



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**THE FACTORS THAT AFFECT EMPLOYEE MOTIVATION
: THE CASE OF BANK OF ABYSSINIA**

BY:

MARTHA SOLOMON

April, 2023

ADDIS ABABA, ETHIOPIA

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BANK OF ABYSSINIA**

BY

MARTHA SOLOMON ENGEDA

**A THESIS SUBMITTED TO ST. MARY UNIVERSITY, SCHOOL OF GRADUATE
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DEGREE OF MASTER OF BUSINESS ADMINISTRATION**

April, 2023

ADDIS ABABA, ETHIOPIA

Declaration

I declare that this research project “*THE FACTORS THAT AFFECT EMPLOYEE MOTIVATION: THE CASE OF BANK OF ABYSSINIA*” is my original work and has never been submitted to any other University for assessment or award of a degree, and that all sources of materials used for the study have been duly acknowledged.

Signature: Martha Solomon Date:

Advisor : Mesfin Workineh Ph.D..... Date:

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MARTHA SOLOMON ENGEDA

SGS/0079/2013B

CERTIFICATE OF THESIS APPROVAL

is to certify that the thesis entitled: **The Factors that Affect Employee Motivation: The Case of Bank of Abyssinia** is prepared by **Martha Solomon** and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

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| Name of Advisor | Signature | Date |

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Table of Contents

| | |
|--|----|
| CHAPTER ONE | 10 |
| INTRODUCTION | 10 |
| 1.1. Background of the study | 10 |
| 1.2. Statement of the problem | 12 |
| 1.3. Research Questions | 13 |
| 1.4. Objectives of the Study | 14 |
| 1.5. Significance of the Study | 14 |
| 1.6. Scope of the Study | 14 |
| 1.7. Limitations of the study | 15 |
| 1.8. Organization of the Study | 16 |
| 1.9. Definition of terms | 16 |
| CHAPTER TWO | 17 |
| REVIEW OF THE RELATED LITERATURE | 17 |
| 2.1. Theoretical Review | 17 |
| 2.1.1. Need Theory of Motivation | 17 |
| 2.1.2. Maslow's Hierarchy of Needs Theory | 17 |
| 2.1.3. ERG Theory | 18 |
| 2.1.4. McClelland's Theory of Needs | 18 |
| 2.1.5. Motivation-Hygiene Theory | 19 |
| 2.1.6. Vroom's Expectancy Theory | 20 |
| 2.2. Customer satisfaction | 21 |
| 2.2.1. Determinants of customer satisfaction | 21 |
| 2.3. Empirical Review | 22 |
| 2.4. Conceptual Framework | 24 |
| CHAPTER THREE | 25 |
| RESEARCH METHODOLOGY | 25 |
| Introduction | 25 |
| 3.1. Research Approach | 25 |
| 3.2. Research Design | 26 |
| 3.3. Data types and sources | 26 |
| 3.4. Population of the study | 27 |

| | |
|--|----|
| 3.5. Sampling procedure..... | 27 |
| Sample size | 27 |
| Sampling Technique | 28 |
| 3.6. Data gathering instruments..... | 29 |
| 3.7. Data Analysis Technique..... | 29 |
| 3.8. Reliability and Validity | 29 |
| 3.9. Ethical Consideration | 30 |
| CHAPTER FOUR..... | 32 |
| DATA ANALYSIS, DISCUSSIONS AND INTERPRETATIONS | 32 |
| 4.1. Response rate of respondents | 32 |
| 4.2. Demographic profile of the respondents | 33 |
| 4.3. Descriptive Analysis | 34 |
| 4.3.1. Customer satisfaction findings..... | 36 |
| 4.4. Statistical Assumptions | 37 |
| 4.5. Model Summary of the Regression Analysis | 39 |
| 4.6. Discussion | 43 |
| CHAPTER FIVE | 44 |
| SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS | 44 |
| 5.1. Summary of Major Findings | 44 |
| 5.2. Conclusions | 45 |
| 5.3. Recommendations | 46 |
| Reference | 55 |

Abstract

This research is conducted to study “the factors that affect of employee motivation: the case of bank of Abyssinia “The study was conducted on 182 samples of the head office organs and six convenience branches. Both quantitative and qualitative research approaches were used using random sampling method of cluster sampling. Questionnaires are used as data instruments. The questionnaire response rate was 93% and they are encoded and inserted to SPSS for reliability of the data which has got a cronbach’s alpha coefficient of 0.875 and hence enable to undertake further analysis. The highest mean value on dimensions of the employee motivation factors goes to work environment factor. The second is management system and the relative better perception by the employees is to the pay and benefits factor. Correlation analysis was also conducted to determine the relationship of employee motivation components and customer satisfaction and the findings revealed that high correlation to the management system and pay and benefit component which indicates much more effort and should be done by the management on the work environment dimensions to increase the employee morale and performance.

Key Words: work environment, management system, psychological and pay and benifits, Employees’ motivation, customer satisfaction

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

Employees play a vital role in shaping the perception customers carry in their minds with regard to any company through their actions and behaviour. Companies spend large amounts of money to create customer loyalty but often ignore the critical aspect of enhancing employee motivation in order to achieve their financial and nonfinancial goals. In the conditions of intense competition that companies operate in today, employees can play a very important role in winning customers' hearts and minds. With the emergence of globalization, competition for companies has reached a higher level as companies are exposed to other companies not only within their own countries but also around the world. Organizations are investing heavily in acquisition of advanced technologies, developing new processes, and introducing new products to serve their customers. At the same time many organizations focus on their employees to gain a competitive edge, as technology, processes and organizational structure can be copied but the value that competent and dedicated employees can bring to companies cannot be easily taken away. These facts make employee motivation as one of important determinant of customer satisfaction. Employee motivation is affected by both personal characteristics as well as workplace environment. Organizations benefit from "engaged workers" in a number of ways. Two-way communication helps to shape employee perceptions and aid the company in understanding employees better. Employee satisfaction has positive influence on customer satisfactions in the service industry (Harter, Schmidt & Hayes, 2002)

Hertzberg.F, et.al posits that employee motivation is the level of energy, commitment, and creativity that a company's workers apply to their jobs .according to him, in the increasingly competitive business environment of recent years, finding ways to motivate

employees has become a pressing, concern for many managers .in fact, a number of different theories and methods of employee motivation have emerged, ranging from monetary incentives to increased involvement and empowerment.

When employees are not motivated to do their job and are not satisfied with their work environment in general, the tendency is to slack at work, fall short of deadlines, repeat work done due to errors and consequently, fail to deliver the promised product or service at the highest standards of quality. What follows is of course, customer dissatisfaction, which may lead to animosity and eventually to withdrawal of loyalty from the company and making the switch to the next acceptable competitor. Given this background, it can be inferred that there is an undeniable need to recognize the impact that employee motivation and satisfaction have on business performance and customer satisfaction. Scholars and business practitioners alike have recently given this field much attention, the former in search of suitable theoretical frameworks to explain such connection, and the latter, in pursuit of maximizing investments on human capital in to drive business performance to the fullest. Nassazi, Aidah (2013)

In the recent century, the main concern of banking industry is to increase their profit and customer satisfaction, for the purpose of this paper the researcher has chosen to analyse bank of Abyssinia a private bank operating within Ethiopia. The present-day Bank of Abyssinia established on February 15, 1996 (90 years to the day after the first but defunct private bank was established in 1906 during Emperor Menelik (II) in accordance with 1960 Ethiopian commercial code and the Licensing and Supervision of Banking Business, Bank of Abyssinia started its operation with an authorized and paid up capital of Birr 50 million, and Birr 17.8 million respectively, and with only 131 shareholders and 32 staff. In two decades since its establishment Bank of Abyssinia has registered a significant growth in paid up capital and total asset. It also attracted many professional staff members, valuable shareholders and large customers from all walks of life. This performance indicates public confidence in the Bank and reliability and satisfaction in its services. In the case of bank of Abyssinia in order to achieve the organizational goal; they usually send their employees for awareness sessions, regular trainings and seminars as they are the main asset of the

organizations, provide staff pay and benefits package, and a good work environment and an inclusive management system.

The researcher decided to undertake this study upon personal observation, articles from newspapers about the perception of customer satisfaction and employee motivation issues within the bank and in general to describe the effects of employee motivation having both positive and negative impact on customer satisfaction

1.2. Statement of the problem

Currently, employing the state-of-art banking technology, the Bank provides excellent domestic, international and special banking services to its esteemed and valuable customers. It also strives to serve all sectors of the population and economy via its ever increasing branch networks throughout the country. However, many of the customers complain on the quality of the various services that the company is rendering. Quality has always been a hotly debated and challenging issue between clients and the Company. Especially, regular network disruptions and poor connection among mobile banking and internet banking customers have been and remains the main reason for complaint and the prominent challenge.

Since 2016, Bank of Abyssinia has initiated a corporation wide reform program to overhaul its entire system. To facilitate this reform program the corporation has undertaken Business Process Re engineering to bring radical changes and Quick Win to make incremental change. The main component and the first priority for this program was the re engineering of the customer service delivery at a corporate level. Even though the reform program has been undertaken to curb the customer dissatisfaction, the company records shows that customer complaints are increasing.

Bank of Abyssinia has been criticized for poor quality of services which is the main determinant of customer satisfaction. There are cases where service recovery takes a period of a month or a year. This indicates that the service quality of Bank of Abyssinia in general and customer support services in particular are poor.

One possible reason for customer dissatisfaction is poor employee performance due to job dissatisfaction which could be due to numerous factors. One given factor for employee job dissatisfaction is ill formulated company performance appraisal system, non competitive pay and benefits package, lack of a habitable work environment, lack of participation of employees in the appraisal process, lack of well-tailored measurement system and lack of well-designed procedure and process was identified among others.

Bank of Abyssinia may indeed need to be concerned over customer and employee dissatisfaction, The reason for this is that globalization and WTO has forced the country directly or indirectly to accept private operators to participate in the sector. One of the problems facing BoA currently is lack of employee motivation system where it has affected the bank's profitability and competency compared with other similar private banks. (Onobservation time). Human resource is one of the key organizational factors for business success. Individual effectiveness usually reflects his/herknowledge, abilities, skills, and characteristics. There is a lack of specific studies with enough supporting factors to describe the effects on employee motivation and it is for this purpose it is important to investigate the factors thay impact employee motivation

Main Research question:

What are the effects of employee motivation on customer satisfaction?

Sub Research questions:

1. How does *work environment* affect motivation level of employees?
2. How does *Pay & Benefits* affect motivation level of employees?
3. How does the *Management system* of the bank affect employee motivation?

1.4. Objectives of the Study

The main objective of this study will be to determine the existence or absence of a significant connection between employee motivation and customer satisfaction in bank of Abyssinia. Under this objective the study addresses the following **specific objectives**:-

To assess the effect of work environment on employee satisfaction level in Bank of Abyssinia S.C

To assess the effect of pay and benefits on employee satisfaction level in Bank of Abyssinia S.C

To assess the effect of Management systems on employee satisfaction level in Bank of Abyssinia S.C

1.5. Significance of the Study

This study investigates the several factors that affect employee motivation.. This would help the Company formulate and implement viable solution that would enhance employee performance in the workplace and the same time improve the company image and integrity to its existing and prospective customers and to the bank industry in general. In addition to the above benefit of the organization, this study can serve as an input for other research in related topics.

1.6. Scope of the Study

This research will be limited to focusing on selected elements of factors affecting employee motivation and in turn customer satisfaction such as:-

Pay and benefits package

Work environment and

Managerial system within the organization

Although the Company provides various lines of services and operates throughout the country, the scope of this study is confined to the Central District office, specifically the head office

departments and 3 Branch offices; Ras Corporate Branch, Kirkos Branch and Kera Branch all situated within the central district in Addis Ababa. Based on the homogeneity of each branches like contents of the jobs, Uniformity, job required, Number of staff, Service delivery and other issues the researcher has chosen the mentioned 3 branches to be representative. Because of the geographic constraints, those employees working in the outlying areas and outside Addis Ababa are not considered in this study.

This study used quantitative methods because it is the most effective tool to test the relationship between two variables and their impact.

1.7. Limitations of the study

Limitations from personal observation might be the lack of competence from the researcher to properly gauge the feelings and attitudes of employees and customers alike in a given situation, it is also an unmanaged and non recorded data which may raise questions about accuracy, this problem is solved by providing questionnaire to base the research on and gaining measurable and accurate data

This research only used quantitative approach to examining customer orientation of employees and customer satisfaction of private banks in Ethiopia. Hence, the results may not be conclusive since it's a study relatively about human behaviour; it is limited by not using Qualitative research, which involves studies that do not attempt to quantify their results through Statistical summary or analysis. Qualitative research seeks to describe various aspects about behaviour and other factors studied in the social sciences and humanities. In qualitative research data are often in the form of descriptions, not numbers. (Ethridge,2004).

Another limitation of the study to be mentioned is any possible customers and employee's unsupportiveness or uncooperativeness is a huge obstacle to the process of the research, concerning the employees it is possible to solve this issue by sending periodic reminders via the organizations outlook email addresses

1.8. Organization of the Study

The research is organised as follows chapter one presents background of the study, statement of the problem, research question, objective of the study, significance of the study, scope and limitation of the study, plan and organization of the study and definition of terms. The second chapter discusses with review of related literature's regarding the topic of the study and conceptual frame work. In the third chapter, research approach, design, data type and source population of the study Sampling procedure size & Technique, reliability and validity and finally ethical consideration, Chapter four includes results and discussion of the study and chapter five is the summary of findings, conclusions and recommendations.

1.9. Definition of terms

Customer Satisfaction: - is the consumer's fulfilment response. It is a judgment that a product or service feature, or the product of service itself, provided (or is providing) a pleasurable level of consumption-related fulfilment, including levels of under or over fulfilment.

Employee Motivation is:- a pleasurable or positive emotional state that influence, stimulate and direct an employee to pursue a certain course of action that would lead to the attainment of personal and organizational goals.

Work Environment: - It used to describe the surrounding conditions in which an employee operates. It composed of physical condition and work process or procedures.

Pay and Benefit: -is Direct or indirect, cash or non-cash compensation paid to an employee.

Management System: - is a framework of process and procedures used to ensure that an organization can fulfil all tasks required to achieve its objectives.

CHAPTER TWO

REVIEW OF THE RELATED LITERATURE

This study will examine the levels of employee satisfaction in Bank of Abyssinia as shaped by work motivation vis-à-vis the factors that affect the latter. It is thus important to discuss the theories that form the foundation of these two major concepts to be utilized in this research

2.1. Theoretical Review

Definition of Motivation

Motivation refers to the forces within or beyond a person that arouse and sustain their commitment to a course of action Boddy, (2008). According to Robbins & Decenzo (2008) motivation is the willingness to exert high levels of effort to reach organizational goals, conditioned by the efforts and ability to satisfy. They further asserted, that motivation is a function of three key elements thus; effort, organizational goals and needs. From the two definitions cited by the researcher, the study adapted this as the operational definition to be used throughout the report; thus, motivation is the combination of certain forces perhaps an employee's desire, capacity and energy directed at achieving an organizational goal or cause of action

2.1.1. Need Theory of Motivation

The main theories of motivation fall into one of two categories: needs theories and process theories. Needs theories describe the types of needs that must be met in order to motivate individuals. Process theories help us understand the actual ways in which we and others can be motivated. There are a variety of needs theories, including Maslow's hierarchy of needs, Alderfer ERG theory, McClelland's theory of needs, and Herzberg's motivation-hygiene theory (sometimes called the two-factor theory).

2.1.2. Maslow's Hierarchy of Needs Theory

It is probably safe to say that the best-known theory of motivation is Abraham Maslow's hierarchy of needs. He hypothesized that every human being has a hierarchy of five needs:

- *Physiological*. Includes hunger, thirst, shelter, sex, and other bodily needs.
- *Safety*. Includes security and protection from physical and emotional harm.
- *Social*. Includes affection, belongingness, acceptance, and friendship.
- *Esteem*. Includes internal esteem factors such as self-respect, autonomy, and achievement; and external esteem factors such as status, recognition, and attention.
- *Self-actualization*. Includes growth, achieving one's potential, and self-fulfilment. Theses the drive to become what one is capable of becoming (Agarwal,1982)

2.1.3. ERG Theory

Clayton Alderfer has reworked Maslow's hierarchy of needs to align it more closely with the empirical research. His revised need hierarchy is called ERG theory. Alderfer argues that there are three groups of core need—*existence, relatedness, and growth*—hence, the name: ERG theory. The existence group is concerned with our basic material existence requirements. They include the items that Maslow considered to be physiological and safety needs. The relatedness group is concerned with our desire for maintaining important interpersonal relationships. These Social and status desires require interaction with others if they are to be satisfied, and they align with Maslow's social need and the external component of Maslow's esteem need. Finally, the growth group is concerned with our intrinsic desire for personal development. This group includes the intrinsic component of Maslow's esteem need and the characteristics included under self-actualization (Schneider & Alderfer, 1973).

2.1.4. McClelland's Theory of Needs

McClelland's theory of needs was developed by David McClelland and his associates to help explain motivation. The theory focuses on three needs: achievement, power, and affiliation. They are defined as follows:

- ***Need for achievement.*** The drive to excel, to achieve in relation to a set of standards, to strive to succeed.
- ***Need for power.*** The need to make others behave in a way that they would not have behaved otherwise.
- ***Need for affiliation.*** The desire for friendly and close interpersonal relationships. Some people have a compelling drive to succeed. They are striving for personal achievement rather than the rewards of success per se. They have a desire to do something better or more efficiently than it has been done before. This drive is the achievement need (nAch). From research into the achievement need, McClelland found that high achievers differentiate themselves from others by their desire to do things better. The need for power (nPow) is the desire to have impact, to be influential, and to control others.

Individuals high in nPow enjoy being “in charge,” strive for influence over others, prefer to be placed in competitive and status-oriented situations, and tend to be more concerned with prestige and gaining influence over others than with effective performance. The third need isolated by McClelland is affiliation (nAff). This need has received the least attention from researchers. Individuals with a high affiliation motive strive for friendship, prefer cooperative situations rather than competitive ones, and desire relationships that involve a high degree of mutual understanding (McClelland, D., 1961).

2.1.5. Motivation-Hygiene Theory

The Motivation-Hygiene Theory was proposed by psychologist Frederick Herzberg. Herzberg investigated the question “What do people want from their jobs?” in an effort to determine what might lead to a person’s success or failure at work. He found that intrinsic factors—such as *achievement, recognition, the work itself, responsibility, advancement, and growth*—seem to be related to job satisfaction. Herzberg also found that there were characteristics that led to job dissatisfaction. The factors that caused dissatisfaction were extrinsic—such as company policy and administration, supervision, interpersonal relations, and working conditions. Herzberg’s research led him to conclude that the opposite of satisfaction is not dissatisfaction, as was traditionally believed. Removing dissatisfying characteristics from a job does not necessarily make the job

satisfying. Herzberg explained that the factors leading to job satisfaction were motivators that are separate and distinct from the hygiene factors that lead to job dissatisfaction. Thus managers who try to get rid of factors that create job dissatisfaction can create more pleasant workplaces, but not necessarily more motivated ones. Hygiene factors include *company policy and administration, supervision, interpersonal relations, working conditions, and salary*. When these factors are adequate, people will not be dissatisfied; however, neither will they be satisfied. Motivating factors include achievement, recognition, the work itself, responsibility, and growth. Herzberg, F. (1986).

2.1.6. Vroom's Expectancy Theory

Vroom's Expectancy Theory is widely accepted explanation of motivated and deals with coupling of three beliefs. The belief that effort will lead to a good performance appraisal Good appraisals will lead to organizational rewards and Organizational rewards will satisfy the employee's personal goals. The relationship between these three beliefs and the strength of the links between them are the focus of this theory (Armstrong, 2012).

A effort- performance relation; is defined as the probability perceived by the individual that exerting a given amount of effort will lead to successful performance. If the employee believes that effort will not result in successful performance or that the performance will not be accurately reflected in the performance appraisal, little effort will be expended.

B performance –reward relationship; the degree to which the individual believes that performing at a particular level will lead to attainment of a desired outcome, unless the relationship between strong performance appraisals and rewards is clear, little effort will be expended to achieve those high appraisal marks the degree to which organizational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individual are elements of motivation; but need to be tailored. Unless organizational rewards are tailored to individual employee wants and needs, they will not be very motivational and little effort will be expended.

2.2. Customer satisfaction

Customers perceive service in terms of quality, but how satisfied they are with the overall Experience, is what defines their satisfaction. Kotler et al (2006) points out that whether the buyer is satisfied after purchase depends on the offer's performance in relation to the buyers expectations. Satisfaction can be acknowledged in various senses depending on what needs the customer had before the service; it ranges from feelings of fulfillment, contentment, pleasure, delight, relief, and ambivalence. Although it tends to be measured as a static quantity, it is dynamic and evolves over time being influenced by a variety of factors.

2.2.1. Determinants of customer satisfaction

Customer satisfaction is a measure of many factors from the customer's expectation to the actual experience, but as regarding the nature of services where the product is intangible, many of the factors will depend on the human factor of the service.

Looy et al (2003), further spells out other factors that also determine it:

Product and service features: by the customer's evaluation of the product or service features.

Consumer emotions: the state of a customer's mind also contributes to his satisfaction of a product or service.

Perceptions of equity or fairness: their perception of how fair they have been treated influences their perceptions also.

Other consumers, family members, or co-workers: the influence of other people based on their reactions or expressions influences the customer's perception also.

Attributes of service success or failure: the way the customer perceives the causes of events, since for many services customers take partial responsibility for the way things turn out.

2.3. Empirical Review

A study on motivation factors conducted by Kindu (2001) to explore the extent to which working environment had an effect on productivity in textile industry in Ethiopia, revealed that it had a significant impact on productivity as employee who were placed in a safe working environment where they were given a time schedule, they were not overworked, they were not given enough resources to keep themselves safe from any chemicals or harmful substances, awarded sufficient rest periods and unbiased shift working programs performed better than those who were not adequately situated. Also the study noted that work condition at the textile industry, were also lacking he finally concluded that if workers morale was good resulting from their safe and habitable work environment it could result in a rise of productivity.

Another study by Danish Ahmed Siddiqui (2019) this paper aims to study the effects of intrinsic and extrinsic motivation on employee's performance. The study was aimed to discuss how the extrinsic and intrinsic motivation can hinder or increase the motivation level of employees. From this study, we can conclude and analyze that managers must be motivating their employees to get better performance. Not only the monetary rewards, but the non-monetary benefits are also a source of motivation for the employees. We recommend the immediate managers that they must not only assign the tasks to the employees but also keep an eye on the motivation of employees as well. The HR department must also check not only for the monetary rewards of the employees like bonuses and appraisals but the intrinsic needs of the employees must also be kept in mind. There is an implication for the top management too other than the immediate managers. The top management must also keep an eye on the extrinsic and intrinsic motivators. They can become good leaders if they motivate each and every employee according to their needs. Obviously, every employee has different needs and every employee needs a different motivator for the better performance. Not all employees need a monetary reward in order to perform better. While for some of the employees, monetary reward is all they want and they perform better if they are motivated extrinsically too

H1: There is a significant and positive influence of *work environment* for employees on customer satisfaction.

(Kadir, 2019), studied the effect of Compensation and benefits towards Employee performance at XYZ College, Malaysia. Based on the result, it is found that there is a positive correlation between compensation and employee performance. Employees are one of the organization valuable resources because an organization cannot be operating if there is no human being to manage and handle the whole operation process. Compensation and benefit plays a significant role for the organization that aims to accomplish their objectives and goals. The poor compensation and benefits scheme will lead to low satisfaction; low performance level and increased absenteeism in employee and the outcome will decrease.

H2: There is a significant and positive influence of *pay and benefits for employees* on customer satisfaction

(Alemnew, 2014) , also investigates the relationship and impact of job satisfaction on employee job performance at Development Bank of Ethiopia. Descriptive statistics, correlation and regression analysis were used to analyze the study. Pay, promotional opportunities, co-workers, supervisor and work itself are considered as variables that affect job satisfaction of employee. The study finding conclude that job satisfaction have a strong positive impact on job performance. In addition, there was a moderately positive correlation between pay, promotional opportunities, co-workers, work itself and job performance and a strong correlation between supervisor and job performance.

H3: There is a significant and positive influence of *management systems* for employees on customer satisfaction

Service employees on the front line are regularly under pressure due the unexpected conflicts and challenging interactions with customers, which can affect the performance of employees and result in loss of revenue and extra cost for an organization. Working under unpleasant climate also can result in lack of motivation and increase the risk of making errors in variety of tasks associated to employee role in an organization. There are positive relationships between customer orientation and employee's job satisfaction, performance, motivation, and support for organizational change. Motivation is essential for the employee's transformation of social and technical skills into customer-oriented behaviour (Henning, 2004).

2.4. Conceptual Framework

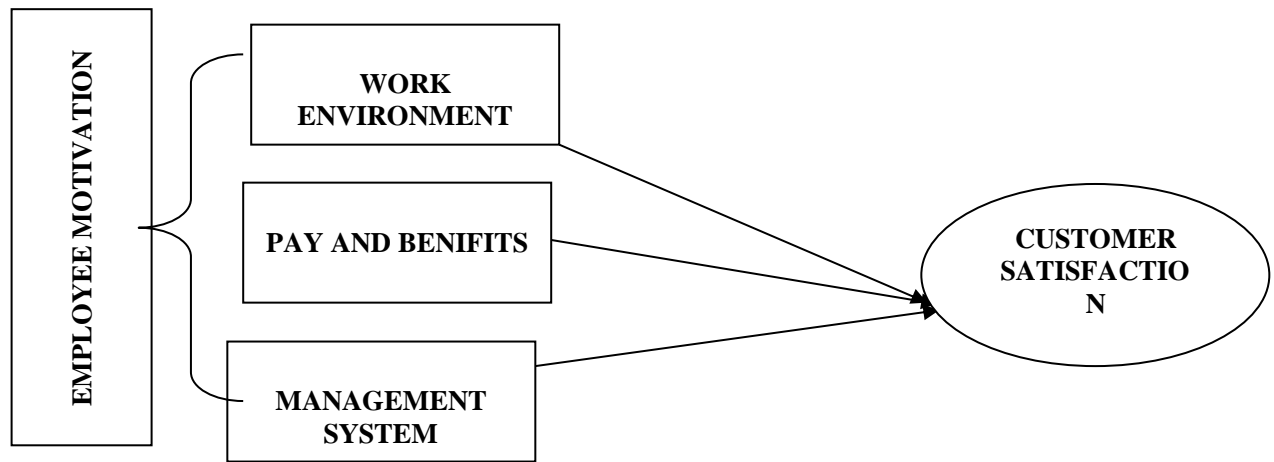


Fig.1 Ahmad Bilal M, Et Al., (2012) / Awoke, M. (2020)

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter deals with the research design and the methodology that will be used in gathering data for the study. It contains the research design, sampling procedure, and the sample size, type & source of data, population of the study, data collection procedure and data analysis techniques, reliability and validity and ethical consideration

3.1. Research Design

This study adapts explanatory research design which non-experimental research design. Explanatory research design is an in-depth investigation, which shows cause-effect relationship between or among variables (anything that can be measured quantitatively). The purpose of the study is to investigate the main determinants of employee's satisfaction and their effect on job performance. (Creswell, 2009) asserts that explanatory research is useful for identifying the type of association, explaining complex relationships of multiple factors that explain an outcome, and predicting an outcome from one or more predictors. It is also helping to determine how events occur and which ones may influence particular outcomes. (Algozzine, 2006).

3.2. Research Approach

Quantitative approach is used in this study; *Quantitative research* is the systematic and scientific investigation of quantitative properties and phenomena and their relationships. The objective of quantitative research is to develop and employ mathematical models, theories and hypotheses pertaining to natural phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of an attribute (Ethridge, 2004).

Correlation and regression analysis is applied to show the relationship and effect. Correlation enables studies in which “investigators use a co-relational statistical technique to describe and measure the degree of association or relationship between two or more variables” (Creswell, 2009).

The regression model is appropriate for this study because the degree of association between several motivation factors and employees performance can be expressed numerically

3.3. Data types and sources

Primary data refers to the data discovered during the researcher’s investigation which can be obtained through several techniques such as a questionnaire, interviews observation, tests, or experiments. This research employs the questionnaire which is a research instrument consisting of a series of questions and other prompts for the purpose of collecting the information required from respondents.

Secondary data is the data that has previously been gathered by someone and can be accessed by researchers. Both primary and secondary data will be used as a data type of this study. The primary data will be collected by questionnaires from the staff of ground operations. The secondary data is collected from different HR manuals, documents, research papers, and the college portal.

3.4. Population of the study

Population can be defined as all people or items (unit of analysis) with the Characteristics that one wishes to study. The unit of analysis may be a person, group, organization, country, object, or any other entity that you wish to draw scientific inferences about Bhattacharyya, D.K. (2006) Thus, the target population for this study will be the customers and employees The Company under study will be organized based on three different and independent districts in Addis Ababa. As a result the population belongs to these categories tend to have homogenous behaviour. Hence taking in to account the nature of the study and structure of the company, the researcher implements a stratified random sampling technique to have a more representative sample. In other words, each District considered as a stratum and the sample determined proportionally in each of the stratum that can provide the biggest representation factor

Based on the company headquarter report as of December, 2022 it has 8766+ permanent employees and among these 4,370 employees were assigned in Addis Ababa. Out of these 4,370 Addis Ababa employees, a total of 407 employees were staffed under customer service which further distributed in the selected District branches and head office. As a result 407 employees take as the total population of this study based on the count of employees within the mentioned offices.

3.5. Sampling procedure

Sample size

Sampling frame contains a list of contact people from where sample is drawing. Therefore in Addis Ababa city Bank of Abyssinia customer service officer's organizational structure has segmented in to the three branches and head office. Based on the company headquarter report as of December 2021, it has 8700+ permanent employees and among these 4,370 employees were assigned in Addis Ababa and nearby outlying branches types as clerical and non clerical staffs, Out of these 3,579 Addis Ababa employees, were staffed under customer service which further distributed in each of the District. As a result 407 employees from both districts is taken as the total population for the purpose of this study.

Using this Sampling formula:-

$$\text{Sampling formula} = \frac{(Z^{\alpha}/2)^2 p.q}{e^2}$$

Taro Yamane Formula (Yamane, 1973)

Each District considered as a stratum and the sample determined proportionally in each of the stratum.

N = Total Population
P = Sample proportion success
q = Proportion of defect
n = Sample size
e = acceptable error (Precision level)
 α = Significance level
Standard variant at a given confidence level
Z = level

| No. | District | List of offices | Population size | Sample size |
|--------------|----------|-----------------|-----------------|-------------|
| 1 | East | Bole | 60 | 30 |
| 2 | West | Merkato | 47 | 23 |
| 3 | Central | Ras | 50 | 25 |
| 4 | Central | Head Office | 250 | 120 |
| Total | | | 407 | 198 |

As for data from the customers, this study will use structured questionnaire for primary data collection. The questionnaire will be in both English and local language Amharic. Research participants are drawn from existing customers of all services of Bank of Abyssinia. The research is conducted in Three District offices found in Addis Ababa.

Sampling Technique

In this study, the researcher used a cluster sampling technique which is one type of random sampling techniques. Cluster sampling is a probability sampling method in which you divide a population into clusters, such as districts or schools, and then randomly select some of these clusters as your sample. The clusters should ideally each be mini-representations of the population as a whole Simple random sampling is a type of probability sampling in which the researcher randomly selects a subset of participants from a population. Each member of the population has an equal chance of being selected. Data is then collected from as large a percentage as possible of this random subset. It is also used to make statistical inferences about a population and helps .in order to reduce sampling error and to insure adequate representation of all groups. (Creswell, J. W. 2009)

Therefore each distinct office/ branch is going to be the population as the researcher used a cluster random sampling technique because the populations should have equal chances of being selected as sample subjects in this study and it will be drawn from the total population of staff in the areas selected.

3.6. Data gathering instruments

A questionnaire is prepared first hand to better categorize the work motivational components and to better answer the hypothesis proposed, based on different kinds of literature. A five-point (1 - 5) Likert scale instrument (strongly agree to strongly disagree) will be used as a measurement scale

The present study shows the impact of the employee satisfaction on customer satisfaction in bank of Abyssinia. To conduct the study will more authentic the researcher uses two questionnaire one for the Employee satisfaction and second for the customer satisfaction. The questionnaire will prepare in English language and translated to Amharic, only for customer satisfaction survey.

Before full scale survey, a sample of 198 respondents were selected and given the prepare questionnaire to fill. Based on feedback received from the test respondents few modifications will be made in order to make it more clear and understandable to the full scale survey respondents.

3.7. Data Analysis Technique

Initially, Croanbach's alpha was used to test validity and reliability of employee motivation and customer satisfaction. A descriptive statistics technique is conducted and analyzed with frequencies and percentages and inferential statistics is used to draw conclusions about the reliability and generalize ability of the findings. Accordingly, Pearson correlation analysis and regression analysis was used to test the relationship between employee motivation (independent variable) and customer satisfaction (dependent variable) respectively.

3.8. Reliability and Validity

Reliability is the extent to which results are consistent over time and accurate of the total population under study. It is a measure of the degree to which a research instrument yields consistent results after repeated trials. The reliability is a coefficient measure of the extent of reliability. A higher coefficient leads to better reliability.

To examine the internal consistency and reliability of the instrument, the alpha coefficient

was applied.

Cronbach's alpha statistics is frequently used as an indicator of the reliability of a questionnaire, demonstrating that subjects show the same response pattern throughout the questionnaire and where the results several sessions, over time (test-retest reliability) hence the reliable range of the Cronbach's alpha coefficient applied to this study after the pilot completed in order to test the questions reliability and validity (Cronbach, 1951).

The Cronbach's alpha internal consistency coefficient was used to estimate the reliability of each of the scales. Acceptable limits of alpha were set at a minimum of 0.70 (Cronbach, 1951).

Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. Validity plays a vital role in the study it determines whether the validity of the study will measure according to the research objective set.

Content validity of the research instruments was established to ensure that they reflect the content of the study concepts. Construct validity refers to the ability of a measurement tool like (survey, and experiments, etc.) whether the operational definition of variables actually reflects the true meaning of the theoretical meaning of concept.

Reliability tests were conducted on all the work environment variables as well as employee performance measure that were used in the study. In line with this understanding, the reliability statistics of overall variables under the study is found as 87.5% which is acceptable for further analysis of the data

Table 1. Cronbach's Alpha

| Cronbach's Alpha | Variable Levels |
|------------------|-----------------|
| 0.875 | 27 |

3.9. Ethical Consideration

Ethical Considerations can be specified as one of the most important parts of the research. Dissertations may even be doomed to failure if this part is missing.

The following ten points represent the most important principles related to ethical considerations in dissertations:

- Research participants should not be subjected to harm in any ways whatsoever.
- Respect for the dignity of research participants should be prioritized.
- Full consent should be obtained from the participants prior to the study.
- The protection of the privacy of research participants has to be ensured.
- Adequate level of confidentiality of the research data should be ensured.
- Anonymity of individuals and organizations participating in the research has to be ensured.
- Any deception or exaggeration about the aims and objectives of the research must be avoided.
- Affiliations in any forms, sources of funding, as well as any possible conflicts of interests have to be declared.
- Any type of communication in relation to the research should be done with honesty and transparency.
- Any type of misleading information, as well as representation of primary data findings in a biased way must be avoided.

CHAPTER FOUR

DATA ANALYSIS, DISCUSSIONS AND INTERPRETATIONS

Data analysis part of the study presents the analysis and findings in order to respond to the research questions raised in the study and discussion of the subject under consideration. For the purpose of this research, the researcher chooses quantitative research design performed on the basis of cross sectional study allowing the researcher to compare many different variables at the same time. This chapter of the study clarifies the completeness of the collected data and as it was analyzed thoroughly.

A total of 198 questionnaires were distributed of which 182 are returned and completely filled with the response rate of 91.9%

The raw data set was first coded and entered into the computer for processing using statistical package and frequencies were calculated to present the general information about respondents of bank of Abyssinia. Reliability and validity tests are done prior to the analysis.

The study also used correlation analysis specifically pearsons correlation to measure the degree of association between different variables under consideration. Correlation and ANOVA analysis was also carried out to investigate the association of each variable and p value of less then will be used as a cut off point which shows significance of the variables.

3.1. Response rate of respondents

Table 2. Response Rate

| Questionnaires distributed | Questionnaires returned | % |
|----------------------------|-------------------------|------|
| 198 | 182 | 91.9 |

As shown in the above table regarding response rate of respondents 198 questionnaires were distributed 182 returned with the rate of 91.9% based on this next analysis was carried out.

3.2. Demographic profile of the respondents

The general information of respondents considered in the study was the respondents age, gender, educational level and work experience.

Table 3. Demographic results

| No | Factor | Category | Frequency | Percentage |
|----|---------------------|------------------------|-----------|------------|
| 1 | gender | Male | 79 | 43.4 |
| | | female | 103 | 56.6 |
| 2 | age | 18-30 | 66 | 36.3 |
| | | 31-40 | 89 | 49.4 |
| | | 41-50 | 18 | 10.1 |
| | | 50+ | 9 | 4.2 |
| 3 | educational level | diploma | 12 | 6.1 |
| | | first degree | 128 | 70.8 |
| | | masters degree | 42 | 23.1 |
| 4 | years of experience | less than one year | 13 | 7.3 |
| | | one year - two years | 51 | 28.2 |
| | | two years - five years | 95 | 51.5 |
| | | five years - ten years | 15 | 8.5 |
| | | ten years and more | 8 | 4.5 |

Source : Research Findings, 2022

As shown on the table above, the respondents gender profile shoes that 56.6% of the respondents were female while the rest 43.4% of the respondents were male. Therefore the higher proportion of the samples is take from the females.

Much of the respondents age is from 31 to 40 years of age which accounts 49.4% from the total samples and the second is 36.3% is from 18 to 30 with those between ages of 41 to 50 accounting for 10.1% and the least sample is from the age group 50 and above which accounts only4.2%, which can be interpreted as per this study majority of the employees from sampled offices are between 31-40 years of age which may reflect the bank trying to retain experienced employees instead of recruiting fresh applicants.

As it is well known from the bank perspective, most of the actors are recruited from the first degree program. The highest samples are also from this program indicating 70.8% from the total samples taken for the study and these employees are the highest in representing the work environment.

The next one is second degree and above which contributes 23.1% of the total samples taken for the study. The least is diploma accounts only 6.1%.

7.3% of respondents account for those who have worked with the bank for less than one year, and 28.2 % who have worked at the bank between one or two years the largest section of the respondents consisted of those who worked at the bank between 2-5 years which are calculated to be 51.5% which may indicate the bank incurs turnover issues with employees seeming to mainly stay at the bank for a maximum of 5 years which is shown in the gap between that range and that of those who worked at the bank from 5-10 years which is 8.5% which is a major decrease with 10 years and above accounting for the least 4.5% of respondents.

3.3. Descriptive Analysis

There are three core determinant variables that can affect the employee performance and in turn customer satisfaction, these are the work environment of employees, management system and pay and benefits package provided to employee. These determinant variables are assessed one by one and each factor perception by the employees are analyzed with the dependent variable.

Table 4. Descriptive dimensions of work environment

| Items | mean | std. deviation |
|--|------|-------------------|
| There is no noise pollution in the workplace | 3.05 | 1.179 |
| The design of the office space is attractive to work in | 3 | 1.154 |
| The moods and attitudes of co-workers are positive and provides a conducive environment | 2.94 | 1.088 |
| Technology and equipment in the company are generally updated, in good condition and available to every employees who needs them | 2.9 | 1.106 |
| People of all cultures and backgrounds are respected and valued at the bank | 2.76 | 1.175 |
| Does the workload assigned to you allow you to achieve a healthy work-life balance | 2.7 | 1.128 |
| Aggregate Average Mean | 2.89 | |

As shown in the table above, the employees' perception towards noise pollution within the working environments has got 3.05 with a standard deviation of 1.179 which indicates the bank should have to do more in reducing the noise pollution better in relative to the other dimensions of

work environment factors. The mean of the other sub-dimensions is below 3 indicating some slight positive perception by the employees of the bank except office space design which has neutral opinion. Generally, respondents' response suggests the management of the bank should focus on the physical work environment variables a lot because most of the responses are nearer to neutral. Specifically, the management should work on the providing an attractive work space and an area with reduced noise pollution in order for the employees to effectively work.

Likert scale measurement = 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree

Table 5. Descriptive dimensions of management system

| Items | Mean | Std. Deviation |
|--|-------------|----------------|
| Employees have a clearly established career path. | 2.64 | 1.209 |
| constructive performance feedback is provided timely by manager | 2.65 | 1.105 |
| performance expectations & Ideas are clearly communicated to employees | 2.63 | 1.089 |
| Employees get support from their supervisors via coaching and supervision. | 2.63 | 1.064 |
| Employees are given the freedom to voice their opinion | 2.5 | 1.08 |
| importance of team building and team work is well emphasised throughout the company | 2.49 | 1.045 |
| Supervisors and managers are fair and considerate in giving constructive criticisms or | 2.47 | 1.067 |
| Aggregate Average Mean | 2.57 | |

From the table 5 above, it shows that the management system factors have positive or agree responses rather than the work environment variables. The work environment factor variables mean is equal to 2.93 but all the management system variables mean is equal to 2.41. The highest positive goes to the dimension of "Supervisors and managers are fair and considerate in giving constructive criticisms or express their disapproval or disappointment to employees who fail to perform within the expected standards;" . Mean values nearer to 2 and even below are agree responses. The least positive is "constructive performance feedback is provided timely by your manager" from the other dimensions of management system factors, which means much work on providing constructive feed back to employees is expected.

Table 6 Descriptive dimensions of pay and benefits

| Items | mean | std. deviation |
|---|------|-------------------|
| Employees who perform well in their jobs are given tangible rewards | 2.71 | 1.133 |
| Praise and recognition to employees who have performed well | 2.46 | 1.088 |
| non-financial compensation package the bank provides is equitable and satisfying | 2.42 | 1.02 |
| are you satisfied with bank of Abyssinia benefit package (leave, transportation allowance) | 2.41 | 1.041 |
| Aggregate Average Mean | 2.5 | |

As responded by the participants of the bank since their means starting from the lower 2.41 up to 2.71. The response that the bank provides a satisfactory benefits package for employees has a mean of 2.46 which is relatively positively responded from the other dimensions of the pay and benefits factor.

The least dimension from the pay and benefit factor variables that have positive response is “Employees who perform well in their jobs are given tangible rewards such as special wage increases, bonuses, additional benefits.” Which hold a mean of 2.65? So the bank management is expected to work more on recognizing outstanding employee performance not only by stats but by assigning senior members of management to track interaction of employee on the daily to give a more comprehensive view of their overall achievement and make its employees satisfied by rewarding them who in turn will be willing to be more productive to achieve and arrive on the common goal.

In summarizing the mean values based on aggregate of each dimensions that affect employee motivation, the highest value goes to work environment which indicates much more effort and management should be done in the physical work environment by providing an attractive noise free work space for efficient achievement of daily tasks and organizational goals, the second one is management system and pay and benefits factor who sit relatively lower in rank but are also major indicators of employee satisfaction / dissatisfaction at their workplace.

Table 7 Average mean responses of factors affecting employee motivation

| Items | Average Mean Responses |
|--------------------|------------------------|
| Work environment | 2.89 |
| Management Systems | 2.57 |
| Pay and benefits | 2.5 |

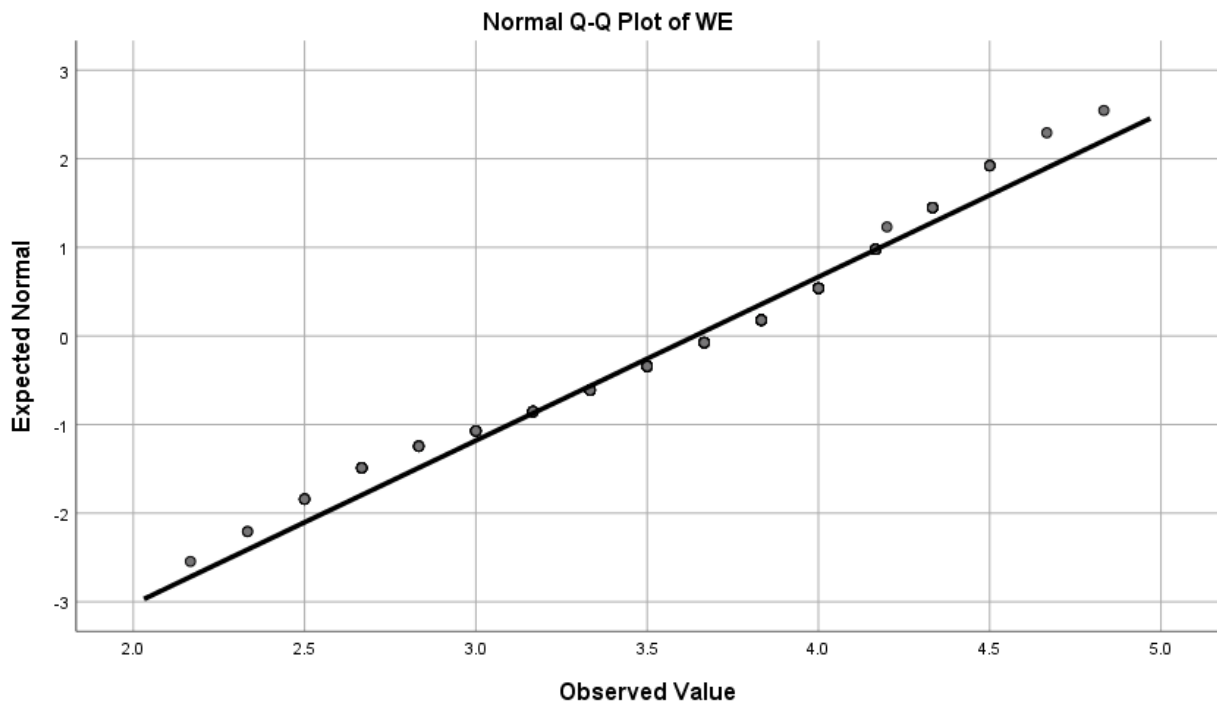
All items of the management system factors that affect employee motivation are positively correlated with employee motivation and their effect on customer satisfaction so the hypothesis is accepted.

All the items under the pay and benefit variable are significantly and positively related with employee motivation in turn resulting in customer satisfaction except the item “non-financial compensation package the bank provides is equitable and satisfying“ which is deemed as not significant. the hypothesis here is also accepted because there is also a positive relationship between the pay and benefit and the dependent variable.

4.4. Statistical Assumptions

Normality: This assumption states that if we collect many independent random samples from a population and calculate some value of interest (like the sample mean) and then create a histogram to visualize the distribution of sample means, we should observe a perfect bell curve.

Table 10 : Normality Q-Q plot of Work environment variable

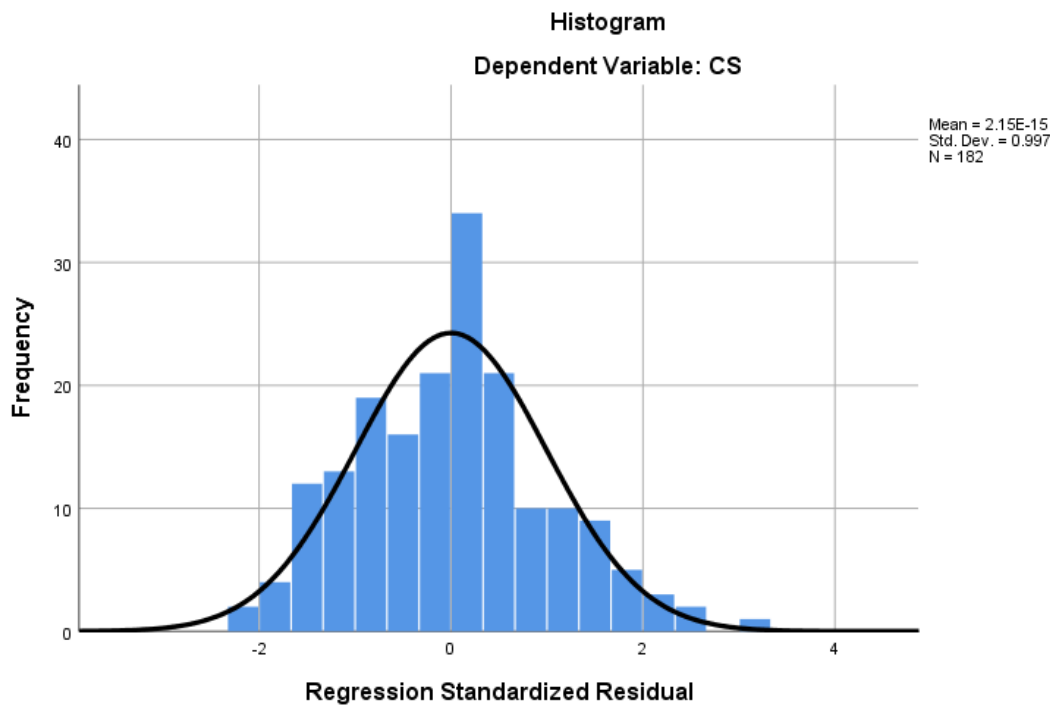


Autocorrelation: is the measure of the degree of similarity between a given time series and the lagged version of that time series over successive time periods. It is similar to calculating the correlation between two different variables except in Autocorrelation we calculate the correlation between two different versions X_t and X_{t-k} of the same time series.

Heteroscedasticity:

A cone-like shape is seen when heteroskedastic dispersion is plotted on a graph. This depicts errors in variance. Most real-world data exhibit heteroskedasticity. An unequal scatter is more likely—this becomes a problem for regression assumptions. Researchers alter the statistical model in an attempt to find better results.

Dispersion is a means of describing the extent of distribution of data around a central value or point. Lower dispersion indicates higher precision in data measurements, whereas higher dispersion means lower accuracy.



4.5. Model Summary of the Regression Analysis

The research is further analyzed by the help of regression analysis to determine the statistical relationship between two or more variables (This regression analysis is conducted to know by how much the independent variable explains the dependent variable). Each explanatory variable has one coefficient. These coefficients give the estimated change in the dependent variable associated with a unit change in the independent variable.

The Regression result between the work environment variables and explanatory variables, coefficients, standard errors, t-values, and p-values for explanatory variables, and R-squared,

Adjusted R-squared, Standard Error of regression, F-statistic, Prob (F-statistic) for the regression, and number of observations included in the study are presented.

Table 12 :Regression

| Model | R | R Square | Adjusted R Square | Std Error of the Estimate |
|-------|-------|----------|-------------------|---------------------------|
| 1 | .531* | .282 | .272 | .932 |

Source: data processor output, 2022

R^2 is 0.28 and adjusted R^2 is 0.27

The model summary shows that the independent variables- work environment management system and pay and benefit factors explain 28 % of the dependent variable (Employee motivation). In other words, 28% of the total variation of Employee motivation is explained by the explanatory variables.

The adjusted R-square is a modified version of r-square that accounts for predictors that are not significant in a regression model. It shows whether adding additional predictors improve a regression model or not, it shows that additional input variables are not adding value to the model. Adjusted R square is a measure of explanatory power, not fit. You can generate lots of data with low adjusted r-square, because it is not expected for models to include all relevant predictors to explain an outcome variable. (Especially in the social and behavioural science areas). It should be noted that r-square even when small can be significantly different from 0, indicating that your regression model could still have statistically significant explanatory power.

- If the r^2 is low but the independent variables are statistically significant coefficients continue to represent the mean change in dependent variables given a one unit shift in the independent variable therefore it is possible to draw a vital conclusion.

The coefficient of determination is a measure of goodness of fit for the estimated regression and it can be interpreted as the proportion of the variation in the dependent variable that can be explained by the estimated regression equation. The fit of a multiple regression model can be judged through multiple correlation coefficients (R^2) or by the examination of residual, which is the proportion of variance in the dependent variable that can be explained by the independent variables (technically, it is the proportion of variation accounted for by the regression model above and beyond the mean).

Table 13 : R²

| Model | Sum of squares | df | Mean Square | F | Sig. |
|------------|----------------|-----|-------------|-------|-------|
| Regression | 72.153 | 3 | 21.051 | 27.68 | .000b |
| Residual | 183.336 | 211 | .869 | | |
| Total | 255.488 | 214 | | | |

a. Dependent variable

b. predictors

source :data processor output, 2022

The overall significance of the model is measured by F-test. As clearly seen in the above equation, the F-value is 27.68 and P-value is below 0.01 which indicates that the researcher is 99 % confident on the overall significance of the model.

Table 14: coefficients²

| Model | Unstandardised coefficients | | standardised coefficients | t | Sig. |
|----------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| (constant) | .409 | .291 | | 1.407 | .161 |
| AggWorkEnv | .103 | .072 | .090 | 1.437 | .154 |
| AggManagSystem | .236 | .236 | .155 | 2.359 | .019 |
| Aggpaybenefit | .725 | .725 | .470 | 6.794 | .000 |

a. dependent variable :

Among the explanatory variables that are work environment, management system pay and benefits: management system and pay and benefits factors are statistically significant at 5 percent and 1% respectively as their P-value is less than 0.05 in the regression output.

Unstandardized coefficients indicate how much the dependent variable varies with an independent variable when all other independent variables are held constant. 0.409 is the constant term, -0.103, 0.236 and 0.725 are coefficients of work environment, management system and pay & benefits.

Analysis of variance: In its simplest form, ANOVA provides a statistical test of whether the population means of several groups are equal, and therefore generalizes the t-test to more than two groups. ANOVA is useful for comparing (testing) three or more group means for statistical significance. It is tested to check the presence of common mean among various groups.

A Student's t-test will tell you if there is a significant variation between groups. A t-test compares means, while the ANOVA compares variances between populations. As the groups grow in number, you may end up with a lot of pair comparisons that you need to run. ANOVA will give you a single number (the f-statistic) and one p-value to help you to determine the variable is significant or not

Significant difference in means of all the dimensions work environment, management system and pay & benefit factor is found with respect to employee motivation and customer satisfaction since p-value is greater than 0.05 except dimensions mentioned above.

4.6. Discussion

The above results and analysis is based on findings from the distributed questionnaires, of which the questions were derived from the literature review keeping in mind the dependent and independent variables undertaken, like various theories of motivation for employees to perform at their job and in turn their propensity to provide satisfactory customer service and provide a that environment for customers. Based on the researcher's personal experience, from being in the actual work place of where the study is conducted, it provides first hand information about the work environment.

Based on previously mentioned literature it is clear that employee motivation is influenced or affected by various variables that also include (Work environment, management system and pay benefit) were selected as measurement independent variables to explain factors that affect employee motivation's within bank of Abyssinia selected offices.

It has been observed by the researcher personally that the bank has performed unreserved efforts and well aware that the top management and other line managers as per their levels for their expected motivational set up. The motivation of the bank employees is highly improving because of the higher salary and benefit packages that the Bank is currently introduced to the employee and this clearly indicates has an impact on the performance of the workers and that motivational tools should be in place in the today's dynamic financial competitive environment; hence, the bank should be trying to set a system which the current or the new comers of employee should be well motivated to perform the required activities for the long term vision of the bank. It should also be underlined that as motivation is present in every life function, and that the majority of the staff would do their job better when they are motivated.

It is also indicated that they would work better with their colleagues and keep customer service quality. When staffs are motivated with the right tools like salary and different allowances as they are the desired motivators, it would lead them for better and high performance. The managers and supervisors are comfortable with working with the whole workplace factors that influence employee motivation. In turn if employees are more motivated, it will lead them better performance. If the task requires them to take use of a variety of skills, allows employees to acquire new competencies and impacts on overall workers' performance.

CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of Major Findings

The effect of each of the independent variables is examined and the result reveals us that the bank should have to do more in making the work environment attractiveness better in relative to the other dimensions of factors that affect employee motivation. Respondents' response suggests the management of the bank should focus a lot on the work environment variables.

The highest positive goes to the There is no noise pollution in the workplace. The least positive is "Supervisors and managers are fair and considerate in giving constructive criticisms or express their disapproval or disappointment to employees who fail to perform within the expected standards; they also encourage them to do better next time by giving sound advice and pointers on doing things the right way; they also encourage them to do better next time by giving sound advice and pointers on doing things the right way". The response is you satisfied with bank of Abyssinia benefit package like amount of vacation, sick leave, transportation allowance Etc...a mean of 2.41 which is relatively positively responded from the other dimensions of the pay and benefits factor. The least dimensions from the Employees who perform well in their jobs are given tangible rewards such as special wage increases, bonuses, additional benefits, etca mean of 2.71.

In summarizing the mean average of each factors, the highest value goes to work environment which indicates much more effort is expected and management should do on the physical work environment, the second one is management and pay and benefits component so in relative comparison, the employees are not satisfied in the physical environment of the bank which in turn highly affects their capability of providing satisfactory customer service.

5.2. Conclusions

The research paper focused on the factors that affect employee motivation and independent variables and employee performance is as a dependent variable taken for the study. The response rate was 91.9% from the questionnaire distributed which can represent the population of Bank of Abyssinia to be studied.

The reliability statistics was acceptable since of the overall variables under the study is found as 87.5% which is acceptable for further analysis of the data. Much of the respondents age is from 31 to 40 years of age which accounts 49.4% from the total samples which is the group of the population who needs due attention by the bank favorable to those age groups by the bank.

Among the major factors considered in this study, management system variables are highly related to employee performance in a more significant way. On the other hand, the inter- dependent correlations in between the sub-dimensions of the three independent variables shows us that the highest inter-relationship is seen in physical and the least goes to the pay and benefits component

The work environment factor is responded less positively based on the average mean responses so signifies management concern to on weak physical work environment variables which have a negative influence in the performance of employees.

The management can take proper steps to create high morale and performance among employees. In view of the research conducted, there is indeed a strong correlation between employee motivation and their ability to provide satisfactory customer service

5.3. Recommendations

As the research output revealed, the work environment variables should need due consideration on the followings:

- ✓ From the work environment perspective of the BOA to be conducive, the bank must keep an eagle eye on the interior design, infrastructure and in creating no noise in the working life of the employees so as to keep better employees performance.
- ✓ From the management system area of the bank, the bank should involve on participating employees in decision matters so as to create belongingness to their bank.
- ✓ The bank management bodies should work for more conducive and creative environment along with rewards and recognition to its employees.
- ✓ Job Rotation is also needed within the whole bank because it is harmful to the work to keep the same people doing the same job day in day out, it can cause lack of fresh ideas and transformations from a possible new prespective.

Recommendation for future research

To conduct a comparative study on the impact of employee motivation among the public and private sector to have a wider understanding of this intricate concept. Future research should also concentrate on one of the several factors (either extrinsic or intrinsic) factors and control for the other so as to establish exactly the manner and extent in which the chosen factors do determine employee motivation. Future researcher should use the current study as part of their literature review and conduct more research on the issues that this studies has examined in order to improve the current study and the general understand of employee motivation.

APPENDIX

ST. MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES PROGRAM
MBA PROGRAM



Questionnaire

Dear Respondents

I am a prospective MBA Graduate student at St. Mary’s University School of graduate studies, I am currently collecting data to include in my thesis. The purpose of this questionnaire is to collect primary data for conducting a study on the topic “**THE IMPACT OF EMPLOYEE MOVITATION ON CUSTOMER SATISFACTION: THE CASE OF BANK OF ABYSSINIA**” As partial fulfilment to the completion of master of business administration at St. Mary’s University. In this regard I kindly request you to provide reliable and accurate responses to the best of your abilities, so that the study can meet its intended purpose. I strongly assure you of the confidential treatment of your answers and I would like to extend my deep heart thanks in advance for being a volunteer to devote your valuable time in filing this questionnaire.

Direction

- No need to write your name
- Answer by making a √ mark

Part One: Demographic Characteristics

1. Gender: Male ☐ Female ☐

2. Age: 18-30 years ☐ 31-40 years ☐ 41-50 years ☐ above 50 ☐

3. Educational Level:

Diploma ☐ First Degree ☐

Second/Masters Degree ☐

4. Years of experience (in present organization)

☐ Less than one year

☐ One year to less than two years

☐ Two years to less than five years

☐ Five years to less than ten years

☐ Ten years or more

Instruction: The statements below describe work situations that are considered as ideal for an organization in the sense that both employer and the employees will benefit from them. Your task is to rate each statement based on how you perceive it as true or applicable in Bank of Abyssinia S.c, based on your own experience in your current job. The ratings are shown below, followed by an example. Please answer as truthfully as you can. Be assured that individual answers shall remain confidential. Thank you. Rating, Strongly Agree (SA) = 5, Agree (A) =4, Neutral (N) =3, Disagree (D) =2, Strongly Disagree (SD) = 1

| S. No | Motivational Indicators in Bank of Abyssinia | Level of Agreement | | | | |
|----------|--|--------------------|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 |
| A | Work Environment | | | | | |
| 1 | There is no noise pollution in the workplace | | | | | |
| 2 | The design of the office space is attractive to work in (lights, chairs, desks etc..) | | | | | |
| 3 | The moods and attitudes of co-workers are positive and provides a conducive environment | | | | | |
| 4 | Technology and equipment in the company are generally updated, in good condition and available to every employees who needs them | | | | | |
| 5 | People of all cultures and backgrounds are respected and valued at the bank | | | | | |
| 6 | Does the workload assigned to you allow you to achieve a healthy work-life balance | | | | | |

| S.No | Motivational Indicators in Bank of Abyssinia | 1 | 2 | 3 | 4 | 5 |
|----------|--|---------------------------|---|---|---|---|
| B | Management System | Level of Agreement | | | | |
| 1 | Employees in Bank of Abyssinia have a clearly established career path. | | | | | |
| 2 | constructive performance feedback is provided timely by your manager | | | | | |
| 3 | management clearly communicate in a clear manner performance expectations to employees | | | | | |
| 4 | Employees get a lot of support from their supervisors who exhibit hands on and immersive approach to coaching and supervision. | | | | | |
| 5 | Employees are given the freedom to voice their opinion or view to their immediate supervisors and they are assured that their concerns are attended to by the upper management if necessary | | | | | |
| 6 | The importance of team building and team work is well emphasised throughout the company as manifested throughout the company as manifested in the management of projects and in the job designs | | | | | |
| 7 | Supervisors and managers are fair and considerate in giving constructive criticisms or express their disapproval or disappointment to employees who fail to perform within the expected standards; they also encourage them to do better next time by giving sound advice and pointers on doing things the right way | | | | | |

| C | Pay and Benefit | 1 | 2 | 3 | 4 | 5 |
|----------|---|----------|----------|----------|----------|----------|
| | | | | | | |
| 1 | Employees who perform well in their jobs are given tangible rewards such as special wage increases, bonuses, additional benefits, etc | | | | | |
| 2 | Praise and recognition are given individually to employees who have performed well and exceeded management's expectations | | | | | |
| 3 | non-financial compensation package the bank provides is equitable and satisfying | | | | | |
| | | | | | | |
| 4 | are you satisfied with bank of Abyssinia benefit package like amount of vacation, sick leave, transportation allowance Etc... | | | | | |

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Customer Satisfaction Questionnaire

Questioner for customer satisfaction survey on Bank of Abyssinia S.C

First I would like thank you for your time. My name is Martha Solomon and I am a graduate student at St. Mary's University School of graduate studies I am conducting this study for the completion of my master Degree in MBA (Master of Business Administration In General Management). The purpose of this study is to know the impact of employee motivation on customer satisfaction on Bank of Abyssinia, You kind cooperation will help me to find reliable data and will be used only for this study. Please try to answer all stated question and I would like to thank you for your time again.

Demographic Information of respondents

1. Gender. Male ☐ Female ☐
2. Age under 21 ☐ 24-34 ☐ 35-44 ☐ above ☐
3. Occupation Student ☐ Self-employed ☐ Public employed ☐
- Private employed ☐ unemployed ☐

Please show the extent to which you believe the Bank of Abyssinia branch/district office you visited, has the features described in the statements (**1= strongly disagree 2= disagree 3=neutral 4=agree 5=strongly agree**)

| No | Customer satisfaction Dimensions | Your Level of agreement | | | | |
|----|--|-------------------------|---|---|---|---|
| | | 1 | 2 | 3 | 4 | 5 |
| 1 | The bank's staff have the required skills and knowledge about the bank's products and services | | | | | |
| 2 | The Bank's staff provide services as promised or advertised | | | | | |
| 3 | The Bank's staff are professional and have a pleasing and presentable appearance | | | | | |
| 4 | The Behaviour of customer service officers are positive | | | | | |
| 5 | Are you satisfied with the resolution provided by the assisting bank staff | | | | | |
| 6 | Employees in the bank give you prompt service | | | | | |
| 7 | The behaviour of employees in the bank instils confidence in you | | | | | |
| 8 | You feel safe in your transaction with the employees | | | | | |
| 9 | The bank's offices provide Parking facilities, accessibility and Convenience of location | | | | | |
| 10 | The employees of the bank understand your specific needs and gives you due attention | | | | | |

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