Those factors are the three pillars of expectancy model. According to this model individual motivation are influenced by those three factors if any of them is lost motivation declines.

E-to-P Expectancy- is the individual's perception that exerting a given amount of effort will lead to a certain level of performance (Stephen, P.R. 2002). For instance, studying hard will lead the student to perform well in his/her exam or employees direct his/her effort toward developing friendly relationship.

P-to-O Expectancy- is the degree to which the individuals believe that performing in a particular level or behaving in certain way will lead to the attainment of the desired goal or reward (Stephen, P.R. 2002). The student believe in role of studying hard or employee believe in behaving to create a good friendly environment to the attaining their goals. If individual does not see a relationship between their effort and outcome they will not be motivated at all. Don, H., John, W., Slocum. (2011) describes the P-to-O expectancy is not for every possible outcome but only for outcomes that interest or attract us at that time.

Outcome Valence (V)- Outcome Valence (V)- the amount of the reward the individual receives and how he/she feels about it or what it means to the individual. Valence refers to the satisfaction or dissatisfaction individual expected from the outcome. How satisfied or dissatisfied the student will feel by his/her grade or employee will feel by full filing his/her affiliation need.

Outcome have positive valence when they are consistent with our values and fulfill our need (when a student acquire a grade he/she valued or an employee fulfill his/her need of love and friendship) or may have negative valence when they oppose our value and hinder our need fulfillment.

Stephen, P.R. (2002) generalization expectancy theory is the key to understanding an individual's goal and the linkage between effort and performance, between performance and rewards, and finally, between rewards and individual goal satisfaction. It emphasizes payoffs, or rewards. As a result, we have to believe that the rewards an organization is offering align with what the individual wants. Expectancy theory recognizes that there is no universal principle for explaining what motivates individuals and, thus, stresses that managers must understand why employees view certain outcomes as attractive or unattractive.

2.2.3 Goal Setting Theory

As Don, H., John, W., Slocum. (2011) describes goal setting is the process of motivating employees and clarifying their role perceptions by establishing performance objectives. It potentially improves employee performance in two ways: (1) by stretching the intensity and persistence of effort and (2) by giving employees clearer role perceptions so that their effort is channeled toward behaviors that will improve work performance.

Conditions that must be fulfilled for goal setting are: Specific and challenging goals-both serves as motivating force. Employees tend to put more effort when they work toward specific goals than general goals. It can be measured, specific time period for accomplishment of task, and clear performance expectation. So as employee can direct their effort more efficiently and reliably. Challenging goals also used to fulfill a person's self-actualization and achievement need. As well challenging goals increase employee commitment. If employee thinks the goal is can be achieved or simpler the commitment (motivation) will be less (Don, H., John, W., Slocum. 2011).

Goals must also be relevant to individual's job and should not be beyond his/her control. Some employees show superior performance when they set their own goal. And sometimes employee also performed best when supervisors assigned goals. Participation is probably preferable to assigning goals which may avoid resistance of accepting difficult challenges. Feedback is also another condition for effective goal setting; people perform better when they are provided with how well they are progressing toward their goals.

2.2.4 Reinforcement Theory

In spite of other theories reinforcement theory ignores goals, expectation or need it only focused on what happens to a person when he/she act in a particular way. It states behavior is a function of its consequence. Any consequence that immediately follow a particular behavior and that increase the probability that the behavior will be repeated are called reinforcers. People will most likely continue in desired behaviors if they are rewarded for doing so. These rewards are most effective if they immediately provided after desired behavior; and behavior that isn't rewarded, or is punished, is less likely to be repeated (Stephen, P.R., Mary, C. 2012.). According to Stephen, P.R. (2002,) various researches has shown that reinforcement is undoubtedly an important influence on individual's work behavior.

2.2.5 Equity Theory

Equity theory is one of contemporary theory along with expectancy, goal-setting and reinforcement theory; equity theory is developed by J. Stacy Adams. The term equity is related to the concept of fairness and equitable treatment compared with others who behave in similar

way. Evidence shows that employees compare themselves to others and that inequities influence the extent of effort they put into their work (Stephen, P.R., and Mary, C. 2012).

This theory proposes that employee first compare what they get from a job (outcomes) in relation to what they put into it (inputs), then they compare their inputs-outcome ratio with the inputs-outcomes ratio of relevant others. If an employee perceives his/her ratio is fair/equitable compared to relevant others, then there is no problem. If the ratio is unfair/inequitable, he/she views herself as under rewarded or over rewarded this may result lower or higher productivity, improved or reduced quality of work, increased absenteeism, or voluntary resignation (Stephen, P.R., and Mary, C. 2012).

As Don, H., John, W., Slocum. (2011) described the theory is based on the belief that individuals are persistently motivated to maintain a fair/equitable relationship between themselves and others and to avoid relationships that are unfair/inequitable. It also has two major assumptions: - the first is individuals evaluate their interpersonal relationship as their contribution (input) and their expectation of result (outcome). Second assumption is individuals determine fairness by comparing of their situation with those of others in the organization or their situation importance is measured through comparison of themselves with relevant others.

According to Stephen, P.R., and Mary, C. (2012) the referent in which individuals compare themselves against in order to assess equity; it may be other *persons* individuals with similar job in same organization or *system* includes organizational pay policies, procedures, and allocation or it may be *self*; input-outcome ratio that are unique to the individual.

Equity exist whenever the perceived ration of a person's outcome to input equals that of relevant others. Inequity exists when the perceived ratio of outcome to inputs are unequal. Inequity creates tension so individuals attempt to reduce this tension to tolerable level individuals may either increase or decrease their input to what they feel to be an equitable level. They may change their outcome to reinstate equity. They may shift to a new reference group to reduce the source of the inequity or may start to believe that other person in a comparison group work harder than they do and deserve greater reward so they can find equitable balance.

2.2.6 Designing Motivating Job

Job design refers to the way different tasks combined to make a complete job. Employees should not perform by chance in an organization; there should be jobs designed deliberately and thoughtfully by considering the organization's technology, the changing environment, employee skill, abilities, and preference. When jobs are designed in such a manner, employees are motivated to work hard. Job enlargement and job enrichment are only some ways to design motivating jobs. Job enlargement is horizontal expansion of a job. It is increasing the number of tasks performed by an employee. Research shows that expanding the scope of knowledge used in the job leads to job satisfaction, enhanced customer service, and less error. In contrast, job enrichment is vertical expansion of the job. It empowers an employee by giving them planning and controlling responsibility. Thus, an employee is enabled to do their job with increased freedom, independence, and responsibility. Job enrichment may improve the quality of work, employee motivation, and satisfaction (Stephen, P.R., and Mary, C. 2012).

Even though many organizations have implemented job enlargement and job enrichment programs and experienced mixed results, neither of these job design approaches provided a conceptual framework for analyzing jobs or for guiding managers in designing motivating jobs. The job characteristics model (JCM) offers such a framework (Stephen P. Robbins, 2002, 508).

Don, H., John, W., Slocum. (2011) described the **job characteristics model** *involves increasing the amounts of skill variety, task identity, task significance, autonomy, and feedback in a job*. The model proposes that the levels of these job characteristics affect three critical psychological states: (1) experienced meaningfulness of the tasks performed, through task identity, task significance, and skill variety; the more that jobs embrace these characteristics, the greater the employee's motivation, performance, and satisfaction and the lower his or her absenteeism and likelihood of resigning. (2) Experienced personal responsibility for task outcomes, through task autonomy and (3) knowledge of the results of task performance through feedback. If all three psychological states are positive, a reinforcing cycle of strong work motivation based on self-generated rewards is activated. A job without meaningfulness, responsibility, and feedback is incomplete and doesn't strongly motivate an employee.

2.3 Reward Management

Reward is clearly central to the employment relationship. The amount and the form of reward is an issue which matters most for employee and also central for human resource management functions; since money spent on salary, benefit and other form of reward typically accounts for well over half of an organization's total cost (Derek, T., Laura, H., Stephen, T. 2008). This day, organizations with varying degree of success, attempts to harness the powerful forces of pay as a motivator to encourage employees to work in ways that lead to the achievement of organizational objectives. There are many more forms of incentive payments, many varieties of recognition awards and the number of employee benefits has greatly expanded. (John, S., 2005)

Managing reward is largely about managing expectations what employees expect from their employers in return for their contribution and what employers expect from their employees in return for their pay and the opportunity to work and develop their skills. The tighter the labor market becomes, the harder it is to recruit and retain the best-qualified people, and the more pressure there is placed on employers to develop rewards packages that suit employees as much as they suit their own needs (Madhuri, K. 2014).

The key aim of reward management is to design reward packages which serve to motivate, attract, and retain staff. At the same time ensuring the organization commercial and financial viability is not affected by the cost of reward package. The significance employee put on their pay and their tendency of comparing their pay with relevant others make the task very difficult. Any mistake on reward package has major negative consequences, it demotivate employee in a serious way, resignation of employee good employee, less effort and unhealthy employee relation climate, high level of absenteeism. In time this reduces organization's effectiveness and damage financial performance. (Derek, T., Laura, H., Stephen, T. 2008) According to Stephen, P.R. (2002,) Reward package design is influenced by several factors; company profitability, size of the company, management philosophy, kind of job whether labor or capital incentive, employee performance, kind of job performed if it need high skill or not, are only some factors. Flexibility of reward design is also a key consideration. The traditional approach design pay based on seniority and job level. The contemporary approach to design reward is based on the skill of employee to lead the organization to objective of achievement. Yet the reward package

must create a fair, equitable, motivating reward system that enables the organization to recruit and retain productive work force.

2.3.1 Reward Strategy

Derek, T., Laura, H., Stephen, T. (2008) defined reward strategy is a means of aligning an organization's payment arrangements and wider reward system with its objectives. In other word developing a system that leads the organization employee actively contribute to the achievement of its goals. It is deliberately using reward system as integrating mechanism to directing various units and individuals effort to the achievement of organization objectives. Contemporary reward administration frequently embraces a strategic approach where the mix and level of reward are chosen to reinforce the organization overall strategic objectives.

A written reward strategy must consist of for key elements, first one is 'statement of intention' what the organization wants to achieve and what reward strategy have been taken to achieve these core objectives. The second is 'rationale' present and explain objectives in more detailed manner and show how the various elements of organization reward policy support the accomplishment of those objectives. The rationale section must include the benefit that will be accrue and indicate a means that will be used to evaluate the success. The third element is explanation of a guiding principle that have been used in developing the strategy and that will be used to adapt them in the future. The final element of reward strategy document is implementation plan, set out exactly what the reward strategy brought forward and when, who has responsible for the introduction.

Also a design of consistent reward package required to integrate policy decision such as; comparing jobs within an organization internal equity, setting pay level relative to competitor's external equity, adjusting pay for individual employee like skill based pay design, and administer and communicate the reward function. (Madhuri, K. 2014)

2.3.2 Total Reward

Basically reward may be defined as a stimulus or encouragement for greater action .The trend towards viewing reward policies and practices as extending well beyond the dominant term of payment has led to widespread interest in the concept of 'total reward' which involves managers

viewing the way that they reward employees in the round, taking equal account of both the tangible and intangible ingredients that together help to make work and jobs 'rewarding' in the widest sense of the word. The change in perspective away from a narrow focus on payment towards a broader focus on 'total reward' has come about largely because of developments in the commercial environment (Derek, T., Laura, H., Stephen, T. 2008).

According to John, S., 2005 reward broadly categorized by two; non-financial (intrinsic or intangible) rewards and financial (extrinsic or tangible) rewards. Non-financial rewards are internal and related to the job perception of the employee. Also affected by the job design, such rewards are difficult to control and manage by the managers and to replicate by competitors. As well intangible part of total reward is harder to achieve and evaluate. Such rewards are more of intrinsically motivating or cannot be provided by manager. Non-financial rewards are divided as reward from the job itself and from job environment

Financial rewards are external to workers and are given by organization. Related to employee prerequisite or benefits. Unproblematic to control since the basic principles are followed and right technical decision are made. This tangible part of total reward are enable the organization to secure competitive advantage in labor market yet easily imitated by competitors. Financial rewards are divided in to direct rewards and indirect rewards.

Below both two distinct form of reward financial and non-financial along with various components package each include are presented in graphical form.

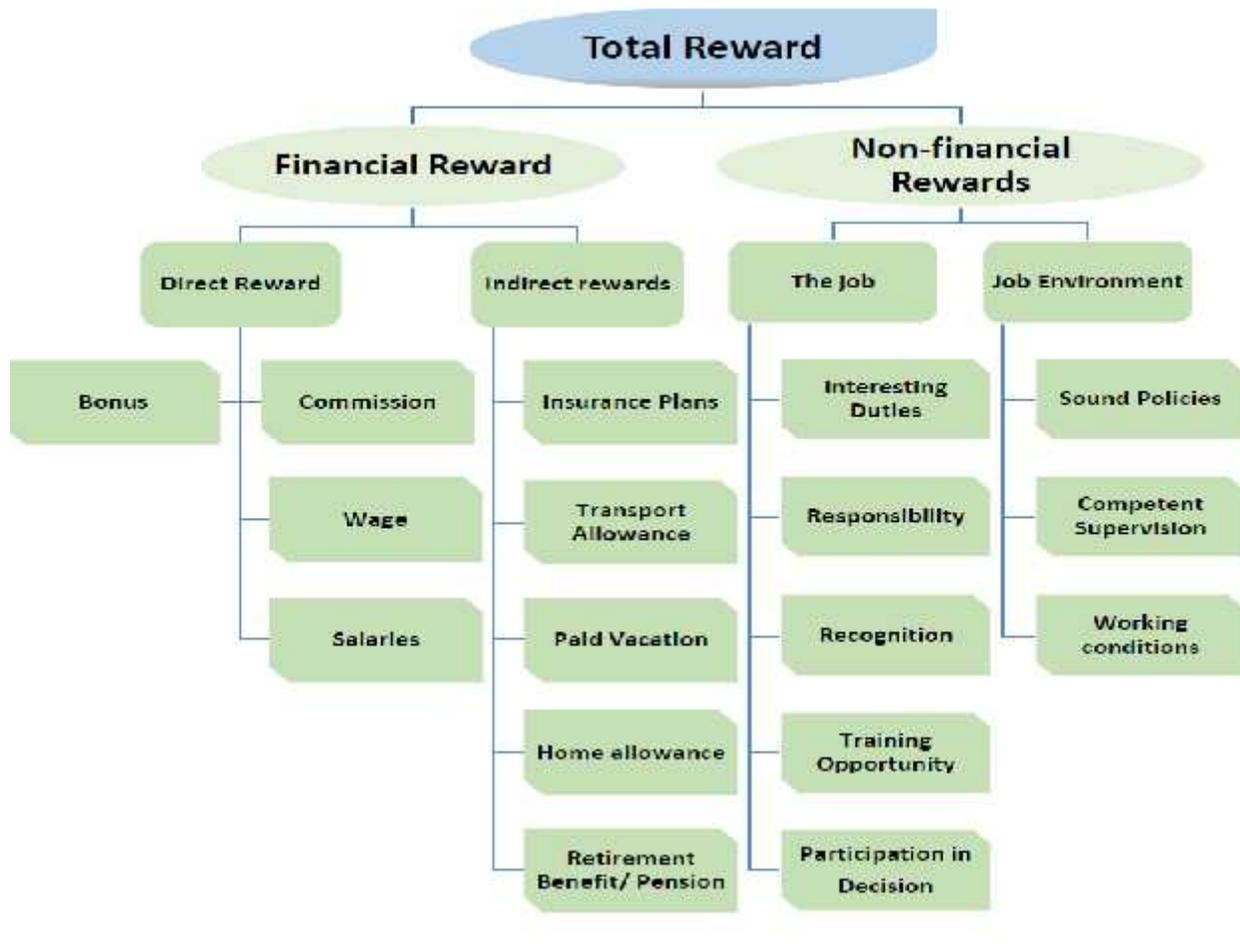


Fig.1. Components for financial and non-financial reward package

2.3.3 Reward Objectives

Rewards are among the major factors in the economic and social life of any community. In an economic sense, reward represent payment of compensation in return for work done. In a sociological sense, rewards characterize stratification of occupational categories. In a psychological sense, rewards satisfy needs directly and indirectly in response to changing employee aspirations. It constitutes one of several elements of job satisfaction and it is instrumental for the satisfaction of some needs more than others. In a legal sense, the term wages/salaries has acquired various connotations, depending on the context and has become a subject of special law in many countries. The movement in the mix of reward signifies a shift

from viewing employee as a component in the cost will to viewing the employees as a group of people who have come together to achieve some common goals (Madhuri, K. 2014).

Reward objectives can be seen from employer dimension and employee dimension. From employer dimension reward objective is to; attract, to retain, to motivate staff and to initiate change. Employees also have different objective as far as rewards concerning some of them are; fairness, Recognition, Purchasing power.

The significance of different objectives varies overtime, environment and among organization. What is attractive in one labor market may not be attractive in another labor market. Or what might look equitable/fair in a particular time may not be considered as same way by workers in another time (Derek, T., Laura, H., Stephen, T. 2008).

2.4 Empirical review

Effect of reward management on employee motivation

Various related studies are conducted by different researchers in different parts of the world. However, there are limited numbers of studies conducted in Ethiopia on the Impact of financial and non-financial rewards on motivation. Nebiat, N. (2010) conducted a research on 'relationship between Reward and Nurse's motivation in Addis Ababa Hospitals'. The objective of this research was to examine the relationship between rewards and nurse work motivation in hospitals administrated by Addis Ababa Health Bureau. Self-administered questionnaire was used to collect data. The collected data analyzed by using descriptive statistics. By 88% respondent rate the result revealed that there is positive and significant relationship between reward and the nurse's work motivation. Payment is the most significant variable among financial reward and recognition is the least significant from non-financial reward variable. Another research conducted by Berhan, A. (2007), this study examines the impact of intrinsic, extrinsic, and equity factors of work on employee's organizational commitment a case study in two selected private colleges in Addis Ababa. Questionnaire was used to collect primary data and different records of the institution reviewed for collection of secondary data. Random sampling method used to select respondent. The collected data analyzed by using SPSS. The finding shows that instructors in private colleges were satisfied with intrinsic factors of work

such as opportunity for achievement, challenging work, responsibility. On the other hand, instructors are generally dissatisfied with extrinsic content of work such as salary, fringe benefits, incentives, job security, and post-employment security. Moreover, there is also structural inequity. Consequently, employees were not committed to their organization which implies the availability of high turnover and lower performance.

Madhuri, K. (2014) conducted a research on impacts of financial and non-financial rewards with respect to overall levels of employee motivation in private sector organizations. This study collected primary data through questionnaire and secondary data from different journals and books. Sampling method employed to select sample organization was random sampling techniques. 30 private sector organizations were selected and response rate was 53%. According to this research finding there is strong relationship between level of reward and motivation. The finding also reveals employee in private sector gave much importance to financial rewards than non-financial rewards. Yet these may vary according to that status of employee, lower level and middle level employee give much importance to financial rewards and high level staffs like managers emphasis on non-financial rewards. Reward variables that are given a high rank by the respondents are retirement benefit, salary and bonus from financial reward and good interpersonal relationship and freedom of work from non-financial reward.

Saira, Y., Madiha, L., Sumaira, A., & Anam, S. (2014) studied on financial and non-financial rewards that affect motivation of employee in organization. As well the paper discussed how to retain the motivated workforce in organization. The research conducted in private film company in; Pakistan. Both qualitative and quantitative research methodology has been adopted in the paper. Primary data collected through questionnaire and semi-structured interview. Simple sampling method was use to select sample population. In-depth interview conducted to increase the reliability of the research. The study found that financial reward ranked top as an influential factor in in creating employee motivation. The authors also stress the instrumentality of non-financial reward to improve employee morale. That is how the organization can keep/retain its motivated workforce. Salary, bonus, from direct financial reward and allowance are significant element of financial reward.

On the other hand the study conducted by Martha, H.K. (2013) on effect of financial and non-financial rewards with respect to lower level employee in retail industry. Cluster sampling was used to select sample respondent. The sample represent 47.1% of the total lower level employees from the selected retail shops. A structured questionnaire was employed to collect data. The finding shows that there is no significant relationship between financial reward and employee motivation. But there was a moderate significance relationship between non-financial reward and motivation among lower level employee. Flexible working hour and recognition considered significant non-financial rewards and pay for performance considered important financial reward.

2.5 Conceptual Framework of the Study

The following diagram shows the variables included in the study and the conceptualization of the relationship between the independent and dependent variables.

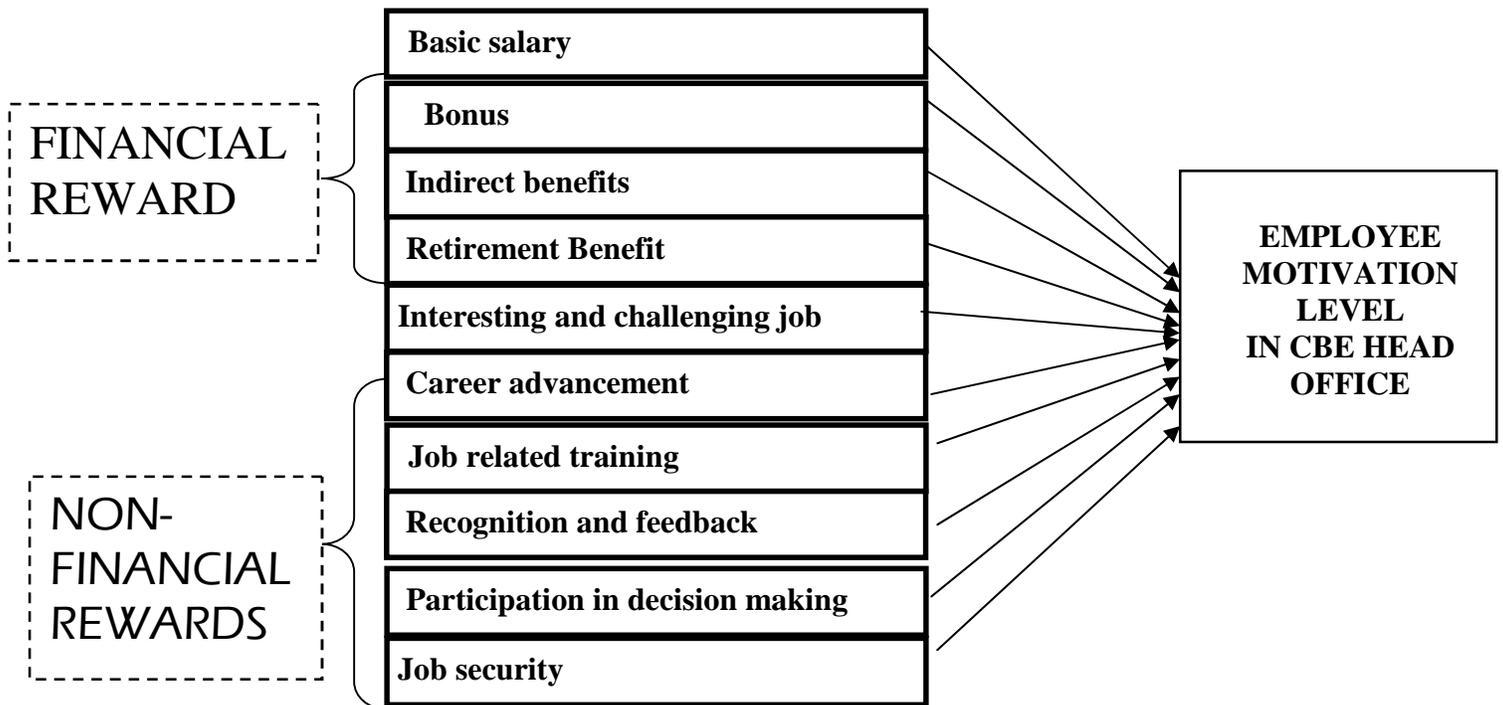


Fig. 2 Conceptual framework of the study

2.6 Research Hypothesis

HO₁: Basic salary has positive significant effect on employee motivation level in CBE.

HO₂: Bonus has positive significant effect on employee motivation level in CBE.

HO₃: An indirect benefit has positive significant effect on employee motivation level in CBE.

HO₄: Retirement Benefit has positive significant effect on employee motivation level in CBE.

HO₅: Interesting and challenging job has positive significant effect on employee motivation level in CBE.

HO₆: Career advancement has positive significant effect on employee motivation level in CBE.

HO₇: Job related training has positive significant effect on employee motivation level in CBE.

HO₈: Recognition and feedback has positive significant effect on employee motivation level in CBE.

HO₉: Participation in decision making has positive significant effect on employee motivation level in CBE.

HO₁₀: Job security has positive significant effect on employee motivation level in CBE

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter deals with the research methodological concerns used in this study. It encompasses research design, research approach, population of the study, sources of data, data gathering instruments and the reasons for why those methods are chosen in comparison to the other alternative methods was discuss. At the end it presents the regression model, measurement of the variables, data analysis methods and validity and reliability of the study.

3.1 Research Design

A research design is the logic that links the data that was collected (and conclusions to be drawn) to the initial questions of a study (or a strategy or plan of action that links methods to outcomes) (Creswell, 2003). This study used both descriptive and explanatory research design. According to Sekaran (2003), a descriptive study is undertaken in order to ascertain and be able to describe the characteristics of the variables. Descriptive research design is a scientific method which involves observing and describing the behavior of a subject without influencing it in any way. It sets out to collect, organize, and summarize information about the matter being studied (Punch, 2006). So descriptive research design used because the researcher wants to describe how the reward system in use is affecting employee motivation and explanatory survey method was employed with the assumption of that to explain and interpret the relationships& effect between variables that are the effects of reward management (independent variables) and employee motivation in CBE head office (dependent variable).

3.2 Research Approach

A research approach can be categorized as quantitative research approach, qualitative research approach and mixed research approach. In this paper the researcher adopted mixed method research approach to examine the effects of reward management on employee motivation in Commercial Bank of Ethiopian head office to convergence across qualitative and quantitative methods. Therefore, employing this approach was used to neutralize or cancel the biases (limitations) of applying any of a single approach and a means to offset the weaknesses inherent with in method with the strengths of the other method (Creswell, 2003).

In addition, adopting of mixed method research approach in this research provide the best understanding of a research problem because it opens the door to multiple methods of data collection and to both generate the findings to a population and develop a detailed view of the meaning of a phenomenon or concept for individuals (Creswell, 2003, pp. 12-22). This research approach posed the researcher to the challenges the need for extensive data collection, the time intensive nature of analyzing both text and numeric data, and the requirement for the researcher to be familiar with both quantitative forms of research (Creswell, 2003, p. 210). Concurrent procedure was employed in undertaking this research in which, converges quantitative and qualitative data in order to provide a comprehensive analysis of the research problem. Moreover, the researcher collect both forms of data at the same time during the study and integrates the information in the interpretation of the overall results (Creswell, 2003, p. 16).

This study determines to examine the effects of reward management on employee motivation in CBE head office, so a survey method was employed. A survey design provides a quantitative or numeric description of trends, attitudes, or opinions of a population. It is a means of collecting information, usually through self-report using questionnaires or interviews. In this study surveys was administer to all of the populations of respondents those are, HR head office Director, CBE labor union president and commercial bank of Ethiopia head office employee.

3.3 Populations and Sampling Techniques

3.3.1 Target Population

Target population means the total number of entities in which the researcher is interested in it can be the collection of individuals, objects or events about which the researcher wants to make inferences. The target populations of this study include commercial bank of Ethiopia head office employee in Addis Ababa. This department has 3240 employee and management staffs and from this department the population of clerical and professional employee size is 2630 based on 2018/19 G.C HR data.

3.3.2 Sample Size

Total sample population taken was 340 from the population size of 2630 .The sample size is calculated based on the formula developed by Israel (2009), at +/- 5% level of precision.

$$n = \frac{N}{1 + (N * e^2)} \quad \begin{array}{l} n = \text{sample population} \\ N = \text{total population} \end{array}$$

$$\begin{aligned} n &= 2630 / 1 + 2630(0.05)^2 \\ &= 2630 / 1 + 2630(0.0025) \\ &= 2630 / 1 + 6.725 \\ &= 2630 / 7.73 \\ &= 340 \end{aligned}$$

e² = the desired level of precision

$$\begin{aligned} n &= 1 + \dots * (0.05)^2 \\ n &= \underline{340} \end{aligned}$$

3.3.3 Sampling Techniques

Sampling is defined as the selection of some part of an aggregate or totality on the basis of which a judgment of inference about the aggregate or totality is made. In other words, it is the process

of obtaining information about an entire population by examining only a part of it (C. R., Kothari. 2004). Sampling is used for variety of reasons some of them are; sample study is usually less expensive than census and produce result in relatively faster speed, sampling remain only option when the population contains substantially many members (C. R., Kothari. 2004).

In this study simple random sampling was used to select respondents from commercial bank of Ethiopia head office. Simple random sampling method was used because employees are available and this sampling technique gives equal chance for all respondents to be included in the sample. A total of 340 respondents were randomly selected from commercial bank of Ethiopia head office. clerical staffs was randomly select in selected CBE head office and was distribute the questionnaire for those clerical staffs except non-clerical or lower level employees like cleaner, security guard, messenger, lobby men and employee working at branches was exclude.

3.4 Data Sources, Collection Instruments, and Procedures

3.4.1 Data Sources

Both primary and secondary data sources were used to generate relevant information to the research.

Primary data source was gathered from informants that include Head office HR Director, CBE labor union president and commercial bank of Ethiopia head office employees.

Secondary data was gathered from the bank's annual reports, HR procedure of the bank, the bank website. For primary data interview and questionnaire was used.

3.4.2 Method of data Collection

The primary data of this study was collected using both questionnaire and interview. The questionnaire was designed to both close ended and open ended. Mixed questionnaires have many merits; the most important of this advantage is its considerable flexibility (McNabb, 2005). A questionnaire was distributed to employees of commercial bank of Ethiopia head office because they are related with the issue, and can provide important perspective on it. The response is expected to help in determining and explain the effects of reward management on employee motivation.

A structured questionnaire was used based on Martha, H.K. (2013). With regard to the close-ended questions five point Likert scale was used to provide range of responses for respondents to determine the level of agreement or disagreement for all specific objectives. Similar scale was used by Martha, H.K. (2013) and was found suitable. The questionnaire has two parts. These are the effects of reward management and employee motivation in Commercial Bank of Ethiopia head office. With respect to the open ended questionnaires the respondents was asked to provide open ended responses to the questions that are relevant for this research.

Whereas semi structured interview was employed with HR department of the bank and CBE labor union department to seek insight on reward management and because they are key persons directly related to HR, employee motivation and other similar concern issues. The researcher chose semi-structured interview because of its flexibility and believes as that it is more appropriate to capture the ideas of the interviewee in a particular topic and it allows interviewees to go into as much depth as they feel. Furthermore, the semi-structured interview allows the interviewer to explore deeply and ask more questions that are not written down. Questions in the interview guides were develop based on literature review relevant to the issue and the specific objectives. Purposive selection technique was applied to select interviewees based on their knowledge, involvement and role in employee motivation and they give a complete reason to reduce bias because they are critical thinker and used to make fair critic analysis.

For secondary data is concerned, different theoretical and empirical literature relevant to the study, HR procedure of the bank, bank website.

3.5 Measurement of Variables and the Regression Model

As it is already mentioned above the dependent variable in this study is employee motivation in CBE head office. The effect of reward management was measured with 10 items from the scales developed using the five-point Likert Scale of “1-Strongly Disagree”, “2-Disagree”, “3-Neutral”, “4-Agree” and “5-Stronly Agree”. As per the previously existing literature, it is possible to measure these variables by primary data Questionnaire. This measure is expected to bring a reliable result after the collection of the data and its analysis.

The regression model below reveals that there is a relationship between one dependent variable (Employee Motivation) against ten independent variables (Basic salary, Bonus, Indirect benefits, Retirement Benefit, Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision making, and Job security) and therefore, multiple regression analysis was used for the study.

The full regression model for the empirical investigation in estimating the effect of reward management on employee motivational in CBE head office is given as:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10}$$

Y = Employee Motivation in CBE

1= Basic salary

2= Bonus

3= Indirect benefits

4= Retirement Benefit

5= Interesting and challenging job

6= Career advancement

7= Job related training

8= Recognition and feedback

9= Participation in decision making

10= Job security

3.6 Data Analysis

Data analysis gives compelling reasons to reduce bias and to assist the study to make fair analytical conclusions that rules out misinterpretations Yin (1994). As explained in the preceding part, the research is designed to follow a mixed method.

Data collected using questionnaire was analyzed through descriptive statistics, chart, correlation and multiple linear Regression using Statistical Package for the Social Scientists (SPSS).

The descriptive statistical results present by tables, charts and percentages to give a condensed picture of the data. This achieves through summary statistics, which includes the means, standard deviations values which are computed for each variable in this study.

The other analysis method correlation coefficient was used to determine the relationships between the effects of reward management (Basic salary, Bonus, Indirect benefits, Retirement Benefit, Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision making, and Job security) and employee motivation level in CBE head office.

And also multiple regression analysis was used to investigate the effect of independent variables (Basic salary, Bonus, Indirect benefits, Retirement Benefit, Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision making, and Job security) on employee motivation level in CBE head office. The basic objective of using regression equation on this study is to make the researcher more effective at describing, understanding, predicting, and controlling the stated variables.

Furthermore, various diagnostic tests such as normality, heteroscedasticity, and autocorrelation test was conduct to decide whether the model used in the study is appropriate and fulfill the assumption of classical linear regression model.

The SPSS was used to find out percentages, mean values, correlations and regression as means for summarizing the data. Data collection from the interview and reviews of documents was interpreted qualitatively.

3.7 Validity and Reliability of the study

Validity is determining whether the findings are accurate from the standpoint of the researcher, the participant, or the readers of an account (John, W.C. 2009). Yins (1994) suggest using multiple sources of evidence as the way to ensure construct validity. This study was used sources of data including questionnaire and interview that helps to cross validate the data. Also opinion

from the research advisor and experts ensure the content validity, whether the items measure the area of interest or the concept it intends to measure which is advance its validity. In this study to reduce the ambiguity and vagueness the questionnaires was distributed to 30 employees found at head office and tested the Armstrong`s reward measurement survey questionnaire and Utrech work engagement scale (UWES) to serve the purpose of the study more before using it to the actual study and obtained the concept it intends is advance its validity.

Reliability is an indicator of a measure`s internal consistency. Consistency is the key to understanding reliability. A measure is reliable when different attempts at measuring something converge on the same result (John, W.C. 2009). Thus, reliability refers to the consistency and dependability of a measuring instrument; using it repeatedly should give us the same or similar results every time.

To ensure that the study is reliable, the study relied on diverse and renowned authors of reward management and motivation level in the literature review. A comparison of various conclusions made by various studies was carefully examined.

The Cronbach`s Alpha is the most well accepted reliability test tools applied by social researcher. The closer Cronbach`s Alpha to 1.0, the higher the internal consistency reliability (Sekaran, 2003).

3.8 Ethical Considerations

While a questionnaire is distributed to respondents, first inform on the introduction part of the paper about the title and objective of the study. Besides to develop respondents confidence they have been inform that their responses be kept confidentially and the information uses only for academic purpose. Participants` willingness should request before delivering the questionnaire. Which make the respondents feel secure and understand that responding the questionnaire won`t cause any harm or threat on their job.

CHAPTER FOUR

Data Analysis and Presentation

Introduction

In this chapter, results have been presented and discussed to address the research questions and objectives. The following are the main headings: Demographic information of respondents, result of employee attitude on reward, results of the regression analysis and discussion of results. This chapter is about data analysis and discussion of research findings. The analysis and discussions were done with understanding of research objectives which includes: effect of financial and non-financial rewards on employee motivation commercial bank of Ethiopia head office. In this section, the results of the study are discussed by triangulating the different sources results: questionnaire results, and interview and document review results. A total of 340 questionnaires were distributed to employees of Commercial Bank of Ethiopia in head office. All 340 questionnaires were returned however, out of which returned only 332 responses were valid with complete answers (96% response rate). Compared to other studies and considering the difficulty of collecting data in developing countries such as Ethiopia, a 96 % response rate was very good.

In addition, the researcher was employed an interview with the labor union department, HR department. The researcher used secondary data such as annual reports, and procedure of the bank, and other related documents in order to have a better insight about the issue.

4.1 Demographic Information of Respondents

A total of 340 questionnaires were distributed to the sample respondents. A total of 340 questionnaires were returned out of which only 332 were usable. The study participants have different personal information. This demographic information of the respondents was not used to understand their relationship with the dependent variable which is motivation level of employee.

Rather they are just used to understand the composition of the bank staffs as it is. Therefore, the demographic profile of respondents, participated in this study are shown below

Respondents' 4.1 Demographic profile

Variables	Classification Of variables	Frequency	Percentage
Gender	Male	226	70%
	Female	106	30%
	Total	332	100%
Age	<25	20	8.7%
	26-35	308	89%
	36-45	4	2.3%
	Total	332	100%
Educational Level	Diploma	6	3.5
	Degree	270	78.3
	Masters	56	18.2
	Total	332	100%
Work Experience	<5	71	20.5%
	5-10	184	57.2%
	11-15	50	17.3%
	>15	27	5%
	Total	332	100%
Status	Clerical Employees	332	100%

Source: Own survey result, 2019

As it is shown in table 4.1 the highest percentage of participants in this study are males who form 70% of the total respondents. In the case of classification of respondents by age, 89% of the respondents fall under the categories of 26 up to 35. This shows that majority of the respondents are well matured. When we come to educational level, 78.3% of the respondents have bachelor degree. The rest 3.5% of the employees fall under the categories of diploma and 18.2 Masters. Regarding length of services of the study participants, majority of the respondents (57.2%)

served the bank for 5-10, years which means most of the respondents work in the bank long enough to pass their judgment on the reward practice of the company and how it affect their motivation level. When we look at status of the study participants' all of them (100%) are clerical employees Respondents Opinion on Rewards in Use and its Impact on their Motivation. The aim of the questions presented to find out how satisfied the employees are with the current rewards the bank employed. In the first question the respondents were asked to rate the significance of the current rewards offered by their employing organization in a scale of 1 to 5 (5 SD, 4 D, 3, N, 2 A, 1 SA). The reward options displayed are the ones which the bank human resource staff told to be available for the employees.

Effect of financial and non-financial reward on employee motivation

The objective of this paper was to identify Effect of financial and non-financial reward on employee motivation at commercial Bank of Ethiopia head office. In this section, a dependent variable of the study which is employee motivation against the Ten independent variables which were basic salary, bonus, indirect benefit, retirement, interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making, job security in Commercial Bank of Ethiopia head office. The subsequent section presented the results of descriptive statistics, the Pearson correlation analysis and regression model respectively.

4.2 Descriptive Statistics

The table 4.2 below shows the descriptive statistics results of corresponding 332 total observations of Ten independent variables which could potentially influence the employee motivation and dependent variable, the effect of financial and non-financial reward on employee motivation in Commercial Bank of Ethiopia head office. It also describes the overall nature of variables employed in the study and their interpretation is presented as follows. Financial rewards of independent variables are basic salary, bonus, indirect benefit, and retirement. Non-financial reward of independent variables are interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making and job security.

The following table 4.2 shows to what extent employees agree to the contribution factors of financial and non-financial reward to employee motivation.

Table 4.2 **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
-Financial Reward					
Basic salary	332	1.00	5.00	3.9970	1.12062
Bones	332	1.00	5.00	3.9629	1.10218
indirect benefit	332	1.00	5.00	4.0806	1.05499
Retirement	332	1.00	5.00	4.1426	1.17677
-Non-Financial Reward					
Interesting and challenging job	332	1.00	5.00	4.1408	1.14141
career advancement	332	1.00	5.00	4.2871	1.14911
Job related training	332	1.00	5.00	3.8685	.90897
Recognition and feedback	332	1.00	5.00	3.8474	.90324
Participation in decision making	332	1.00	5.00	3.7877	.93364
Job security	332	1.00	5.00	3.7928	.93573
Valid N (listwise)	332				

-Financial reward

4.2.1 Basic salary

The respondents of this study were asked regarding the first independent variables of basic salary influence on employee motivation. According to the result the mean and standard deviation for the salary shows 3.99 & 1.12 respectively. According to (Best and khan1995) standard, the mean values were indicates greater than its moderate value of 3.

The implication of this finding in CBE head office context is that there is poor basic salary in CBE that affect the employee motivation level.

4.2.2 Bonus

In related to the second independent variable of the study, the respondents were asked their opinion about the assumption of the bonus and majority of respondents stated an agreement in the assumption of bonus effect on employee motivation. The survey result shows almost all of the respondents stated their agreement on the issues raised and the mean distribution was 3.96 which are greater than its moderate value of 3 and the standard deviation of 1.10 which is greater than 1.

According to (Best and khan1995) standard, the mean values were indicates greater than its moderate value of 3. This implies that bonus plays important roles on employee motivation in CBE.

4.2.3 Indirect Benefit

The respondents of this study also asked regarding the third independent variables which is indirect benefit effects on employee motivation. Accordingly, respondents were requested their level of agreement on the assumption of lack of existing indirect benefit in the CBE head office and it affect on employee motivation. According to the survey result majority of the respondents provide an agreement on the issues raised and the mean distribution of indirect benefit was 4.08 which are greater than 3 and the standard deviation of 1.05 which is greater than 1. It has a high value in (Best and khan1995) standard.

This implies that lack of indirect benefit in CBE head office affect the proper and successful supporting on the conversion of employee motivation through providing mortgage loan, health insurance, education fee and transportation Allowance.

4.2.4 Retirement

Respondents were asked to give their opinion about the fourth independent variable which is retirement affect the employee motivation in CBE head office. The mean distribution was 4.14 which is greater than 3 and the standard deviation of 1.17 which is greater than 1. It has a high value as per (Best and khan1995) standard.

-Non-financial reward

4.2.7 Job related training

In related to the job related training of the study the respondents were asked to give their opinion about job related training that affect the employee motivation in CBE. Majority of the respondents stated an agreement with the mean distribution of job related training was 3.86 which is greater than 3 and the standard deviation of 0.90 which is less than 1. It has a high value as (Best and khan1995) standard.

The implication of this finding is the unavailability of job related training in the bank affect the employee motivation in CBE head office.

4.2.5 Interesting and challenging job

Respondents were asked to give their opinion about interesting and challenging job that affect on employee motivation in CBE head office. As shown in table above, the majority of the respondents were agreed with the mean distribution of interesting and challenging job of CBE head office was 4.28 which are greater than 3 and the standard deviation of 1.14 which is greater than 1. It has a high value as per (Best and khan1995) standard.

4.2.6 Career advancement

In related to the career advancement of the study respondents were asked to give their opinion about career advancement that affect on employee motivation in CBE. Majority of the respondents stated an agreement with the mean distribution of career advancement was 4.28 which is greater than 3 and the standard deviation of 1.14 which is greater than 1. It has a high value as (Best and khan1995) standard.

The implication of this finding is unavailability of career advancement in the bank affect employee motivation in CBE head office.

4.2.8 Recognition and feedback

In related to Recognition and feedback of the study the respondents were asked to give their opinion about Recognition and feedback that affect the employee motivation in CBE. Majority of the respondents stated an agreement with the mean distribution of Recognition and feedback was 3.84 which is greater than 3 and the standard deviation of 0.90 which is less than 1. It has a high value as (Best and khan1995) standard.

The implication of this finding is that unavailability of Recognition and feedback in the bank affect the employee motivation of CBE.

4.2.9 Participation in decision making

Respondents were asked to give their opinion about Participation in decision making that affect the employee motivation in CBE head office. Majority of the respondents stated an agreement with the mean distribution of Participation in decision making was 3.78 which is greater than 3 and the standard deviation of 0.93 which is less than 1. It has a high value as (Best and khan1995) standard.

The implication of this finding is unavailability of Participation in decision making in the bank affect the employee motivation of CBE head office.

4.2.10 Job security

Finally in related to Job security of the study respondents were asked to give their opinion about Job security affect the employee motivation in CBE. Majority of the respondents stated an agreement with the mean distribution of Job security was 3.79 which is greater than 3 and the standard deviation of 0.93 which is less than 1. It has a high value as (Best and khan1995) standard.

The implication of this finding is unavailability of Job security in the bank affect the employee motivation of CBE.

Table 4.3 Pearson Correlation Analysis

X	No. of Observations	Y	
		Pearson Correlation	Sig. (2-tailed)
Basic salary	332	.893**	.000
Bonus	332	.888**	.000
Indirect benefit	332	.854**	.000
Retirement	332	.930**	.000
Interesting and challenging job	332	.957**	.000
Career advancement	332	.961**	.000
Job related training	332	.793**	.000
Recognition and feedback	332	.803**	.000
Participation in decision making	332	.811**	.000
Job security	332	.806**	.000

4.3 Pearson Correlation Analysis

Pearson correlation is used to examine relationships between two or more variables. It measures the strength and direction of a relationship between variables. The p-value, in Pearson Correlation analysis, attempts to provide a measure of the strength of results of a test, in contrast to a simple reject or do not reject decision.

In Pearson correlation analysis the value of strength of relationship (r) plays an important role in determining the level of relationships among variables. The significance level, $p < 0.01$ is also used to establish the relationship. The correlation coefficient of effect of financial and non-financial reward management and employee motivation was computed and presented below: the table shows the relationship between the dependent variable and independent variables.

As shown in table 4.3, explanatory variables tested in this study, it is evident that there is a significant correlation between the independent variables (Basic salary, Bonus, Indirect benefit, Retirement, Interesting and challenging job, Career-advancement, Job related training, Recognition and feedback, Participation in decision making, job security) and the dependent variable (employee motivation in CBE). In this case correlation analysis was made and interpreted based on: R value from 0.60 to 0.80 indicate a Strong or highly correlation, R value from 0.40 to 0.60 indicate moderate correlation and R value less than 0.2 indicate weak correlation. (Mac Eachron).

As shown in the above table 4.3 the coefficient of correlation between basic salary and employee motivation in CBE is 0.893. It shows that there is strong and positive relationship between them. The relationship is significant at 0.01 level of significance. This implies that a good salary effect on employee motivation and emphasis support has a positive significant influence on effectiveness employee motivation. The coefficient of correlation between bonus and employee motivation in CBE is 0.888. The above table reveals that there is a strong and positive relationship between bonus and motivation. The relationship is significant at 0.01 level of significance. This implies that bonus has a significant positive influence on effectiveness of employee motivation,

The other variable employed in the study was indirect benefit. The coefficient of correlation between indirect benefit and employee motivation in CBE was 0.854. It shows that there is strong and positive relationship between them. The relationship is significant at 0.01 level of significance. This implies that the availability of indirect benefit have a significant positive influence on effectiveness of employee motivation. The above table also shows that 0.930 coefficient of correlation and positive relationship between retirement and employee motivation in CBE which is 0.930. The relationship is significant at 0.01 level of significance. This implies that retirement has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable interesting and challenging job and employee motivation in CBE is 0.957, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that interesting and challenging job has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable career advancement and employee motivation in CBE is 0.961, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that career advancement has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable Job related training and dependent variable employee motivation in CBE is 0.793, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that Job related training has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable Recognition and feedback and employee motivation in CBE is 0.803, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that Recognition and feedback has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable Participation in decision making and dependent variable employee motivation in CBE is 0.811, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that Participation in decision making has a significant positive influence on effectiveness of employee motivation.

The coefficient of correlation between the independent variable Job security and dependent variable employee motivation in CBE is 0.806, which indicates that there is strong positive correlation between them and the relationship is significant at 0.01 level of significance. This implies that Job security has a significant positive influence on effectiveness of employee motivation.

4.4 Multiple Regression Analysis

Through a correlation analysis it is identified that there is a significant relationship between independent and the dependent variable. In this section, in examining the effect of financial and non-financial reward in CBE head office, the researcher used a regression analysis to test the effect of ten independent (explanatory) variables on the dependent (explained) variable i.e. the effect of financial and non-financial reward on employee motivation in CBE head office. Thus, in this study the researcher used multiple regression analysis, in which tests have been made to examine whether one or more independent variables influence the variation on dependent variable.

The researcher undertook the diagnostic tests for the assumption of classical linear regression model (CLRM) before directly going to the multiple linear regression models. The objective of the model is to predict the strength and direction of association among the dependent and independent variables. Thus, in order to maintain the validity and robustness of the regression result of the research in CLRM, it is better to satisfy basic assumption CLRM.

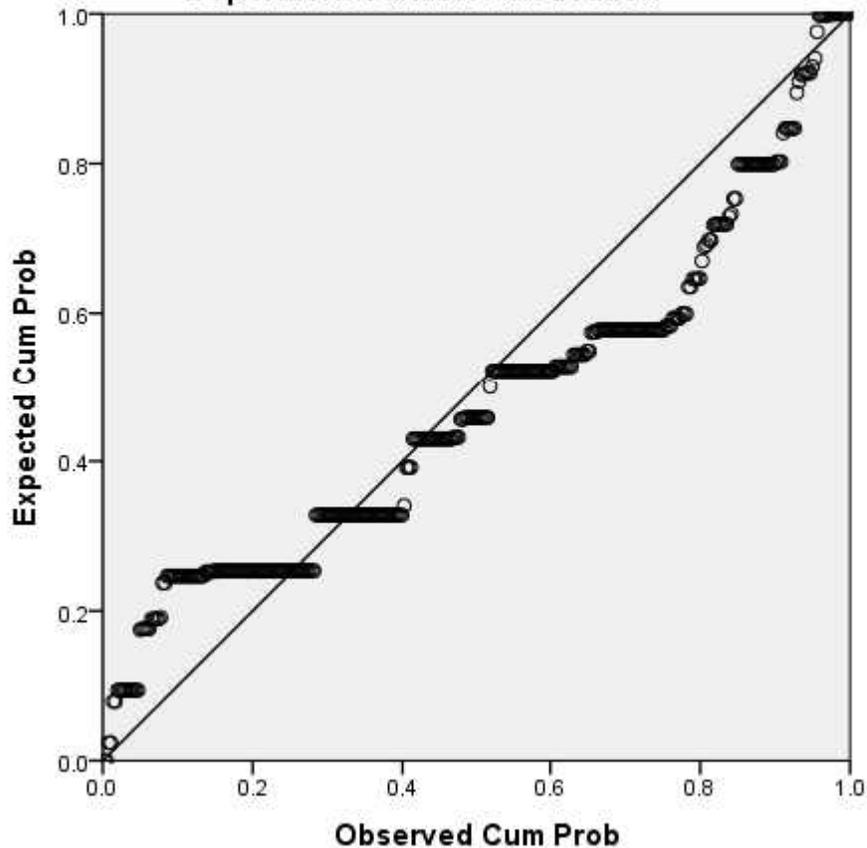
When these assumptions are satisfied, it is considered as all available information is used in the model. However, if these assumptions are violated, there will be data that left out of the model (Brooks, 2008). Accordingly, before applying the model for testing the significance of the slopes and analyzing the regressed result, normality, multicollinearity, autocorrelation and heteroscedasticity tests are made for identifying misspecification of data if any so as to fulfill research quality.

4.4.1 Normality Test

One of the diagnostic tests for CLRM assumption of normality assumption was tested by this study. The CLRM assumes that the error term is normally distributed with the mean of error being zero as positive error will offset the negative error. This assumptions of linear regression analysis is that the residual are normally distributed, at the mean of zero and standard deviation of one .All of the results from the examine command suggest that the residual or the error term are normally distributed.

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: motivation

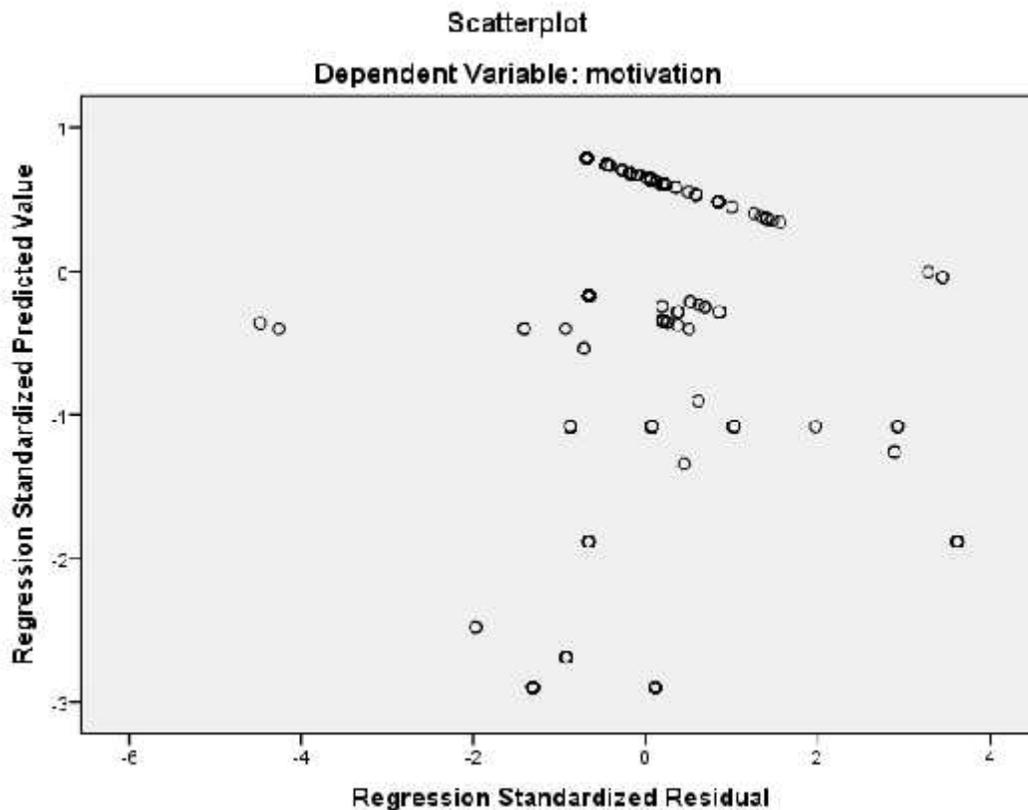


4.4.2 Multicollinearity Test (Collinearity)

The other test which is conducted in this study is the multicollinearity test. This test mainly checked by Collinearity diagnostics using SPSS which is the variance inflating factor (VIF). The VIF indicates whether a predictor has strong linear relationship with the other predictor(s). Field (2000) suggests that value of 10 is good value at which to worry and also if the average VIF is greater than 1, then multicollinearity may be biasing the regression model. Related to the VIF is the tolerance statistics, which is a reciprocal of VIF ($1/VIF$). Such values below 0.2 are worthy of concern. Considering the regression model for this study correlation matrix of all of the predictor variables less than 0.80 or 0.90 and the tolerance statistics values are all below 1 as such no multicollinearity is observed in this model.

4.4.3 Heteroscedasticity Test

One of the important assumptions of the classical linear regression model is Heteroscedasticity. As noted by Brooks (2008) Heteroscedasticity assumption states that the disturbances u_i appearing in the population regression function are homoscedastic; that is, they all have the same variance. The variance of each disturbance term u_i , conditional on the chosen values of the explanatory variables, is some constant number equal to σ^2 . This is the assumption of Heteroscedasticity, or equal (homo) spread (scedasticity), that is, equal variance (Gujarati, 2004). If the error term u_i do not have constant variance it is said to be there is Heteroscedasticity problem. Heteroscedasticity makes your parameter estimates no longer BLUE – they are still unbiased, but no longer have a minimum variance. Unfortunately, SPSS does not have a built-in procedure to test for heteroscedasticity. The test can be done by writing some codes. Despite not having a built-in procedure to test for heteroscedasticity, we can plot standardized residuals (ZRESID) against the standardized predicted values (ZPRED). If there is no heteroscedasticity, the plot should look random. As shown below in the plot the residuals have a random pattern, which signifies that there is no sign of heteroscedasticity.



4.4.4 Autocorrelation Test

The last important diagnostic test which is performed in this research is autocorrelation test. According to Chris Brooks (2008) it is assumed that the errors are uncorrelated with one another. If the errors are not uncorrelated with one another, it would be stated that they are ‘auto correlated’ or that they are ‘serially correlated’. This assumption was tested by Durbin Watson (DW) test of autocorrelation. If the D.W can up to zero to four, on which statistics has value two indicates there is no serial correlation to the model, if D.W less than two there is positive serial correlation and if D.W close to zero indicates perfect positive serial correlation. And if D.W greater than two, there is negative serial correlation and if it is close to four perfect negative serial correlation. That is a D.W value of 1.5 to 2.5 is desirable in any model to say it is free from serial correlation (Richard, 2015).

Table-4.4 DW test result test of autocorrelation

Model Summary b

	Durbin-Watson
Result	1.95

The above table 4.4 shows the DW test statistic value for the model was 1.95 for a total observation of 332 responders. This indicates that the study model within the acceptable D.W value range & close to perfect positive serial correlation, which was between the desirable interval of between 1.5 and 2.5 Therefore, we can conclude that there is no evidence of autocorrelation in the study.

Table 4.5**Goodness of fit through R Square****Model Summary**

Model	R	R Square	Adjusted R Square	Adjusted R Square	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.981 ^a	.963	.683	.961	.963	826.842	10	321	.000

Source: SPSS regression result

A. Predictors: (Constant), Basic salary, Bonus, Indirect benefit, Retirement, Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision making, job security

Model fit explains how much the independent variable explains the dependent variable. They measure the proportion of the variation in dependent variable explained by the model. But since adjusted R Square is the modification for the limitation of R Square the value of the adjusted R Square is considered to measure the fitness of the model. The model summary as shown in above table the value of adjusted R-square which represents 0.683 of variance in employee motivation is explained by the independent variables), Basic salary, Bonus, Indirect benefit, Retirement, Interesting and challenging job, Career advancement, Job related training, Recognition and feedback, Participation in decision making, job security. When expressed in percentage, 68.3% of the variation in employee motivation explained by the independent variables in the model. This outcome empirically indicates it is providing a good fit to the data and the independent variables in this study are the major determinants of employee motivation.

Table 4.6 testing the model through ANOVA (Goodness of fit statistic)

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	364.546	10	36.455	826.842	.000 ^b
	Residual	14.153	321	.044		
	Total	378.699	331			

Source: SPSS result

a. Dependent Variable: motivation

b. Predictors: (Constant), job security, interesting and challenging job, indirect benefit, career advancement, retirement, bones, job related training, basic salary, recognition and feedback, participation in decision making

Table 4.6 shows whether the proportion of variance explained in the first table is significant. It also tells whether the overall effect of the ten independent variables on employee motivation is significant. The sig. (or p-value) is .000 which is below the .001 level; where F-value is 826.842. Hence, it can be concluded that the overall model is statistically significant, or that the variables have a significant combined effect on the dependent variable.

Table 4.7 Regression analysis on effect of financial and non-financial reward management on employee motivation

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta			
	1	(Constant)	.322			.056
	Basics salary	.173	.064	.181	2.700	.007
	Bones	.147	.063	.152	2.338	.020
	Indirect benefit	.061	.042	.061	1.451	.148
	Retirement	.109	.039	.120	2.759	.006
	interesting and challenging job	.143	.054	.153	2.663	.008
	Career advancement	.568	.045	.610	12.552	.000
	Jobrelatedtraining	.570	.041	.484	6.260	.000
	Recognition and feedback	.439	.102	.371	4.289	.000
	Participation in decision making	.244	.107	.213	2.295	.022
	Job security	.065	.103	.057	.634	.526

a. Dependent Variable: motivation

Source: SPSS regression result

As illustrated in table 4.7 the coefficient test for the variables involved is presented. The table depicts the extent to which each independent variables influence the dependent variable. The financial and non-financial reward of independent variables in contributing to the variance of the employee motivation (dependent variable) is explained by the standardized Beta coefficient.

The Beta value for basic salary is (Beta=0.18, $P<0.01$), bonus (Beta=0.15, $P<0.05$), indirect benefit (Beta=0.06, $P>0.05$), retirement (Beta=0.12, $P<0.01$), and interesting and challenging job (Beta=0.15, $P<0.01$), career advancement (Beta=0.61, $P<0.01$), job related training (Beta=0.48, $P<0.01$), Recognition and feedback (Beta=0.37, $P<0.01$), participation in decision making (Beta=0.21, $P<0.05$), Job security (Beta=-0.05, $P>0.05$). The result reveals that a significant effect between independent variables basic salary, bonus, retirement, interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making) and dependent variable (motivation). Whereas indirect benefit and job security were found insignificant effect with employee motivation in CBE head office.

4.5 Hypothesis Testing and Interpretation of the Results

This section of the study aims to find out the effect of financial and non-financial reward management on employee motivation in Commercial Bank of Ethiopia head office. This particular section presents the results of the study indicated by statistics, using regression analysis and the effect of each independent variable tested is discussed and analyzed.

The results show that there are significant effect between independent variables such as basic salary, bonus, retirement, interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making, and the dependent variable. Whereas indirect benefit and job security were found insignificant effect with employee motivation in CBE head office. The hypotheses testing based on regression model output is discussed below.

Hypothesis 1

The regression result shows a significant positive effect between basic salary and employee motivation, with a regression coefficient of 0.18, t-statistic of 2.700 and P-value of 0.007. This shows basic salary has beta coefficient of 0.18, which indicates that, an increase in the basic salary support to increase the employee motivation by 18%. The positive sign of beta coefficient of basic salary variable has indicated that it has a positive effect on employee motivation. Basic salary is statistically significant at 1 percent significant level because the p-value was 0.007 which is less than 1%. This indicates that basic salary influences the employee motivation. Therefore, the first hypothesis is accepted. This implies that unattractive basic salary affect employee motivation in the CBE head office.

Hypothesis 2

The regression result shows a significant positive effect between employee motivation and bonus, with a regression coefficient of 0.15, t-statistic of 2.338, and P-value of 0.020 this indicated bonus has 0.15 beta coefficient, which shows that bonus is increased by 15%. Since the beta coefficient of bonus has a positive sign, it has a positive effect on employee motivation in CBE. Bonus is statistically significant at 5 percent significance level because the p-value was 0.020 which is less than 5%. Thus the regression analysis results show that bonus has influence for the employee motivation. Therefore, this hypothesis is accepted. The implication of this finding is lack of the sufficient bonus affect employee motivation in CBE head office.

Hypothesis 3

The regression result shows there is a weak effect between indirect benefit and employee motivation with a regression coefficient of 0.06, t-statistic of 1.451 and P-value of 0.148. It shows indirect benefit has a beta coefficient of 0.06 which indicates that if indirect benefit is increased by 6%. Since the coefficient has a positive sign, indirect benefit has a positive effect on employee motivation. However, the p-value of the variable was 0.148 and this indicates that the effect of this variable on employee motivation was statistically insignificant at 5% significance level. Therefore, the third hypothesis is rejected.

Hypothesis 4

The regression result shows a significant positive effect between Retirement and employee motivation, with a regression coefficient of 0.12, t-statistic of 2.759 and P-value of 0.006. This shows Retirement has beta coefficient of 0.12, which indicates that, an increase in the Retirement by 12%. The positive sign of beta coefficient of Retirement variable has indicated that it has a positive effect on employee motivation. Retirement is statistically significant at 1 percent significant level because the p-value was 0.006 which is less than 1%. This indicates that Retirement benefit package influences the employee motivation. Therefore, this hypothesis is accepted.

Hypothesis 5

In this study, the regression result shows a significant effect between interesting and challenging job and employee motivation, with a regression coefficient of 0.15, t-statistic of 2.663 and P-value of 0.008. It indicates interesting and challenging job has beta coefficient of 0.15. The positive sign of beta coefficient of interesting and challenging job variable has indicated that it has a positive effect on the employee motivation. Interesting and challenging job is statistically significant at 1 percent significant level because the p-value was 0.008 which is less than 1%. Thus, from the result it can be conclude that interesting and challenging job influences the employee motivation. Therefore, this hypothesis is also accepted. The implication of this finding is unavailability of interesting and challenging job affect the employee motivation in CBE head office.

Hypothesis 6

The regression result shows a significant effect between career advancement and employee motivation, with a regression coefficient of 0.61 t-statistics of 12.552 and P-value of 0.000 this indicates career advancement has 0.61 beta coefficient. Since the beta coefficient has a positive sign, it has a strong positive effect on dependent variable. Career advancement is statistically significant at 1 percent significant level because the p-value was 0.000 which is less than 1%. Thus, from the result it can be conclude that career advancement influences the employee motivation. Therefore, this hypothesis is also accepted.

Hypothesis 7

In this study, the regression result shows a significant effect between job related training and employee motivation, with a regression coefficient of 0.48, t-statistic of 6.260 and P-value of 0.000. It indicates job related training has beta coefficient of 0.48. The positive sign of beta coefficient of job related training variable has indicated that it has a positive effect on the employee motivation. job related training is statistically significant at 1 percent significant level because the p-value was 0.000 which is less than 1%. Thus, from the result it can be conclude that job related training influences the employee motivation. Therefore, this hypothesis is also accepted. The implication of this finding is unavailability of job related training in CBE head office affect the employee motivation.

Hypothesis 8

The regression result shows a significant positive effect between recognition and feedback and employee motivation, with a regression coefficient of 0.37, t-statistic of 4.289 and P-value of 0.000. This shows recognition and feedback has beta coefficient of 0.37. The positive sign of beta coefficient of recognition and feedback variable has indicated that it has a positive effect on employee motivation. Recognition and feedback is statistically significant at 1 percent significant level because the p-value was 0.000 which is less than 1%. This indicates that recognition and feedback' influences the employee motivation. Therefore, this hypothesis is accepted.

Hypothesis 9

In this study, the regression result shows a significant effect between participation in decision making and employee motivation, with a regression coefficient of 0.21, t-statistic of 2.295 and P-value of 0.022. It indicates participation in decision making has beta coefficient of 0.21. The positive sign of beta coefficient of participation in decision making job variable has indicated that it has a positive effect on the employee motivation. Participation in decision making is statistically significant at 5 percent significant level because the p-value was 0.002 which is less than 5%. Thus, from the result it can be conclude that participation in decision making influences the employee motivation. Therefore, this hypothesis is also accepted. The implication of this finding is unavailability of participation in decision making affect the employee motivation in CBE head office.

Hypothesis 10

The regression result shows there is a weak effect between job security and employee motivation with a regression coefficient of 0.05, t-statistic of 0.634 and P-value of 0.526. It shows job security has a beta coefficient of 0.05. Since the coefficient has a positive sign, job security has a positive effect on employee motivation. However, the p-value of the variable was 0.526 and this indicates that the effect of this variable on salary was statistically insignificant at 5% significance level. Therefore, the last hypothesis is rejected.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

the previous chapter, data analysis and interpretation has been presented. In this section, of the research thesis presented the conclusions and recommendations are forwarded. It has three parts; the first part presents summary of finding, conclusions of the study, the second part presents recommendation and finally, the possible future research areas and limitation are presented.

5.1 Summary of Findings

The purpose of this study was to identify which reward schemes; financial or non-financial impacting motivation most at commercial bank of Ethiopia. The researcher conducted an interview to identify the reward practice employed by the bank. Used structured questionnaire to collect explanatory data to identify and analyze which reward scheme impacting motivation most using multiple linear regression model. Before directly analyzing the data gathered by the questionnaires, the researcher make sure the necessary assumptions that are required to undertake multiple linear regression analysis were fulfilled. In addition to this; data was collected through questionnaire to identify to what extent the current reward system employed by bank impacted employee motivation and analyzed the data in descriptive manner. Based on the analysis of data and discussion of results, the followings are the summary of major findings of this study.

The interview result shows that the bank offer financial and non- financial rewards. But not to identify which reward variables from both financial and non-financial reward package considered significant by employee. This can only be recognized through the participation of employee during the designing of reward policy. But the bank neither attempt to find out what employee value most nor undertake a survey in specific time period about employee feeling and attitude toward the reward package. Regarding reward efficiency, whether the reward triggered employee to act and behave in specific way, the bank officials feel that due to lack of standard measurement tools it is difficult to know if the reward meets its objective or not; they only hope that it encourage employee to work toward bank goal accomplishment.

The data collected to identify which reward scheme financial or non-financial impacting employee motivation most, ANOVA, R (coefficient of correlation) and Adjusted R-square (coefficient of determination) were used to test the model's overall fitness, and it turns out the independent variable (financial and non-financial rewards) have a statistically significant relationship with the dependent variable (motivation). The R and Adjusted R-square results showed that the independent variables have highly correlated with the dependent variable and more than 68% variation on dependent variable explained by the linear relationship with all the independent variables.

5.2 Conclusions

The main objective of this study was to examine the effect of reward on employee motivation in Commercial Bank of Ethiopia head office. In this framework, the researcher seeks to verify the contribution of the following factors basic salary, bonus, indirect benefit, retirement, interesting and challenging job, career advancement, job related training, recognition and feedback, participation in decision making, job security. According to the interview result, the bank offered both financial and non-financial rewards for its employee. But they don't measure whether the rewards are serving its purpose or not. No survey was made to know employee feeling on current reward practice and employees input was not considered during reward design. Employees' motivation are less likely if the communication of reward is insufficient or when employees are not aware of what is given for their effort For a bank to be successful it must have employees who are willing to put their creativity, abilities and know-how in favor of the company and it is the organization's task to encourage and nourish these positive employees' input by putting effective reward practices in place. According to the results obtained from the questionnaire, prepared to acquire employees opinion on how the reward in use impacting their motivation. It can be concluded that the rewards offered by the bank are not influencing employees' motivation well. This study found that the rewards offered by the bank are not motivating employees to work toward organizational goal accomplishment. The central focus of reward is developing a system that leads the bank employee actively contribute to the achievement of its goals. It is deliberately using reward system as integrating mechanism to direct various units and individuals effort to the achievement of organization objectives.

In spite of the reward scheme employed by the bank the survey result shows that employees' attitude towards the company is mainly negative. As most of the respondents answered the bank did not show enough effort to make them think that they are an asset to the bank.

It is very important to identify what employees value most and design the reward scheme accordingly for a compensation to be effective. However, in this case most employees agreed that the reward practice is not tailored according to employee need. There is a gap between what employees perceive as most significant rewards and the reward practices which managers consider to be the most motivating.

The survey result also indicated that employees are more interested in the acknowledgment or rewarding of good performance than other criteria. According to the interview result the companies follow more of the traditional approach. Rewards are designed based on seniority and job level. But in the contemporary approach rewards are designed based on the skill of employee to lead the organization to objective achievement.

5.3 Recommendation

Based on the study, the following suggestions are made to the bank to make suitable alterations in their rewards system.

Undertaking a survey on employee attitude toward rewards offered by the bank in specific time period is also important to measure whether the reward practices in use is efficient and effective.

Since, majority of employees agreed on rewarding good performance. It is important to provide rewards based on employee performance. If an employee believes that his/her good performance is acknowledged by the bank they tend to put their best efforts into practice. This leads to the expectancy that great effort lead to performance which is noticed and rewarded.

The bank shall train and encourage managers to give feedbacks to their employees. Also arrangement to offer official feedback frequently must be created.

Career advancement considered most significant non-financial reward, so since the commercial bank of Ethiopia head office is large, it is suggested that if they offer vertical career advancement in appropriate manner.

To finalized, In order to maximize motivation of employee; designing sound and fitting reward scheme which is aligned with employee need and incorporate employee input is critical. Monetary rewards one by one combined with non-monetary rewards would deliver better motivational results than single reward scheme alone. Companies especially the case company should identify which financial and non-financial variables to emphasize on and adopt reward strategy appropriate to all level of employees. Any mistake on reward package has major negative consequences like, it demotivate employee in a serious way, resignation of good employee, less effort and unhealthy employee relation climate, high level of absenteeism. In time this reduces organization's effectiveness and damage financial performance.

5.4 Suggestion for Further Research and Limitation

The direct focus of this investigation was only the banking sector and strictly on commercial bank of Ethiopia head office because of the limitation of resources like finance, data and most importantly time, the study is not representative of the banking industries. It would be interesting to conduct industry wide study and extend this study to other industries.

This research was limited to identifying the effect of financial and non-financial reward on employee motivation. So the researcher advice future researchers to perform a study to identify how those rewards impacted employee in various levels, motivational factor that works for executive level employee may not work for supervisory level employee or lower level employee. As well further research can be conducted to examine the combined effect of financial and non-financial rewards on employee's motivation with the moderating demographic differences like age and gender. Also the effect of the rewards on the employee's motivation can be further refined by taking only one particular reward scheme.

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Appendix I
ST. MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
Questionnaire for CBE Head office department staff

Annex I: Questionnaires

This questionnaire is prepared to collect data for the research entitled: “*effect of reward management on employee motivation in commercial bank of Ethiopia*” as a partial fulfillment for the requirements for the Degree of MBA general management at St. Marry University. You are kindly requested to provide appropriate and genuine data to the best of your knowledge for each question listed below. The research assures you that the information obtained is only used for academic purpose and kept confidential.

Thank you so much for your cooperation in advance

Kebere Tessema. 0967 45 44 20, email: kebtessema@gmail.com.et

Part I: - Demographic profile of respondents

Please indicate the following by ticking () on the spaces provided:

1. Gender: Male Female
2. Age: 20-30 31-40
41-50 51 -60
3. Educational level: Certificate Diploma holder
First degree holder Master’s degree other
4. Work experience: 0-5 Years 6-10 Years

More than 10 Year

Financial Reward	Please put a tick () mark to the extent you agree	SA 1	A 2	N 3	D 4	SD 5
	BASIC SALARY					
	<ul style="list-style-type: none"> ✓ The bank pays satisfactory salary to its employee. ✓ The bank salary is tailored with employee need. ✓ this is a great bank for me to make a contribution of attractive salary to my development 					
	BONUS					
	<ul style="list-style-type: none"> ✓ I am satisfied by the bonus the bank gives to its employee annually. ✓ The bank provides annual employee bonus based on bank annual profit. ✓ The bank provide attractive quarter bones to employees 					
INDIRECT BENEFITS						
<ul style="list-style-type: none"> ✓ I am satisfied by the health insurance the bank provided to employee. ✓ I am satisfied by the education fee the bank offer to its employee. ✓ The transportation allowance given to employee every month is good enough. ✓ The bank provide mortgage loan for employees 						
RETIREMENT						
<ul style="list-style-type: none"> ✓ The bank has good retirement benefit package. ✓ I stay on the bank health insurance after retirement. ✓ The bank prepared retired employees benefit plan. 						

Non-financial Reward	<p style="text-align: center;">INTERESTING AND CHALLENGING JOB</p> <ul style="list-style-type: none"> ✓ The work is challenging and interesting job. ✓ The work is not routine that makes me boring ✓ The work is not very easy that is not related to employees capacity ✓ Employees have no negative interest about their job 					
	<p style="text-align: center;">CAREER ADVANCEMENT</p> <ul style="list-style-type: none"> ✓ There is succession pool in the bank for career advancement ✓ There is career advancement opportunity based on performance management system (PMS) of the bank ✓ My manager has shown a genuine interest in my career aspiration 					
	<p style="text-align: center;">JOB RELATED TRAINING</p> <ul style="list-style-type: none"> ✓ The bank provided job related training opportunity to its employee. ✓ There is on the job training that related to the job ✓ The training is helpful for the employees 					
	<p style="text-align: center;">RECOGNITION AND FEEDBACK</p> <ul style="list-style-type: none"> ✓ Employee gets feedback and recognition from their supervisors. ✓ I receive appropriate recognition when I do good 					

	work.					
	✓ My bank does a lot to recognize employees					
	<p>PARTICIPATION IN DECISION MAKING</p> <p>✓ -Employee participates in decision making that concern them.</p> <p>✓ -Employees are participate in work design decision making</p> <p>✓ -Employees ides is recognize in the decision making of the bank</p> <p>✓ -Employees question and problem take seriously and get solution immediately</p>					
	<p>JOB SECURITY</p> <p>✓ The bank guaranteed job security to its employee.</p> <p>✓ All employees who work in different position have equal job security</p> <p>✓ Employees not work part-time involuntary</p> <p>✓ Employees not work multiple job</p> <p>✓ Employees not work illegal job forcefully</p>					
B. Questions Related to Motivation						
1	The reward allocation of the bank is fair.					
2	My input is equitable with my outcome					
3	The bank acknowledge excellent performance					
4	The bank value good performance than tenure, seniority, status, loyalty					
5	The bank recognition of good performance has an impact on my level of motivation positively.					
6	The bank treats its employee in equitable manner.					

7	The bank has clear and specific goals for each job.					
8	I am free to schedule my job.					
9	My job has visible and recognizable outcome which I am aware of.					
10	My job requires various skills.					

- Please use the space hereunder to put down any idea that you think is relevant and additional for this research _____

Thank you so much once again

Appendix II

ST. MARY’S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

Interview Guide

Dear sir/madam

The intent of this interview is to explore information regarding the effect of reward management on employee motivation at commercial bank of Ethiopia and to have sufficient response to the research problem in addition to questionnaires distributed to staff of CBE in head office. The interview will be made with employee labor union president and HR director of commercial bank of Ethiopia. The information you provide in response to the items in the interview will be used as part of the data needed for a study on: *“the effect of reward management on employee motivation in commercial bank of Ethiopia head office”*

I would like to assure you that the information you provide will be accessible only to the academic purpose. Your involvement is regarded as a great input to the quality of the research results. Hence, I believe that you will enlarge your assistance by participating in the study.

Your honest and thoughtful response is invaluable

I thank you very much in advance for your cooperation and sacrificing your valuable time!!!

Kind regards,

Kebere Tessema

A. Interviewee's Profile

Date of interview: _____ Location: _____

Time started: _____ Time completed: _____

Current position in the Bank _____

B. General Questions about reward management and employee motivation

1. Why is it important to have motivated workforce?
2. What is the pitfall of having motivated workforce?
3. Have you considered employee participation during the design of reward practice and Have you conducted a survey with your organization employee about their feeling or attitude toward reward practice and how significant for them? If you do how often?
4. How did your bank determine salary, benefit, pay raise?
5. Do you think the overall reward offered by your company lead employee to behave a certain way as the bank wants them? Are the reward serves its purpose? (Measuring reward efficiency if yes how. If there is a standard/common way to measure efficiency. If no why?)
6. Can you say that the reward assignment is fair/equitable?

7. Do you think the rewards encourage/ inspire your employee to support your organization goal?
8. How is the reward in your bank affecting your employee motivation level?
9. Which factor do you think motivate employee most and if there is a possible motivator?
10. Does your bank revise/ look back its reward policy? How often?

APPENDIX III

Correlations

		basic salary	bones	Indirect benefit	Retirement	Interesting and challenging job	Career advancement	Job related training	Recognition and feedback	Participation in decision making	Jobs security	motivation
Basic salary	Pearson Correlation	1	.981**	.953**	.826**	.850**	.870**	.882**	.897**	.889*	.887**	.893**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Bones	Pearson Correlation	.981**	1	.953**	.852**	.858**	.866**	.896**	.910**	.900**	.898**	.888**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Indirect benefit	Pearson Correlation	.953**	.953**	1	.816**	.819**	.814**	.892**	.909**	.907**	.904**	.854**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Retirement	Pearson Correlation	.826**	.852**	.816**	1	.960**	.906**	.765**	.781**	.784**	.781**	.930**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Interesting and challenging job	Pearson Correlation	.850**	.858**	.819**	.960**	1	.944**	.740**	.756**	.760**	.758**	.957**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Career advancement	Pearson Correlation	.870**	.866**	.814**	.906**	.944**	1	.788**	.767**	.771**	.768**	.961**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Job related training	Pearson Correlation	.882**	.896**	.892**	.765**	.740**	.788**	1	.983**	.963**	.961**	.793**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332

Recognition and feedback	Pearson Correlation	.897**	.910**	.909**	.781**	.756**	.767**	.983**	1	.974**	.973**	.803**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Participation in decision making	Pearson Correlation	.889**	.900**	.907**	.784**	.760**	.771**	.963**	.974**	1	.992**	.811**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Job security	Pearson Correlation	.887**	.898**	.904**	.781**	.758**	.768**	.961**	.973**	.992**	1	.806**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332
Motivation	Pearson Correlation	.893**	.888**	.854**	.930**	.957**	.961**	.793**	.803**	.811**	.806**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	332	332	332	332	332	332	332	332	332	332	332

**.

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

Source: SPSS correlation result

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

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

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Basic salary	332	1.00	5.00	3.9970	1.12062
Bones	332	1.00	5.00	3.9629	1.10218
indirect benefit	332	1.00	5.00	4.0806	1.05499
Retirement	332	1.00	5.00	4.1426	1.17677
Interesting and challenging job	332	1.00	5.00	4.1408	1.14141
career advancement	332	1.00	5.00	4.2871	1.14911
Job related training	332	1.00	5.00	3.8685	.90897
Recognition and feedback	332	1.00	5.00	3.8474	.90324
Participation in decision making	332	1.00	5.00	3.7877	.93364
Job security	332	1.00	5.00	3.7928	.93573
Valid N (list wise)	332				

Residual Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.2764	5.1439	4.3175	1.04945	332
Residual	-.94004	.75987	.00000	.20678	332
Std. Predicted Value	-2.898	.787	.000	1.000	332
Std. Residual	-4.477	3.619	.000	.985	332

a. Dependent Variable: motivation

Source: SPSS result

Coefficients a

Model	Un-standardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. error	Beta			Tolerance	VIF
1 (constant)	.322	.056		5.737	.000	.026	
Basic salary	.173	.064	.181	2.700	.007	.028	38.653
Bonus	-.147	.063	-.152	2.857	.020	.067	36.245
Indirect benefit	.061	.042	.061	-2.338	.148	.062	14.995
Retirement	.109	.039	.120	2.759	.014	.035	16.141
Interesting and challenging job	.143	.054	.153	2.663	.006	.049	28.277
Career advancement	.143	.045	.610	12.552	.008	.019	20.268
Job related training	.568	.091	-.484	-6.260	.000	.016	20.268
Recognition and feedback	-.570	.102	.371	4.289	.000	.013	51.1441
Participation in decision making	.439	.107			.000		64.176
Job security	.244		.213	2.295	.022		74.240

Dependent Variable: motivation

Source: SPSS result