

**ASSESSMENT OF EMPLOYEE MOTIVATION PRACTICES (IN
CASE OF COMMERCIAL BANK OF ETHIOPIA GUBRE BRANCH)**



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ABSTRACT

The study was conducted to Assess employee motivation practice in the case of commercial bank of Ethiopia Gubre branch. The purpose of the study is to provide effective motivational strategies for the organization to motivate employees and enhance the overall performance of the organization. The literature review enables us to understand the various theories on the motivational practices of the organization.

The researchers develop questionnaires to collect primary data regarding what will make employees motivated in their organization the study was conducted by collecting data from “22” respondents by using questionnaires and the data was organized by using descriptive method it was established that the staff of commercial bank of Ethiopia Gubre branch are being motivated but management needs to allocate the various incentive mechanism in order to satisfy all employees in the organization.

These employees subjected to the study were employees of commercial bank of Ethiopia Gubre branch. After we gathered the desired information it was analyzed precisely using tables, percentages and generalizations and based on analysis of fact and findings, the researchers find that the method of motivation that commercial bank of Ethiopia Gubre branch used to motivate employees by both intrinsic and extrinsic method of motivation and the researchers recommend that the manager should give the chance for employees to directly participate the decision making practice of the organization

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Motivation is the energizer of human behaviour or the process of stimulating action. It is a complex combination of individual needs, drives tension discomforts and expectation. If the organization can motivate employees they become effective problem solvers and to meet and exceed customer expectations. Employees have a desire to be a part of company with positive encouraging work environment motivating strongly working relationship during the work will provide on environment that employees will want to be a part of this involves focusing employees on achievement and maintaining the equity in work plays. This idea of equity as to do with the participation of employees has their importance in relation other within the company. If employees do not believe and they are treated with equity they will not perform well (Stephen, 2003,).

Motivation is a force that influence or stimulate someone to adopt a desired course of actions and the level of employee motivation can be justly specified as one of the major factors contributing to overall organizational competitiveness (Kumar 2008, p.12). Employee motivation can be defined as influencing others in a specific way stated by the motivator, confronting with organizational constraints (Mackay 2007).Employee motivation is defined as the psychological forces which are responsible for the behaviour of employees in an organization various factors which may be internal or external stimulates the desire and enthusiasm in people and makes them committed and interested in attaining a particular goal. Every human being has skill and desires (Fred Luthans 2011).

The development and growth of business organization in a competitive business environment depends on the efficient utilization of human resources. The performance of the organization is affected by different factors such as motivation, working condition and job security taking this in to account motivating employees helps the organization to get a competitive advantage, no debut that the survival of an organization largely depends on effective and efficient management of its resource. Human resource is one of these that need to be well managed. It plays a crucial role in

achieving both the long run and short run objectives of an organization. Managing people is not as easy as managing resource this due to the complex nature of human being and as a result a single organization different people may have different personality, aptitude, believes and values there for the manager must use different strategies and skills to wards motivating employees for the survivable and best performance of the organization there is no question that money is the most important motivator for employees performance but it is important for the company to find other ways to motivate. This involves getting to know there employees and what drive them. Then making sure managers utilize appropriate motivational techniques with each employee (Bernardanin, 2008).

1.2 Statement of the problem

Motivation is crucial for organizations to function; without motivation employees will not put up their best and the company's performance would be less efficient (Halepota, 2005). Motivating employees requires a profound understanding of individual differences, human nature and perceptions. Understanding exactly what motivation is will help managers decide what actions to take to motivate their employees. Most employers today would like to have their employee are motivated, but do not understand what truly motivates them. In order to overcome these challenges, companies should create a strong and positive relationship with its employees and direct them towards task fulfilment. If the employees are not satisfied with their jobs and not motivated to fulfil their tasks and achieve their goals, the organization cannot attain success (Armstrong, 2010).The motivational tools that management generally used to increases employee motivation are financial and non-financial motivation. Financial motivation includes like rewards. Piece rate wages and non-financial motivation also includes promotion status, responsibility and making the job pleasant (Robin 2001).

The manager of the organization to considered two types of motivation which is extrinsic and intrinsic motivation. Extrinsic motivation is tangible and visible to others they are distributed by other in work place extrinsic motivation includes pay, benefits, and promotions. Extrinsic motivation also includes the drive to avoid punishment, such as termination or being transferred. It is also necessary to attract people into the organization and to keep them on the job. Intrinsic motivation is internal generated in other words they are motivators that the person associated with the task or the job itself. Intrinsic reward include feeling of responsibility, achievement,

accomplishment that something was learned from an experience feelings of being challenged or competitive or that something was an engaging task or goal. (Fred Luthans 2011)

According to Badu,(2010), as sighted by Joyceeasel mc for son The absence of effective motivation system results demoralizes employees, ill treatment of staff, low performance and productivity of the organization. At the same fashion there are different problems regarding to employee motivation in commercial bank of Ethiopia at Gubre branch.

1.3 Research questions

1. What are the problems related to motivation in bank?
2. What methods does the bank use to motivate its employees?
3. What is the attitude of employees towards the existing motivational practice?
4. What are major factors that motivate employees in the bank?

1.4 Objectives of the study

1.4.1 General Objectives of the study

The general objective of the studies was to describe employee motivation practice in the case of commercial bank of Ethiopia at Gubre branch.

1.4.2 Specific objectives

1. To identify the problem related to motivation in bank.
2. To evaluate the attitude of employees towards the existing motivational practice.
3. To understand what methods the bank use to motivate its employees.
4. To identify the factors that motivates employees in the bank.

1.5 Significance of the study

This study might have different significant for different beneficiary bodies such as organization, researchers, and other researchers. For the organization :- it enables the organization to know its strength and weakness and then to follow the way to motivate its employees and increase productivity the study also provide relevant information to those various level of management, Employees and labour union leads to understand the importance of motivational factors on performance of employee. It also creates awareness to minimize the problem related to employee

motivation practice. For the researchers: -the study play crucial role on partial fulfilment of BA degree in management. The researchers get knowledge about the study and experience on conducting such assessments. For other users: - it helps other researchers as he/she can take this study as a reference for the conducting other research.

1.6. Scope of the study

The study was conducted in town. The study was delimited to the assessment of employee motivation practice the case of commercial bank of Ethiopia Gubre branch. For the purpose of this study the researchers used primary and secondary data sources which were collected through questionnaire and interview data collection methods. The populations of the study is employees who in the bank. Since the total population is manageable in numbers (22) the researchers would be used census survey techniques.

1.7 Limitation of the study

It is fallacious to claim that the researches was constraint free the researchers was limited to several limitations like Shortage of time but the researchers overcome this problem by managing time effectively, without clashing class schedule, lack of know-how and knowledge about the study and lack of financial resource were the major constraints.

1.8 Organization of the paper

The study consists of five chapters the first chapter present the introduction parts this includes background of the study, statement of the problem , objective of the study, scope of the study, significance of the study, limitation of the study and the second chapter present review literature about employee motivation in the organizations, the third chapter includes research methodology which deals with research design source of data collection target population and sampling techniques, sample size, the fourth chapter includes data analysis, and presentation whereas summery of the findings conclusion and recommendation include at the last chapter.

CHAPTER TWO

LITERATURE REVIEWS

2.1 Overview of motivation

The term “motivation” is derived from the word “motive” which means a reason for action. A vast array of literature exists examining the concept of motivation within organizations. During the early 1400’s, a lot of research were done with regards to employee motivation and performance management such as; monitoring of the pace of work being set by management, which is found in the records of the Arsenal of Venice, where wages and quality of work (performance) were closely controlled in the manufacturing and assembly shops and both piecework and day rates were applied as required to compensate employees (George, 1972).

Motivation is the psychological process that gives behaviour, purpose and direction. It is an internal drive to satisfy unsatisfied needs. (Kreutzer, 2001). Motivation is defined as the forces that arouse enthusiasm and persistence to pursue a certain course of action (Daft and Marcic, 2008).

Robins, (2003) explain motivations those a psychological process that cause the arousal direction and resistance of voluntary actions that are goal directed.

2.2 The types of motivation

They are two types of motivation intrinsic and extrinsic motivation:

Extrinsic motivation is tangible and visible to other. They are distributed by other people. In the workplace, extrinsic motivators include pay, benefit, and promotion. Extrinsic motivation is necessary to attract people in to the organization and to keep them on the job. They are also often used to inspire workers to achieve at higher levels or to reach new goals, as additional payoff is contingent on improved performance. Intrinsic reward include feeling of responsibility, achievement, accomplishment, that something was learned from an experience feeling of being challenged or competitive, or that something was an engaging task or goal.(Luthans. F, 2005)

2.3 Importance of Motivation

Motivation is important because of its determinant factors on performance and its intangible character. The performance of individual's is determined by motivation the desire to do the job, ability the capability to do the job the work environment the goals, material and information. Motivation begins with needs as deficiency .motivated employee are a tower of the company and they will binges dramatically change in every activities of their performances and they more productive to be effective manager needs to understand what motivates employees within the context of they perform. Most managers understand that a motivated workforce is critical for the performance of their departments. However, judging by recent research very few companies currently have an employee population that feels great about their jobs and driven to achieve results for their employees. (Kinick. A & Williams.B2011)

2.4 Source of Motivation

Positive motivation involves proper recognition of employee effort and appreciation of employee contribution towards organization goals achievement. Some of these are delegation of authority and responsibility to subordinates participation in decision making. Negative motivation is based up on use of forces, Power and treats. The fear of punishment or unfavorable consequence affects the behavior change extrinsic motivation. Is induced by external factors which are primarily financial in nature, intrinsic motivation its stems from feeling achievement and accomplishment and is concerned with state of self-actualization in which the satisfaction of accomplishment some things worthwhile motivate the employee.

2.5. Nature of motivation

Motivation is concerned with the direction function of management, so the nature of motivation can be understood from the following point's motivation according to Quartered by (Mullins, 2005), as follows

- A. Unending process:** - human beings have a number of wants. Those wants induces a man or human being to work. A want cannot be satisfied at one time due to this fact motivation has never end process.

- B. **The individual is wholly motivated:** - motivation is related to psychology the basic needs of man determine motivation to great extent all those needs are inter-related but not separated for each other.
- C. **Motivation can be financial or non-financial motivation** includes increasing wages, allowances, bonuses, pre request etc. whereas non-financial motivation includes recognition, praise, giving more responsibility and inducing to participate in decision making process.
- D. **Goals are motivators:** - man work to achieve individual goals is achieved. He will no longer interest to work.
- E. **Motivation can be positive or negative positive motivation** means use of incentive, the incentive may be financial or non-financial. Whereas negative motivation means penalties such as demotion, terminations and so on.

2.6 Methods of motivation

- A. **Intrinsic motivation:** - is a direct relationship between the workers and the task and his usually applied fillings of achievement, accomplishment, challenge and competence. Derived from performing ones job are example of intrinsic motivation.
- B. **Extrinsic motivation:** - is a stem from work environment external to the task and is usually applied by someone other than the person being motivated, pay and fringe, benefit company policies and varies form of supervision.
- C. **Positive motivation:** - involves proper recognition of employee's effort and appreciation of employee's contribution towards organizational goal achievements.
- D. **Negative motivation:** - is based up on use of force, power and treats. The fear of punishment or unfavourable, consequence affects the behaviour change. Red, .Lutlans. (1998)

2.7. Theories of motivation

Human behaviour is a complex in nature motivational theories are not universally accepted to explain human behaviour but they help managers to improve their understanding of why people behave as they do. Theory of motivation focus on needs and behaviour they enables managers to understand motivated behaviour of employees so that they pay attention to meet those methods (Sheila rich, 2004).

Motivation research draws on a large number of theoretical perspectives. Although some of these appear to be less influential than when they were originally postulated, such as Maslow's hierarchy of needs theory (Wicker & Wiehe, 1999), their contributions as foundation layers and inspirations for subsequent theories are still evident and acknowledged.

Theories of motivation fall into two categories namely; content theories (Need-based theories) and process theories. Content theories are concerned with the identification of important internal elements and the explanation of how these elements may be prioritized within the individual. This theory proposes that internal states within individuals energize and direct their behaviour. These internal states are typically referred to as drives, needs or motives in these theories, of which those of Maslow, McGregor and Herzberg are well-known examples. While on the other hand, process theories focus on certain psychological processes underlying action and place heavy emphasis on describing the functioning of the individual's decision system as it relates to behaviour (Kini and Hobson, 2002). Cognitive theories do not focus directly on work as a potential source of motivation, but rather on the cognitive processes, such as thoughts, beliefs and values, which people use to make choices regarding their behaviour at work (Schultz & Schultz, 1998).

2.7.1. Content Theory

Content theory of motivation states that unsatisfied needs create tension and disequilibrium (Armstrong, 2006). In order to restore the balance individuals identify goals and behavioural path ways that make them to satisfy their needs. The content theories are characterized by emphasis on what motivates people. They concern with individual goals and needs which are said to be the same for every person. Although, they assume that all people possess a similar set of needs, they differ in defining those needs. Content theory of motivation incorporates four theories under it:-Maslow's hierarchy of needs, Alderfer's ERG theory, McClelland's three needs theory and Herzberg's two-factor theory

2.7.1.1 Maslow's hierarchy of needs

Maslow divided needs into two categories: deficiency needs and high-order needs. Deficiency needs include basic needs such as hunger or thirst and a need for shelter and protection. When these needs are satisfied people become motivated by high order needs such as the need for supportive and satisfactory relationships with others, needs for freedom, independence, recognition and achievement and finally the need to develop one's potential. The self-actualization which is the highest step in Maslow's pyramid can be described as the ending point of gradual psychological maturation process. This final level is achieved by few people and unlike other needs is never fully satisfied (Fincham& Rhodes, 2005).

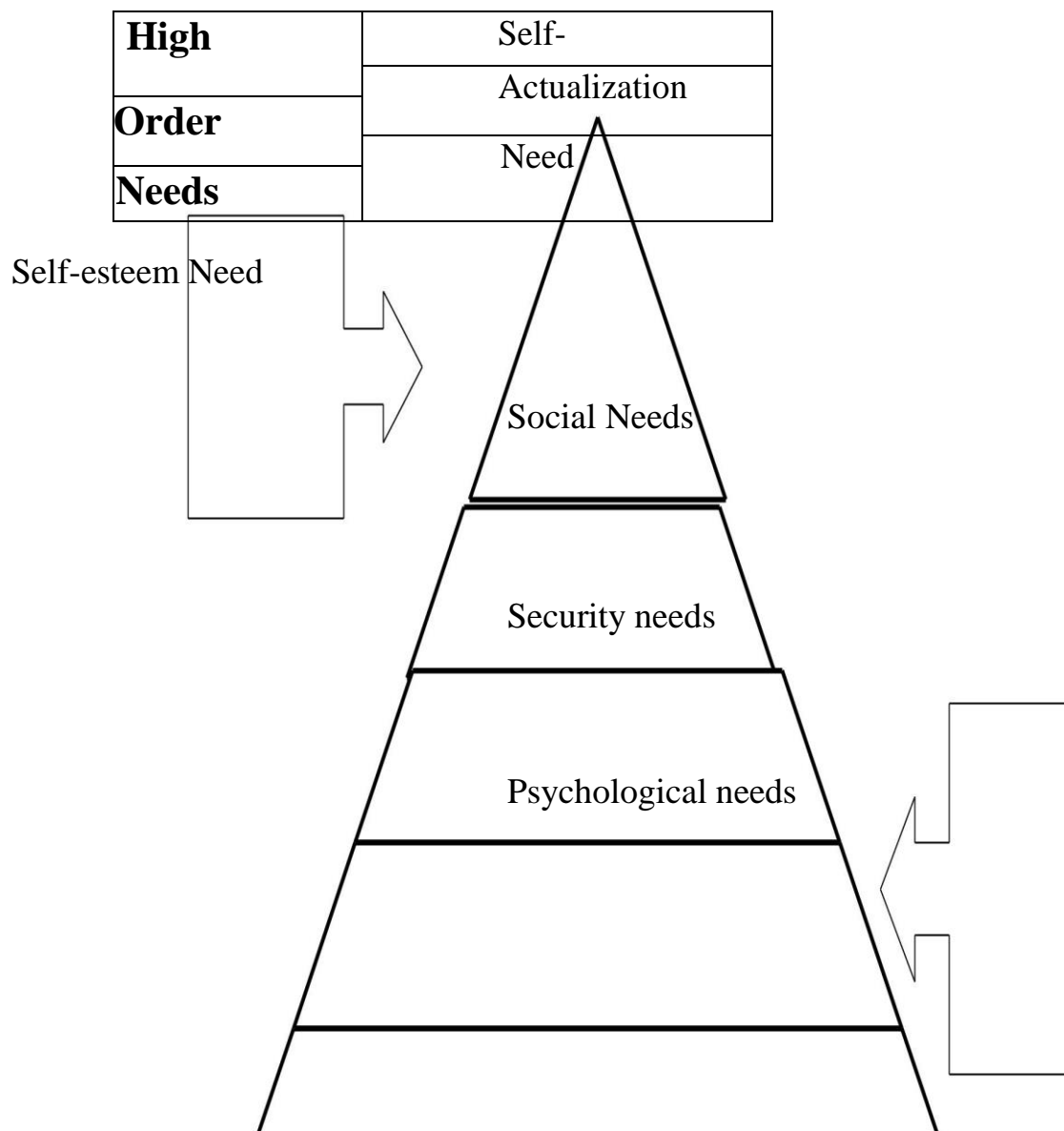


Figure 2.1. Maslow's Hierarchy of Needs (Source: www.Maslowneedtheory)

Every person starts at the bottom of the pyramid and works to achieve the goals of the next layer working to the top sector. One is not able to move on to the next level of the pyramid until the needs of the first level are met. Once they move to the next level, those needs must be met and if they are not, then it is possible to fall back down the pyramid.

The first level is the physiological needs. These needs represent the ground of a theory. Unsatisfied needs, like a hunger or thirst, influence our behavior. On the other side, satisfied needs do not influence our behavior. They are not motivators. The next step is security, which means that the person's surroundings are not threatening to them or their family. If the environment seems to be safe, then it means that there is a sense of predictability or stability in the surroundings. Security could also include financial security so that there is no financial uncertainty in the future. This could be achieved by creating a retirement package, securing job position, and insurance. The third level is social needs, which is the need to feel a sense of belonging or to be loved. In the workplace, this means to feel as though they are a part of the group and included in the work. People have the urge to be accepted by others, especially the people they are around the most.

The fourth level is explained as self-esteem needs. This is the view that one has of them. In order to fully understand this level, the person must have a high image of them and encompass self-respect. This level has two components: feelings of self-worth, and the need for respect from others. The last and final stage of the hierarchy of needs is self-actualization. This level is defined as someone being all they can be and they have met each of the previous stages. In this particular level, the person's talents are being completely utilized. Maslow believes that no one is ever completely self-actualized. People are always striving to be better and use their talents in new ways. This is important to motivation because a person must be motivated to fulfil their needs and strive for the next level until they reach self-actualization.

2.7.1.2 Alderfer's ERG theory

Maslow's work on the theory of needs has been followed by other authors who took an attempt to improve it. One of modifications was presented in 1973 by Alderfer, who developed and tested model with fewer needs levels (Pinder, 1998). Clayton P. Alderfer proposed the EGR (Existence, Relatedness, and Growth) Theory of motivation in 1972 which can be seen as a review of Abraham Maslow's Hierarchy of Needs. His study, unlike Maslow's, was based on empirical research in organizational settings. The theory suggests three general categories of human needs which are partly based on Maslow's model but are not the same. Alderfer's model is named ERG and consists of existence needs, relatedness needs and growth needs. The first group is closely related to Maslow's physiological needs and partly to security needs (only physical security). Existence needs are concrete in nature and are usually limited. Relatedness needs basically consist of the interpersonal security needs, the need for prestige and esteem from others. Satisfying relatedness needs requires development of relations and interactions with other people. The last group of needs in Alderfer's theory contains growth needs.

Although, growth needs are corresponding to Maslow's self-esteem and self-actualization needs there are some major differences in a point of view of those two authors. Maslow suggested that self-actualization consist of a fulfillment of unique, innate potential, whereas Alderfer's growth needs contain desire to interact with environment by investigating, exploring and mastering it. In Alderfer's model growth needs change if one's environment changes (Pinder, 1998). He notes that managers need to understand that each employee operates with the need to satisfy several motivators simultaneously. Based on the ERG theory, managers who focus exclusively on one need at a time do not effectively motivate their employees. (Alderfer, 1972) uses the frustration-regression principle (See Figure 2.2) to explain the impact of motivation on employee performance in the workplace. He notes that regression in employee performance is a result of restricted growth within the work setting and therefore employees tend to regress to fulfilling related needs. Employees may also exhibit the desire for more money or better working condition when managers fail to satisfy the need for social interaction.

2.7.1.3. McClelland's three needs theory

McClelland's theory focuses on three motives that are relevant in an organizational context (Miner, 2006). Maslow differentiated between any certain transitions among the needs, whereas McClelland indicates that some people have higher needs than others. Moreover, needs in McClelland's point of view change over a life as they are shaped by peoples' experience. That is why in some sources his theory is called "acquired needs theory". McClelland (1990) suggested that most of acquired needs can be classified to one of three groups: achievement needs, power needs or affiliation needs. In his opinion some people have a strong need for achievement others for power and finally there is a group that desire affiliation. High achievers tend to perform better for the intrinsic satisfaction for doing something better or just to show that they are more capable of doing something. They prefer to work with tasks which are moderately challenging and they actually perform better with those kinds of tasks.

McClelland's research develops a different set of needs as the basis of motivation. He notes that some people have a need to achieve whilst other do not. He focused his attention on studying the urge for individuals to achieve. He asserts that the basis of employee motivation includes such factors as: Achievement, Affiliation and Power.

According to (McClelland, 1961), achievement-motivated people are those individuals who have an imbibed desire to always improve upon their status. He notes that such individuals are people who focus on getting things done. These people have the potential of becoming managers but most often are not able to live up to expectation because they are mostly job oriented; they work to their full capacity. There is likelihood that such job-oriented people, lack interpersonal or human skills which are necessary for effective management. Even though people may have the competence and ability to be productive, they tend to require a high need of affiliation towards their job, and if this is not present, then effective management cannot be achieved. In this case, overemphasis on productivity alone frustrates people and prevents them from exhibiting their maximum potential. Without developing their human skills, achievement-oriented people might not make the best managers in an organization. McClelland (1961), asserts that being a job-oriented individual and a good producer do not necessarily make you an effective manager if you lack human skills.

According to McClelland, achievement-motivated people have certain unique characteristics which include;

- A. the capacity to set high personal but obtainable goals,
- B. the concern for personal achievement rather than the rewards of success, and
- C. the desire for job-relevant feedback rather than for attitudinal feedback (McClelland, 1961)

2.7.1.4 Herzbergs two factor theory

Psychologist Frederick Herzberg proposed the two factor theory also called motivation-hygiene theory. Believing the individuals relationships to work is basic and that attitude toward work can very well determine success or failure, Herzberg investigated the question “What do people want from their jobs? “He asked people to describe, in detail, situations in which they felt exceptionally good or bad about their jobs. He then tabulated and categorized the responses. Herzberg concluded that the replies people gave when they felt bad. Intrinsic factors such as advancement, recognition, responsibility, and achievement seem related to job satisfaction. Respondents who felt good about their work tended to attribute these factors, to them. On the other hand, dissatisfied respondents tended to cite extrinsic factors such as supervision, pay company policies, and working condition.

The data suggest, said Herzberg, 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 proposed that his finding indicated the existence of “dissatisfaction” is “no dissatisfaction.” According to Herzberg the factors that lead to job satisfaction are separate and distinct from those that lead to job dissatisfaction. Therefore, managers who seek to eliminate factors that can create job dissatisfaction may bring about peace but not necessarily motivation. They will be placating rather than motivating their workers. As a result, Herzberg characterized conditions such as quality of supervision, pay, company policies, physical working conditions, relationships with others, and job security as hygiene factors. When they are adequate, people will not be dissatisfied neither will they be satisfied. If we want to

motivate people on their jobs, Herzberg suggested emphasizing factors associated with the work itself with outcomes directly derived from it, such as promotional opportunities, personal growth opportunities, recognition, responsibility, and achievement. (M.N Mishra, 2001)

2.7.2. Process Theory

Process theories, also known as Cognitive theories do not focus directly on work as a potential source of motivation, but rather on the cognitive processes, such as thoughts, beliefs and values, which people use to make choices regarding their behaviour at work (Schultz & Schultz, 1998). The main concern is not what motivates people but how motivation occurs. Process theories try to explain how and why peoples' behaviour is directed to certain choices. The focus of all process theories is put on "the role of individual's cognitive processes in determining his or her level of motivation" (Fincham Rhodes, 2005). There are many process theories of motivation and the following theories have been selected for this paper: Expectancy theory, Goal setting theory and Equity theory

2.7.2.1. Expectancy Theory

Victor H. Vroom (1964) looked at the whole paradigm of motivation in a slightly different perspective. He introduced the expectancy theory of motivation as a function of desirability of the outcome of behaviour. This is also referred to as the path-goal-theory; which indicates that rewards are attributed to certain behaviours, thus; if an individual believes that behaving in a particular way will generate rewards that the individual values or seek, they will be motivated to behave in line with what is expected of them. Vroom's Expectancy theory comprises three factors:

Valence: Vroom notes that Valence is the importance or value that the individual places on the outcome. Valence is positive if the individual wants to acquire or achieve the outcome and negative is what the individual will like to avoid. If the individual does not place much value on the outcome, then their level of effort might change Thus effort is directly proportional to the outcome. According to Vroom (1964), if an employee perceives that: An increased effort will not increase performance, an increased performance will not increase their rewards and/or, He/she does not value the rewards on offer, Then there is a negative valence. Thus for a positive

valence; all three perceptions must be cleared by the employee. If any one of the perception possible, then the employee will still not be motivated, all three doubts must be cleared before a positive valence will be achieved.

Instrumentality: Vroom notes that Instrumentality deals with what you get from what you deliver; that is, receiving a valued outcome after one delivers an expected performance. According to him, instrumentality is affected by such things as: Clear understanding of the relationship between performance and outcomes – e.g. the rules of the reward ‘game’ Trust in the people who will take the decisions on who gets what outcome. Transparency of the process that decides who gets what outcome.

Expectancy: deals with the probability that an outcome will be achieved; that is, putting in more effort will result in an increase in reward. According to Vroom, expectancy is affected by such things as: Having the right resources available, such as; raw materials and time, Having the right skills to do the job, Having the necessary support to get the job done, such as; supervisor support, or correct working procedures (Vroom, 1964). Vroom describes valence in a relation to peoples’ affecting preferences toward particular outcomes. The valence of outcome is positive if a person prefers attaining it instead of not attaining. Oppositely, the negative valence of outcomes characterize situation when a person prefers not attaining it instead of attaining. The third possibility is zero valence of outcome, which means that a person is indifferent between attaining outcome or not. The instrumentality is a belief that one action lead to another. Finally, the expectancy is defined as a belief about likelihood that a particular behaviour will be followed by a particular outcome (Vroom, 1964). Values of those three factors can be used to calculate the motivational force of the job. Summarizing, Vroom’s theory suggests that a job is motivating for employees when they can see a relation between performance and outcome, if they have abilities to do the job and if they see outcome as satisfying their needs. Vroom’s theory can be a suggestion for managers to focus on main aspects of their subordinates perceptions. As well as that, it is helpful in explaining occupational choices and in predicting tasks that people will work most and least hard at (Fincham& Rhodes, 2005).

2.7.2.2 Goal setting Theory

In the late 1960s, Edwin Locke proposed that intention to work toward a goal is a major source of motivation. That is goals tell an employee what needs to be done and how much effort will need to be expended. The evidence strongly supports the value of goals. More to the point we can say that specific goals increase performance, that difficult goals, when accepted, result in higher performance than do easy goals, and that feedback leads to higher performance than does no feedback. People do better when they get feedback on how well they are progressing toward their goals, because feedback helps to identify discrepancies between what they have done and what they want to do that is feedback acts to guide behaviour. But all feedback is not equally potent.

Self-generated feedback with which employees are able to monitor their own progress has been shown to be powerful motivator than externally generated feedback. If employees can participate in setting of own goals, will they try harder? The evidence is mixed. In some cases, participate set goals yielded superior performance, in others, individuals performed best when assigned goals by their boss. But a major advantage of participation may be that it increase acceptance of the goals as a desirable one toward which to work. Goal setting theory assumes an individual is committed to the goal and is determined not to lower or abandon it. In terms of behaviour, the individual believes he or she can achieve the goal and wants to achieve it. Goal commitment is most likely to occur when goals are made public when the individual has an internal locus of control, and when the goals are self-set rather than assigned. Goal setting theory does not work equally well on all tasks. The evidence suggest goals seem to have a more substantial effect on performance when tasks are simple rather than complex, well learned rather than novel and independent rather than interdependent. Finally setting specific, difficult, individual goals may have different effects in different cultures. (Stephen. P. R. and Timothy A. 2013)

2.7.2.3. Equity Theory

The most influential and often cited in the literature of motivation is the Equity Theory, which was put forward in 1963 by Adams. The theory distinguishes between employee's inputs and outputs. Inputs are understood as the number and value of contributions that person make to his

or her work. Outputs are described as the nature and quantity of received rewards for doing the job (Pinder, 1998). Equity theories are related to the distribution of resources. There are three main aspects that are common for all equity theories. Firstly, they suggest that employees perceive a fair return for his contribution at work. Secondly, they imply that employees compare the return they received to the return received by others for the same job. Finally, they assume that employees who are in inequitable position comparing to others will try to do something to reduce the difference (Carrell&Dittrich, 1978).

Adam states that there are two types of equality namely distributive equality and procedural equality. Distributive equality focuses on the fairness that people feel they are rewarded according to their contribution and in comparison with others. On other hand, procedural equity concerned with the perceptions employees have about the fairness with which the procedure. (Armstrong, 2006).

Individuals, who feel that they are treated unfairly, will engage one or more of the following activities: Change the work input and Change the outcomes. Take action to change the inputs and outputs of the comparison person. (Robbins, 2002)

According to Adam's theory different employees stress different inputs and outcomes as the most important for them. However, all people evaluate their outcomes in a relation to their inputs and judge a fairness of this relation. What is suggested by the theory is the fact that people not only evaluate the equity by comparing the amount of their inputs and outputs but additionally they make social comparisons with other people. They feel that they are not treated fairly if other people receive better outputs for the same job. Employees who encounter inequity try to do something to reduce it. The equity theory presents the most common consequences of perceived inequity. The first and the most common behaviour is changing employee's own effort to increase or reduce performance. If it is not possible to solve the problem of unfairness by changing effort then employee try to cognitively reevaluate outcomes and inputs. That means for example reconsideration of own credentials or effort in a comparison to credentials or effort of a person who was chosen as a referent. The inequity may lead to some dysfunctional reactions such as stealing from employer. Finally, employee may simply decide to withdraw from a company (Pinder, 1998).

2.8. Motivational Factors

Employees are the most important assets of an organization. The organizations with more motivated employees tend to be more effective than organizations with fewer motivated employees. There are many motivation factors that can be used to encourage employees to work, for the purpose the study the following motivation factors are selected from Herzberg's Two Factors Theories:

A. Payment/ Salary- Salary and wage play decisive part in employee motivation. Employee wages and salary must ensure him the social status and should be able to fulfil the expectations. According to Herzberg theory, it is identified that in order to prevent dissatisfaction, management needs to continue to observe competitors salaries and keep their staff's salaries in line with competitors.

B. Promotion-It involves a competitive selection process, and results in the employee's movement in to a different role in a higher pay band. If it is done fairly it enhance employee motivation and competitiveness. Promotion contributes significantly to the dissatisfaction of employees.

C. Benefit-From the above theories we can say that organizations should understand the needs of their employees and create conducive working environment. Managers should understand what motivate their employees. Organizations should develop and handle proper motivational practices.

D. Recognition-Recognition schemes enable appreciation to be shown to individuals for their achievements either informally on a day-to-day basis or through formal recognition arrangements. They can take place quietly between managers and individuals (Armstrong, 2007). Recognition of work is the essence of securing good work. It is one of the most powerful motivators. Efficient people would naturally like to get recognition for their skill and excellence in their work. Such recognition can do many things that what

A cash reward can do. Armstrong and Murlis (2005), underlined on the point that, recognition is supposed to be given judiciously. That is, it must be related to real achievements of employees. The recognition given will have a great impact if it is followed by provision of achievement bonuses awards. Organization can also give other forms of recognitions such as long service awards, status symbols of one kind or another, sabbaticals and work related trips abroad.

E. Work content-Content of the work itself is a major source of satisfaction. The content of the work should be encouraging and interesting and have variety inbuilt in it so that it is not boring. Positive feedback from the job and autonomy has been considered to be important for motivation of employees (Kondalkar, 2007). He also adds that too tough or job having too little challenge brings frustration and feeling of failure hence the job should be moderately tough so that the individual has to stretch his ability, imagination and skills.

F. Working Condition- Good working condition healthy, safe and pleasant working environment. Working conditions have a modest but lasting effect on job satisfaction. According to (Pearson, 1991), jobs that are both motivating and satisfying are said to be those that provide skill variety, task identity, task significance, autonomy and feedback. The type of job individuals do influences their satisfaction.

2.9 Ways to Motivate Employees

There are several ways to motivate employee. Every business leader wishes for simple way to keep employees motivated. In the process, many resort to rewards or punishments to squeeze performance out of their teams .but whatever the short term gains of catered lunches or fearsome performance reviews may be, carrot and stick approaches are not effective long term strategies for sustaining excellence. Leader who want an engaged and energized workforce need to make sure that their organizations values are aligned with its policies. If a company says it welcomes new ideas from its staff, the leadership had better be willing to listen. By the same token, a group that advocates for clean energy is responsible for making good on pledge in its day to day operations. Leaders need to acknowledge when employees make the necessary course corrections, just as they need to establish consequences when employee do not.

This proactive approach to performance management is at the heart of walking one's talk, and it provides tangible proof that employees can trust leadership. Employees are most energized when they are treated as individuals. But many leaders fail to invest the time in getting to know their employees strengths and future goals. This is especially true given how diverse organizations have become. For leaders having a team with a wide range of backgrounds can be a blessing if the unique skills can be effectively put to use for the organization. (WWW.businessbee.com/resources/opera...)

2.10 Staff motivation

Some factors which promote motivation create a conducive working environment and develop policies and practices that will result in a higher level of performance of employees. According to (Mullins, 2005,) the following are some of the major motivational factors.

A. Training

Is relevant to effective use of human resources because it is one of the experience creativity and other introductive enhancing attitudes that are embedded in a person staffs are crucial but expensive resource. In order to sustain economic and effective performance it is important to optimize the contribution of employees to the aims and goal of the organization.

Training can increase the confidence motivation and commitment staff.

Provide recognition enhanced responsibility and possibility of increase pay and promotion.

Giving a feeling of personal satisfactions and achievement and broaden opportunities for career and it help to improve the availability and quality of staff.

B. Participations

One technique that has been given strong support is the increased awareness and use of participation consequently the right kind of participatory rules both motivation and know lodge valuable for the organization success. Also participation is a means of recognitions. It appeals to the need for afflation and acceptance and give employees a sense of accomplishment.

2.11 Quality of working life

(Martocchio, 2003) suggest that the most interesting approaches to motivation is the quality of working life. This is a system approach to job enrichment. It is an interdisciplinary field insuring and action. It is a means of increasing productivity and reducing inflation.

The system of job enrichment involves

- Giving freedom to workers in deciding about such things as work methods
- Giving employees feedback on their job performance.
- Encouraging participation of subordinates and instruction between employees.

2.12 Employees motivation practice

The employees motivation techniques are an essential knowledge to ensure that organization there are job design and job rewards. Job design is basically concerned with the individual job work motivation and developing proper behaviors in an organization. The quality work life has taken a broader perspective recently, and is being widely applied to management techniques. Those are:-

- A. Job enrichment: the key to job design employee motivation. This approach aims enhance the actual job building up the employee through motivational factors. Job enrichment is performance pattern designed to provide opportunities for achievement advancement, recognition, power, responsibilities and growth potential. Job enrichment increase the variety of work content and raises level of knowledge provides more autonomy and responsibilities and expands opportunities for personal growth. (Stephen p. Robin 2000)
- Job rotation is the shifting of one employee from job to another. Employees feel bored when there are made to do the same job constantly. Job rotation requires shifting employees from their existing jobs to another job relation becomes essential to retain the interest of the employee on the job rotation motivations people from time to time. it help in development of a wider range of skill more flexibility adaptable and filling of vacancies.(KINCKI KREITNER, 2009)
- Job enlargement: This technique was first used in the late 1940 in response to complaints about tedious and overspecialized jobs. Job enlargement involves putting more variety into a worker's job by combining specialized tasks of comparable difficulty. Some call this horizontally loading the job researchers recommend using job enlargement as part of a broader approach that uses multiple motivational methods because it does not have a significant and lasting positive effect on job performance by itself. (Stephen p.Robin and Timothy A.Judge 2013)
- Job simplification: the goal of this job design approach is to standardize and specialize tasks. Unfortunately this approach does not always lead to increased motivation as the job can become mundane. (Stephen p. Robin 2001)

Reward using rewards as motivations divides employee motivation in to two Types intrinsic extrinsic motivation.

Intrinsic motivation was defined earlier as being driven by positive feeling associated with doing well on a task or job. Intrinsically motivated people are driven to act for the fun or challenge associated with a task rather because of external reward, pressures, or request. Motivation comes from the psychological reward associated with doing well on a task that one enjoys. It is important to note that individual difference exist when it comes to intrinsic motivation. People are intrinsically motivated for some activities and not others, and everyone is not intrinsically motivated by some tasks (KINICKI. KREITER, 2009).

Intrinsic reward job characteristics model

The job characteristics model as designed by Hack man and Oldham attempts use job design to improve employee intrinsic motivation. They show that any job can be described in terms of five key job characteristics:

1. Skill variety the degree to which the job requires the use of different skill and talents
2. Task identity the degree to which the job has contributed to a clearly identifiable larger project
3. Task significance the degree which the job affects the lives or work of other people
4. Autonomy the degree to which the employee has independence, freedom and discretion in carrying out the job
5. Task feedback the degree to which the employee is provided with clear, specific, detailed, actionable information about the effectiveness of his or her job performance

Extrinsic motivation drives people' behavior when they do thing in order to attain a specific outcome. In other words, extrinsic motivation is fueled by a person's desire to avoid or achieve some types of consequence for his or her behavior. Extrinsic motivation is related to the receipt of extrinsic rewards. Extrinsic rewards do not come from the work itself they are given by others. At work they include things like salaries, bonuses, promotion, benefits, awards, and titles. (Ivancevich.Konopaske. Matteson, 2008)

1. Bonuses usually annually a bonus motivates the employee to put in all endeavors' and efforts during the year to achieve more than a satisfactory appraisal that increase the chance of earning several salaries as lump sum.
2. Salary raise is achieved after hard work and effort of employees, attaining and acquiring new skills or academic certificates and as appreciation for employees' duty in an organization. This type of reward is beneficial for the reason that it motivates employees

developing their skills and competence which is also an investment for the organization due to increased productivity and performance.

3. Gifts are considered short term mainly presented as a token of appreciation for an achievement or obtaining an organization desired goal.
4. Promotion quit similar to the former type of reward. Promotion tends to effect the long term satisfaction of employees.

2.13 Staff Benefits

According to (martocchio, 2003) compensation package. Offered by employees other than hourly wage or salary includes paid vacation, medical insurance coverage, reimburse segment all these are benefits for employees as they serve as motivation of employees.

A. Health insurance coverage

Employer sponsored program provide employees the financial means to afford expensive health care services, health insurance coverage varies by size, industry, group and union presence most large company are more likely to offer health benefits than smaller companies a healthier work force should experience lower incidence of sickness absenteeism. This allows the organization to inform sponsoring benefits.

B. Social security (pension plan)

It is a system by which a member of a society pays money up to a common fund from which payment are made to individuals in times of unemployment illness and old age. (Martocchio, 2003) explains it as the sum of employee's contribution and that of the employer. The main idea behind the scheme according to (maraschino, 2003) is to fund all employees account sufficiently well so that each employee will likely achieve a similar hypothetical retirement benefit.

c. Transportation service

Some employers sponsor transportation service to facilitate travel from home to work and back to help their employees manage dial of challenges (Martocchio, 2003). Employees may sponsor public transportation or subsidized vans or buses that transport employees between their homes and work place employers generally offer this service to promote recruitment and retention and to reduce tardiness and absenteeism due to transportation difficulties. This serves as a maturation to most employees as it saves then in using their time more productively.

D Bonuses

Some organizations have a practice of making additional payments to employees at a particular point in the year they are normally payable in relation to some specified criterion such as profit or productivity. Such payments may be in kind, which may be extra cash or goods during the Christmas period to all employees, and this is graded by seniority. Bonuses of these kinds take several forms like continued good service bonus, merit bonus, and profit-related bonus. These kinds are normally traditional ways of acknowledging the employees.

2.14 Empirical Review

A number of studies have been conducted on evaluating the relationship between rewards and employee motivation, and there exist a large number of studies in the literature describing the effect of reward on employee motivation. Among those studies, we can cite a research by Puwanenthiren Pratheepkanth (2011) under the title 'The Employee Motivation Practice in Commercial Bank of Sri Lanka PLC, In Jaffna District'. Based on the findings, the study revealed that there is a positive relationship between the total rewards system and employees' motivation, and this relationship has its own effect on employees' consistency in achieving higher performance, increased cooperation among the staffs, employees' willingness to accept a challenging work, and increased responsibility.

Among the studies conducted on this regard, we can cite a research by Patrick K. Mwangi (2014) under the title 'The Effect of Compensation on Employee Motivation: A Case Study of Chloride Exide.' According to this study, almost all of the participants agreed that their basic salary was reviewed periodically to adjust for the cost of living; and the study revealed that half of the participants were motivated by their current pay.

Additionally, another study that can be cited is an Exploratory Case Study conducted by Francis Boachie-Mensah (2011), under the title 'Performance-Based Pay as a Motivational Tool for Achieving Organizational Performance'. The study revealed that the use of Performance Based Pay (PBP) was fair and motivating. The study also showed that the PBP system was based on performance appraisal. However, biased and negative assessments of employees' performance drastically affected the success of the system at the company. The Effect of Reward Practices on Employees' Motivation was affected, because their motivation level for greater performance was

reduced as they had doubt on the fairness of the performance appraisal system adopted in their company. Further, the effects of the reward depend on the social context in which it is provided. If the reward is appropriately implemented, it should enhance, rather than undermine, intrinsic motivation making the incentive effect that much more powerful than if it relies on extrinsic motivation alone. This requires appropriate communication about the importance of the task and the nature of the incentive; specific, meaningful performance goals; appropriate feedback and support from supervisors; selection systems that help sort out those who do not fit the desired culture (and reward strategy) of the organization; and an organizational culture in which incentives are supported by managers and employees.

2.15. Conceptual Framework of the Study

Non-financial rewards are taken as independent variables (cause variables). Based on the literatures and theoretical models reviewed by the researcher, the below conceptual framework is developed. This framework attempts to determine the effect of reward practices on employees' motivation, in case of AIC. In this study employees' motivation is considered as a dependent variable (effect variable) and financial and nonfinancial rewards are taken as independent variables (cause variables).

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1. Research Design

To conduct the study the researchers used descriptive type research design in order to undertake the study by describing the existing facts and truth. The purpose of using this method is to describe employee motivation practice in the case of commercial bank of Ethiopia Gubre branch as it exists and focusing explaining the existing phenomena and state of affairs regarding employee motivation practice in terms of what is.

3.2. Type of data

The researchers used primary data to conduct this study for analysis purpose. Primary data is fresh and first time information, and thus happen to be original in character. They are named primary because they have not been manipulated by any other person. Such data have been provided by the subjects in the sample through the scheduled interactions by using the well preferred tools. Various tools were used to obtain primary data (Kothari, 2004).

3.3. Source of data

In conducting this study the researchers would use primary source of data to achieve the objective the study. Primary data would be collected from the employees of the commercial bank of Ethiopia Gubre branch through questionnaires distributed to all employees and provide interview to manager. Primary data source is a first-hand information or original source.

3.4. Population of the study

Population is a totality of objects under investigations (Kamuzora and Adam, 2008). The target population of this study would comprise all employees of commercial bank of Ethiopia Gubre branch. The total employees of Commercial Bank of Ethiopia Gubre branch is 22. Therefore employees of the bank would be considered as the population of the study.

3.4.1. Census Method

Census is a complete enumeration of the total population under investigation. The researchers would use census method to collect data from the whole employees. The rationality to use censuses is that the number of employee in the organization is small or manageable in size the total employees are “22” so the study conducts on them.

3.5. Methods of data collection

The Researchers used both questionnaire and interview data collection methods to get reliable data from primary source of data. Primary data collected by self-administered questionnaire for employees and provide interview for manager. Researchers used closed ended questionnaires to collect primary data, by preparing multiple choice questions that is restricted to the respondents. The questionnaire method of data collection enabled the researchers to collect more information from respondents at minimum time requirement.

3.6 Data analysis and presentation method

The data collected for this study analysed by using simple descriptive statistical tools like percentage, table, and frequency to achieve the objective of the study and to provide relevant data the researchers used tables to present and analyse the finding. Once the necessary analysis accomplish the presentation of data will be followed. After analysing and presenting the data findings conclusion and recommendation would made on the data gathered through questionnaires by using close ended questionnaires from the respondents.

CHAPTER FOUR

4. DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This section is concerned with the analysis and interpretation of data that were gathered via primary source. These data mainly analysed and interpreted in the form of table computation and summery format.

The questionnaires were distributed for “22” employees who were the total number of employees in the organization. Even though the questionnaires were distributed for “22” employees only “22” of them were respond in appropriate manners. So data analysis and interpretation depends on “22” employees.

4.2 Demographic presentation of respondent

Under this portion the analysis and interpretation were mainly consists of sax, age, educational qualification and material status.

Table 4.1 demographic information of respondents

No	Item	Response	No of respondents	Percentage
1	Age	Below 25	10	45.45%
		25-35	8	36.36%
		36-45	4	18.18%
		46 and above	-	-
		Total	22	100%
2	Educational level	Diploma	7	32%
		Degree	13	60%
		Master	2	10%
		PHD	-	-
		Total	22	100%
3	Sex	Male	17	77.3%
		Female	5	23%
		Total	22	100%
4	Marital statuses	Married	8	36.4%
		Unmarried	14	64%
		Total	22	100%

Source: from questionnaire, 2020,

According to the table out of the total respondents 10(45.45%) were below 24, 8(36.36%) were between age, 26-35, 4(18.18%) were between age 36-45 and the regarding to marital statuses 8(36.4%) were married, 14(63.6%) were unmarried and among the total respondents 22(68.75%) were male and 10(31.75%) were female.

On education side 7(31.81%) were diploma holders, 13 (60%) were first degree holders, 2(10%) were master holders. To conclude, only 50% of employees found below age 25, degree holders, male and unmarried.

4.3 The method of motivation

Table 4.2 response on the method of motivation

No	Item	Response	No of respondents	Percentage
1	The method of motivation that your manager used to motivate you are both financial and non-financial incentives	Agree	12	54.54%
		Disagree	8	36.36%
		Strongly agree	2	9.09%
		Strongly disagree	-	-
		Neutral	-	-
		Total	22	100%

Source from questionnaire 2020,

According to table 4.3 out of all respondents 12(54.54%) of respondent “agree” that indicates they were motivated by both financial and non-financial motivation 8(36.36%) said “disagree that indicates they were not motivated by both financial and non-financial incentives and strongly agree 2(9.09%) of respondents. So even if the methods of motivation that the organization used are both financial and non-financial incentives but it may not satisfy every body’s interest.

4.4 Responses on financial and non-financial incentives.

Table 4.3 responses on financial and non-financial incentives

No	Item	Response	No of respondents	Percentage
1	Financial incentives motivate you more than non-financial incentives	Agree	8	36.4%
		Disagree	12	54.5%
		strongly agree	-	-
		Strongly disagree	2	9.1%
		Neutral	-	-
		Total	22	100%

Source: from questionnaire 2020

According to the result in the above table 8(36.4%) agree that financial incentives is more than non-financial incentives to motivate them, 12(54.5%) said disagree, 2(9.1%) strongly disagree it indicates more than half of employees are not motivated by financial incentives so it is batter for the origination to provide non-financial incentives to satisfy employees

4.5 Responses on motivational polices in organization.

Table 4.4 response on motivational polices in the organization.

No	Item	Response	No of respondents	Percentage
1	There is a motivational polices employed in your organization to motivate you.	Agree	8	36.4%
		Disagree	12	54.5%
		Strongly agree	-	-
		Strongly disagree	2	9.1%
		Neutral	-	-
		Total	22	100%

Sources: from questionnaire 2020,

The above table shows that out of the total respondents 8(36.4%) said “agree” that indicates there were motivational policies, in the organization and 12(54.5%) of respondents said “disagree” that indicates there were No motivational practice in addition 2(9.1%) said “strongly disagree” about the existences of motivational polices in the organization. So there might be a motivational polices but it may not satisfied every ones.

4.6 Additional reward system

Table 4.5 response about additional reward system

No	Item	Response	No of respondents	Percentage
1	Additional rewards are given for employees who perform better in your organization	Agree	8	36.4%
		Disagree	12	54.5%
		Strongly agree	-	-
		Strongly disagree	2	9.1%
		Neutral	-	-
		Total	22	100%

Source from questionnaire 2020

As it shown in the above table 12(36.4%) of respondents said “Agree” that indicates there were additional rewards for employees who perform batter and 16(54.5%) of respondents said disagree that indicates there were No additional rewards for employees who perform better in their organization, so as a majority of respondents response we can say there is no additional rewards for employees who perform batter so it is batter to provide additional rewards for, employees who perform batter in order to increase employee performance.

4.7 opportunities for promotion

Table 4.6 response about opportunities for promotion

No	Item	Response	No of respondents	Percentage
1	Your organization provides fair promotion opportunities for you	Agree	6	27.3%
		Disagree	12	54.5%
		strongly agree	-	-
		Strongly dis agree	4	18.2%

		Neutral	-	-
		Total	22	100%

Source from questionnaire 2020

The above table shows that 6 (27.3%) of employees said “agree” that indicate there is fair promotion opportunities and 12(54.5%) said “disagree that indicate there were No fair promotion opportunities even if a few of employees said there were fair promotion opportunities majority of them said there were no fair promotion opportunities so it is better to promote the outstanding employees in order to put the right person at the right place.

4.8 compensation and employees benefit

Table 4.7 response on compensation and employee benefit

No	Item	Response	No of respondents	Percentage
1	The amount of salary you are collecting are directly proportional to what you contribute	Agree	6	27.3%
		Disagree	11	50%
		strongly agree	-	-
		Strongly disagree	2	9.1%
		Neutral	3	13.6%
		Total	22	100%

Source from questionnaire 2020,

According to table “4.6” 6(27.3%) respondents agreed that the amount of salary they collect is directly proportional to what they contributed, 11(50%) disagree about the amount of salary they collect and what they contributed and the remaining 2(9.1%) strongly disagree, 3(13.6%) of employees are neutral about the amount of salary they collect and what they contributes so as a majority respondents response the amount of salary are not directly proportional with what they contributed so it is batter to balance the amount of salary with what employees contributed to the organization to satisfy employees for their contribution.

4.9 Responses about appreciation for the work they do

Table 4.8 responses you get appreciation

No	Item	Response	No of respondents	Percentage
1	You get appreciation for the work you do in your organization	Agree	8	36.4%
		Disagree	12	54.5%
		strongly agree	2	9.1%
		Strongly dis agree	-	-
		Neutral	-	-
		Total	22	100%

Source from questionnaire 2020,

According to table 4.4 from the total respondents 8(36.4%) said “agree” that indicates they were get appreciation for the work they do 12(54.5%) said “disagree” that indicates they were not get appreciation for the work they do and 2(18.75%) said strongly agree which indicates they were strongly appreciated for the work they do, therefore about 47% of respondents were not getting appreciation for the work they do so it is better for the organization to appreciate employees for the work they do to make employees hard worker and to increase productivity of the organization.

4.10 Methods of motivation

Table 4.9

No	Item	Response	No of respondents	Percentage
2	The methods of motivation that your manager use to motivate you are both financial and non-financial motivation	Agree	8	36.4%
		Disagree	12	54.5%
		strongly agree	2	9.1%
		Strongly dis agree	-	-
		Neutral	-	-
		Total	22	100%

Source from questionnaire 2020,

According to table 4.9 from the total respondents 8(36.4%) said “agree” that indicates they were get appreciation for the work they do 12(54.5%) said “disagree” that indicates they were not get appreciation for the work they do and 2(18.75%) said strongly agree which indicates they were strongly appreciated for the work they do.

4.11 The major factors that motivate employees

Table 4.10 response on the factor that motivate employees

No	Item	Response	No of respondents	Percentage
1	What are the major factors that motivate you in your organization	Environment	10	45%
		Promotion	5	23%
		Salary and wage	2	9%
		rule and regulation	3	14%
		Training and other	2	9%
		Total	22	100%

Source from questionnaire 2020,

The above table shows that 10(45%) of respondents are motivated by environmental factors, 5(23%) promotion, 2(9%) by salary and wage increment 3(14%) rule and regulation of the organization and 2(9%) of respondents replied that training is the major factors to motivate them so as more than half of employees response environment is the major factor to motivate employees.

4.12 Attitudes towards the motivational practices of the organization

Table 4.11 response on attitude towards motivational practices

No	Item	Response	No of respondents	Percentage
1	What is your attitude towards the motivational practice of your organization	Agree	3	14%
		Strongly agree	7	32%
		Neutral	10	45%
		Disagree	2	9%
		Strongly disagree	-	-
		Total	22	100%

Source from questionnaire 2020

According to table 4.7 3(14%) of respondents have good attitude towards the motivational practice of the organization, 7(32%) strongly agree, 10(45%) neutral, 2(9%) disagree attitude

towards the motivational parts of practice of the organization so more than half of employees have good attitude towards the motivational practice of the organization but it does not satisfied all employees interest.

4.13 payment system of the organization

Table 4.12 response about payment system of the organization

No	Item	Response	No of respondents	Percentage
1	In your opinion is there good payment system in your organization	Agree	5	23%
		Strongly agree	10	45%
		Neutral	5	23%
		Disagree	-	-
		Strongly disagree	2	9%
		Total	22	100%

Source from questionnaire, 2020

The above table shows that among the total respondents 5(23%) replied they were agree by the payment system of the organization and 10(45%) said strongly agree with the opinion about payment system, 5(23%) said neutral which indicate as they are neutral by the payment system, 2(9%) said strongly disagree by the payment they received so even if a few of employees are agree by the payment they received there are employees who were disagree by the payment they received.

4.14 The extent of motivation in the organization

Table 4.13 response about the extent of employee motivation

No	Item	Response	No of respondents	Percentage
1	To what extent are you motivated by your organization	High	8	36%
		Very high	3	14%
		Moderate	7	32%
		Low	1	4%
		Very low	3	14%
		Total	22	100%

Source from questionnaire 2020

According to the above 8(36%) of respondents are high motivated by their organization, 3(14%) very high motivated, 7(32%) of the respondents are moderate by their organization 1(4%) low motivated and 3(14%) of respondents are very low motivated in the extent of motivations in their organization.

Open ended for interview

1. How do you select an employee for a particular practice?
 - ✓ As per the manager of the organization the employees are selected based on their competency to fit the job of the organization and their attitudes towards the job required.
2. Is there an integrated performance appraisal system in the organization? Or do you have your own standard to evaluate employee's performance?
 - ✓ Yes there is a good performance appraisal system in our organization, in addition to this our organization set its own bench marks or standards to evaluate the employee's performance such as quality of work, punctuality, and attitude toward the job of the organization.
3. As to your understanding do you think that CBE set clear, measurable & tangible objectives for employee motivation?
 - ✓ Yes in our organization we set a clear and measurable objective of employee motivation by knowing this employees works better their job.
4. What method (s) of motivating employee is often used by the organization?
 - ✓ We use different method of motivating our employees such as by financial reward and non-financial reward such as giving recognition, promotion of employees.
5. Why do you need motivation?
 - ✓ We needs motivation of employees because of motivations makes employee to do best at their job position, and also it makes the employee stay in the organization and make employees happy in their work environment.

CHAPTER FIVE

SUMMARY OF THE FINDINGS CONCLUSION AND RECOMMENDATION

This chapter present summary of finding, conclusion and recommendation of the study about commercial bank of Ethiopia Gubire branch concerned with the assessment of employee motivation practice.

5.1 Summaries of major finding

The main concern of this study was to summarize necessary information about the major problems of employee motivation practice in the case of commercial bank of Ethiopia Gubre branch. The method of motivation that commercial bank of Ethiopia Gubre branch used to motivate employees are both intrinsic motivation and extrinsic motivation of the employees of commercial bank of Ethiopia in Gubre branch are found below age “25” and most of them are males this group can be considered the most productive energetic and highly active to change.

As a large percentage of employee’s response most employees of commercial bank of Ethiopia Gubre branch want to stay in the organization and it also enable the work force to works hard for better performance, for the feature. As a large number of respondents response environment is the major factor that motivate employee in the bank. The origination use both financial and non-financial indicatives to motivate employees

5.2 Conclusions

The research finally comes with the following conclusion on the basis of finding regarding with the assessment of employee motivation practices in the case of commercial bank of Ethiopia Gubre branch. Most of employees of commercial banks of Ethiopia Gubre branch are found below age 25 and most of them are males. Commercial bank of Ethiopia used both financial and non-financial incentives to motivate employees. There is no good opportunity for promotion and no additional rewards system for employees who perform batter. All most all of the workers want to stay in the organization.

5.3 Recommendations

Based on the analysis of facts and findings, the followings are recommended to upgrade employee's motivation practices in commercial bank of Ethiopia in Gubre branch. Due to the fact that promoted employees have good commitment to the organization and perform their job accordingly, the organization should give the chance of promotion to employees.

The manager should give chance for the employees to directly participate in the decisions because it increases motivation and job satisfaction this in turn increases sustainability and accomplishing organizational goals easily. Management must play active role in leading and managing the motivational process at the work place in the near future. The manager must focus on motivation of employees this is due to the complexity of many problems regarding to employee motivation practices since employee motivation are highly inter related with other variables like job satisfaction.

Since working environment is the major factor that motivates employees and increase commitment, creativity and moral of employees the organization should give great value for these issues.

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**APPENDIX
WOLKITE UNIVERSITY**

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

A questionnaire developed to collect the data from employees this questionnaire is designed to collect data on the assessment of employee motivation practice in the case of “CBE” Gubre Branch

Dear respondents the purpose of this questionnaire is to collect data for the study about the assessment of employee motivation practice in the case of “CBE” Gubre - branch the study is basically used for academic purpose it is used for partial fulfilment of “BA” degree in management and then your responses is very crucial for the success of our study responding to this questionnaire will not create any harm there for you are kindly requested to respond confidentially while you are asked

Instruction

No need to write your name

Put a “X” mark for your answer

For closed ended question give your answer on the space provided

Part I demographic variables

1. Sex: male female

2. Age: less than 25 years 25-36 years 36-45 years 46-55 years
above 56

3. Educational level:

Diploma degree master degree PHD

4. Marital status: Married unmarried

Part II: Question related to motivation

No	Part II: question related to our objectives	Agree	Strongly agree	Neutral	Disagree	Strongly disagree
1	The method of motivation that your manager uses to motivate you are both financial and non-financial motivation					
2	Financial incentives motivates you more than non-financial motivation.					
3	There is motivational policies employed in your organization to motivate you					
4	Additional rewards are given for employees who perform better in your organization.					
5	The amount of salary you are collecting are directly proportional to what you contribute					
6	Your organization provides fair promotion opportunities for you					
7	You get appreciation for the work you do in your organizations					

Part III Question related to employees motivate practice

No		Agree	Strongly agree	Neutral	Disagree	Strongly agree disagree
1	What are the major factors that motivate you in your organization					
	Payment/salary					
2	Salary increments are made based on the performance result of workers.					
3	My salary is fair when compared with that of similar job in comparable companies					
4	What is your attitude towards the motivational practice of your organization					
	Promotion					
1	Is there promotion practice in your organization					
2	There are good promotion opportunities for employees within the bank					

3	In your opinion is there good payment system in your organization?					
	Recognition					
1	To what extent are you motivated by your organization	high	Very high	Moderate	low	Very low

Interview Questions for the Manager of the Bank

1. How do you select an employee for a particular practice?

2. Is there an integrated performance appraisal system in the organization? Or do you have your own standard to evaluate employee's performance?

3. As to your understanding do you think that CBE set clear, measurable & tangible objectives for employee motivation?

4. What method (s) of motivating employee is often used by the organization?

5. Why do you need motivation?
