

ASSESSMENT OF FACTORS AFFECTING MOBILIZATION OF SAVING
DEPOSITE OF NIB INTERNATIONAL BANK IN WOLKITE BRANCH,
SOUTHERN ETHIOPIA



WE STRIVE FOR WISDOM

WOLKITE UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF ACCOUNTING AND FINANCE

A RESEARCH THESIS SUBMITTED TO THE DEPARTMENT OF
ACCOUNTING AND FINANCE,

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE BACHLOR
ART (BA) DEGREE OF ACCOUNTING

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MAY, 2023

WOLKITIE, ETHIOPIA

DECLARATION

I hereby declare that this dissertation is my own work towards the award of BA Degree and that the best of my knowledge, it contains no material previously published by another person or does not contain any material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

This researches my own original work and has not been presented for a degree in any other University/College

Advisor

Name _____ Signature _____ Date _____

Examinor

Name _____ Signature _____ Date _____

ABSTRACT

The general objective of doing this research is to “assessment of factors that affect mobilization of saving deposit case study in Nib bank in wolkite branch.”, thus, they consist of organizations that have significant contributions to ensure the multilateral development of any country and improve the welfare of their societies. To successfully meet this, the need to recognitions unquestionable. Among them, performance VAT is a recent, dynamic and key discipline that is vital to the existences and successes of Nib Bank in wolkite Branch. Despite its blessings, the potential performance that encounter business should not be disregarded. Thus, to smooth these two extremes, there comes a need for the third parties: saving mobilization committees and board of directors. Both of these parties have numerous benefits and responsibilities. Therefore; In order to achieve the objective of this study and the research design ,the researcher used descriptive methods to sampling and collected both primary and secondary source of data to get full information. The data analyzed through descriptive method by using table and percentage forms.

Key term: Saving mobilization, Saving, Banking sector, Financial System

ACKNOWLEDGEMENTS

First and for most I would like to thank almighty God for giving the charity and strength, without his support nothing could be accomplished even work done is impossible. The study would be drowned on the talents, advice and encouragement of more people that the researcher can possibly acknowledge. I would like to express own gratitude's and appreciations to my advisor: Mr. Andargachew, whose dedication support have been made possible to propose the activities of this study. It is a great chance to express my deepest appreciation and thanks to my friends who have given their unreserved guidance and constructive idea to brought the success completion of my paper. In addition, I would like to say thanks to employee, customers and manager of selected business organizations. And finally, my deepest gratitude goes to my beloved families specially their supports and helps in fulfilling the necessary financial and other material need.

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CHAPTER ONE

1 INTRODUCTION

1.1 Background of the study

Saving mobilization is the way of collecting money from different sources for the purpose of lending or investment. The accumulation of saving, often small saving in community with an expectation that these saving can be become more available for lending agricultural and to rural enterprise that can use fund productivity the benefit of saving mobilization to both financial institutions and customers are most important they can be provide sustainable source of fund for financial institution and after customer safe and liquid mean in which to saver (Gomez, 2015)

Saving increases the supply of internally generate funds for financial institution that can be invest and loan. Saving constitute in major liability on bank balance sheet the size of the bank. The amount of profit depends the saving receive from the public. Saving is the act of giving money or security to a bank and to other who promises to preserve it or to use it and return it in kind, especially the act of placing money in a bank for safety and convenience. Saving creates bank customers and relationships (Gomez, 2015)

Devinaga (2015) gave more explanations with some example account at a bank in which the customer saving money for any non-immediate use. For example one may utilize a savings account to save funds for an expensive purchase such as a house or a car. Because most customers keep money in savings account for a longer period than a checking account, a saving account pays a slightly higher rate. But the interest rate is not as high as a bond or another low risk investment. Generally speaking, one may not write a check on a saving account without paying a penalty. This is to disincentives withdrawals on saving.

The main instrument used by banks to raise their saving is giving incentives to staff, who work in the area will they have widen the number of depositors by promoting the banks products because of these facts. Now a days financial institutions or banks use the level of saving in the branch as standard measuring tool of staff performance maximization of saving customers through intensive saving collection has been regard as major task of banking acceptance of deposit is the

primary function of nib international banks. Maximization of saving customer can be meeting by using high technologies, continuously training saving promoting staff developing high organizational trust giving Clint full pledged facilities at new or at existed branch, using high media coverage branch expansion educating households about the benefit of savings, providing door to door service and so on (www. Micro saves. Org)

1.2 Statement of the Problem

Saving are design to attract funds from customer who wish to save money in anticipation of Future expenditure. These saving generally pay significantly high interest rates than transaction or demand deposits do. While their interest costly higher saving are generally less costly for a bank to process and manage (Peter, 2009).

Bank saving represent the most significant component of money supply used by public and change in money growth are highly correlated with in the price of goods and service in the economy (sergeant, 2001).

Currently in Ethiopia, the soundness of the banking system to mobilize adequate resources would not be sufficient, given the large fund requirement of the economy that would certainly result in liquidity gap. The major reasons for liquidity gap are money may be kept in traditional way and majority of population is unbanked. This shows that the deposit mobilization practice among nib international bank in Wolkite town is not developed. So, this type of traditional banking practices should be stopped and replaced by the new and relevant deposit mobilization strategy. The essential for knowing such new strategy and to scale up the current deposit mobilization effort forces this study to be undertaken.

In the previous study on the area of factors affecting saving mobilization of nib international bank of Wolkite branch was rarely available and was not properly at all. The study made by Wubit Elias (2012), focused on only branch expansion and deposit interest rate determinants by taking 10 years data to see the impact on bank deposit. However, since Nib International Bank of Wolkite branch is in the growth stage with opening of new branch aggressively, using new technologies like e-banking give attention to public awareness creation and investing huge amount of money for promotional activities were not analyzed well. Therefore, this study tried to investigate to bring a solution for the following basic research questions:

1.3 Research questions

1. What is the internal factors that affect saving mobilization?
2. What are the external factors that affect saving mobilization?
3. How to evaluate factors influencing on the mobilization of saving?

1.4. Objective of the study

1.4.1. General Objective

The main objective of the study was to investigate assessment of factors affecting saving mobilization of the nib international bank of Wolkite branch.

1.4.2. Specific Objectives

- i. To assess factors that affect saving mobilization of community on Nib International Bank of Wolkite branch.
- ii. To identify the internal factor that affect mobilization of saving of Nib International Bank of study area
- iii. To identify the external factor that affect mobilization of saving of NIB at the study area

1.5. Significance of the Study

The findings of this study may also help individuals, groups, and community to prepare and get ready for saving mobilization through taking proactive actions on potential challenges that may happen in their implementation. This study was knowledge contribution, provides an important introduction to the areas of saving mobilization in nib international bank specially Wolkite branch ,which a valuable contribution to the existing body of literature and assist the future researchers in obtaining new ideas and perspectives for their study. Totally saving deposit is not only putting money in bank but it is important to gate knowledge from the bank owners or investors to see good hope about the future change of life standard to everyone and to create relationship customers and employees with the bank owners.

1.6 .scope and limitation of the study

1.6.1. Scope of the Study

Geographically, the study was delimited to Wolkite Town, Southern Ethiopia. The study was focus on the asseessment of factors affecting saving deposit in Nib International Bank in a particular case study on Wolkite branch. In particular, it was focused on the identification of influential factors on the mobilization of saving

.1.6.2.Limitation of the Study

The major limitation of the study is that the data would be collected from a small convenience sample of employees and customer in the Nib bank of wolkite branch. In the study, the sample respondents from those who are working as accounting staff and deposit facility of the Nib bank of wolkite branch. Thus, the results may provide different since if the study did not allow other employees as participants in the district. Thus the result may provide different evidence if the study allowed other employees in the Nib bank of wolkite branch. Therefore, it would be a problem in generalizing the sample results to other respondent.

1.7. Organization of the study

This section presents the structure of the paper following chapter with sequence. First chapter of this paper is about the introduction of the whole study: Introduction, Statement of the problem, objective the study, significance, scope of study and a limitation on the study. The review literature about saving mobilization is present in second chapter. Chapter three presents research design/ methodology of the study. In chapter four the result interpretation the study finally conclusion and recommendation will present in chapter five.

CHAPTER TWO

2. Related Literature Review

2.1 Definition and Concepts of Saving Deposit Mobilization

Saving mobilization refers to the banks to mobilize saving by making finance and by investing in various financial markets. Basically, saving mobilization is related to creation of creditors (Peter, 2009). Saving accounts are important and for the banking business. Saving accounts provide the economic security of a safety net. by transferring resource from the present to the future via savings individual are prepared to face unexpected and irregular financial circumstances. (Peter, 2009; Mustafa, 2009)

Besides it leads to accumulation of wealth that enables individuals to improve their living standard and to respond to new opportunity. Most people as form of saving maintain these so as to earn interest from the banks. The saving is not only held to meet the needs of the present or the near future but are also kept by individuals as part of their total stock of wealth (Peter, 2009). Saving are design to attract funds from customer who wish to seat arise money anticipation of future expenditures or financial emergencies. These saving generally pay significantly higher interest rates than transaction deposits do. Saving is generally less costly for a bank to process and to manage (Mustafa, 2009)

2.2 Definition of Financial Institutions

Financial institutions are financial intermediaries that accept deposit from individuals and make loans. Financial institutions are the most important source of credit to consumer and small business. Among these deposits such as demand deposits or negotiable order of withdraws, this is a function as money. Therefore, a particularly important feature of financial institution is that they issue debt instrument that function as medium of exchange and are in included common measures of money (Gomez, 2017). Examples of financial institutions are: commercial banks, private banks and non-bank thrift institution. Nib International bank is a financial institution that is important sources of consumer credit and one of the major sincere sources of loses to small business (peter, 2009). Private Banks are consists of personalized fanatical services and products

offered to the high-net-worth individual clients of a retail bank or other financial institution. One example of private banks is nib international bank.

2.3 back grounds of nib international bank

Nib International Bank was founded in 1999; it was one of Ethiopia's fastest-growing private banks, with total asset having grown 64% between 2008 and 2010 to reach \$400 million. It is headquartered in Addis Ababa and operates a network of 48 branches, providing extensive coverage throughout the country. Nib employs a workforce of about 1,700 people and service more than 181,000 customers. In 2010, Nib had the largest market share of loans to the Ethiopian agriculture sectors, providing nearly 29% of all lending by private banks. Also, with 6% of its lending allocated to agriculture, Nib had the highest share of total loan portfolio dedicated to the sector. Nib is owned by 3,316 shareholders, of which Nib insurance Company s.c (6%), Moplaco trading co.ltd. (4.6%), and Seid Husen Ali (2.1%) are the three largest owners. The bank's board of Directors are comprised of 12 Ethiopian national who are responsible for formulating strategy and approving major policies and risk limit

2.3 Functions of Nib Banks

Nib is the international financial institute of which use to add value and complements international lending to help ensure sustainable growth. Further integration between the member of Countries' economies is an essential part of the banks (26 epr 2018). The main function of nib bank is to act as identification for businesses, both individual and non-individual.

2.4 Non-Bank Thrift Institutions

Thrift institutions are specialized types of depository institution. Traditionally, thrift was not permitted to accept deposits transferable by check (negotiable) through checking accounts. They obtained funds primary by tapping the saving of households (Radhkrishna, 2011).

2.5 Non-Transaction Deposits

Are the primary sources of funds? Owners can't of write checks on non-transaction deposits, but the interest rates are usually higher than those on checkable deposits. There are two types of non-transaction deposits; saving accounts and time deposits. (Gomez, 2020) Saving accounts; was once the most common type of non-transaction deposit. In this account to which funds can be

added or from which fund can with drawn of anytime transaction and interest payments are record in monthly statement or in small book has by the owner of the account. (Gomez, 2016)

Time deposits; have a fixed maturity length ranging from several months to over five years and have substantial penalties for early with drawl. (Gomez, 2015)

2.6 Advantage of Saving to the Bank

2.6.1 Saving Deposits as a source of Fund Loan

Hamid (2011) states saving are one of main source of banks to provide loan. Thus, saving is mainly provided by people as Dorothee (2009). However, saving can also be providing by business organization, NGO, government and so on. Therefore, whether saving is from individuals, business and government they are important financial source of funds.

2.6.2 Attracting Saving Deposit Is Cheaper Than Raising Equity

Banks as any other business organization funds from debt or equity, in the bank's context raising equity is more expensive or costly than attracting saving. Ismail (2015) states that, if the lending channel plays a role, the saving growth should lead to an increase in the supply of loans due to the additional source of financing for banks. As demand from loan increases because of the development work do by individual, business and government banks creates a saving by lending to a business man, it was clearly performing a function for which it was until to a return in the form of interest payment Kelvin (2001).

2.6.3 Banks Make Profit Using Their Saving Deposit

Mahindra (2005) states that saving most of the row materials for bank loan thus represent the ultimate source of the banks profit and growth Banks make profits by using their saving, therefore it is said that depositors can disciple banks by withdrawing saving and by requiring higher interest rate. For depository corporations mainly saving money banks, their requiring higher interest rate. For depository corporation's mainly saving money banks, their principal objective is undertaking financial intermediation to make profit.

2.7 Factors Affecting Nib International Bank Saving

2.7.1 Saving Interest Rate

One of the most effective factors for deciding to save in the banking system is the interest rate Mustafa (2009). Moreover, this article shows the impact of interest rate on the performance of

the banking system to achieve the goals that are expected from the banking system. Hamid (2011) also mentioned interest as one of the determining factors for nib international bank saving. Philip (1998), also states that the offering of attractive interest rate on banks saving may be considered to have has a beneficial effect. Moreover, Mustafa (2009) said that low saving interest rates are discouraging saving mobilization. Devinaga (2015) said that the banking system is unlikely to be in a position of meet the demand for a bank credit unless concerted policy is pursued rise the rate of saving in the form of deposit in particular.

Interest rate in the banking system is held as investment cost from the investors' point of view and opportunity cost from the depositor's point of view Mahendra, (2005). Thus, capital market forces balances interest rates. In Other words, the just and correct interest rate is balance in supply and demand conditions in proportions with the inflation rate. Dorothee (2009), states that saving rate sensitive assets and to decrease investment in loans. That is nib international bank saving are interest rate sensitive, therefore as the interest rate changes the saving of nib international banks will change.

2.7.2 Inflation

As to Herald and Heiko (2009), inflation is one of the factors that determine nib international banks saving. Fischer showed that in Latin America the effect of inflation on savings and time deposit to GDP is significantly negative (Mohammed and Mahdi, 2015).

The classical belief is that, because these bank assets and liabilities are expected in monetary terms and because these assets will normally grow in line with growth in money supply. Banks are relatively immune from the effects of inflation (Devinage, 2015). In brief, monetary policy works by controlling the cost and availability of credit. During inflation the Central bank can raise the cost of borrowing and reduce the credit creating capacity of nib international bank and other banks. According to Devinga(2015), this will make borrowing more costly than before and there by the demand for funds will be reduce.

Similarly with a reduction in their credit creating capacity, the banks will be more caution in their lending policies. Since the banks demand for fund decreases obviously the saving will be decrease. Banking systems is affected by inflation in terms of saving absorption and facilities grant (Mohammed and Mahadi, 2015). As to Mohammed and Mehdi (2015), in developed

countries negative correlation between inflation and absorb saving and grant facilities has been document. However, in developing countries the opposite is true.

Inflation is seen as an economic problem in developed countries in the second half of 20th century. Inflation with effect in economic growth, employment, income distribution and wealthy as well as social and political conditions of a country can influence its entire dignity (Mohammed and Mahadi, 2015). Moreover, Mohammed and Mahadi (2015), banking system as an important effective factor in economic performance has also been under the influence of inflation. As to Mohammed and Mahadi (2015), as far as the effect of inflation on financial sector concerned the literature demonstrate that inflation affects the power or capacity of financial sector for optimal allocating of resources. That is as inflation rate improve, true yields rate of money and assets decreases, therefore saving are no more attractive. Also, the increase of inflation rate has a negative effect on the performances of banks and capital markets and finally effect on the long-term economic growth (Mohammed and Mahadi, 2015).

With respects to the effect of inflation on savings, it can be mentione that in general, all individuals who save a part of their income in banks directly damaged by the inflation and their assets decrease in proportion with money value of decrease (Mohammed and Mahadi, 2015). In this case as Mohammed and Mahadi (2015) describes people try to change their cash and savings to more reliable and stable firms such as land, jewelry, antiques, art, collections deposit. High inflation rates decrease the real value of deposits. Peter, (2009), inflation technically dose not decrease deposit, however it decrease the value or amount of deposits.

2.7.3 Real Interest Rate

Real interest rate is nominal interest rate minus inflation rate. Mohammed and Mahadi (2015) said that in negative real interest rate condition, people withdraw their resource from banking system. According to Mohammed and Mohadi (2015) some research supposed that decrease in real interest rate could decrease true demand for money (in its extensive definition including saving and time deposit). Therefore, it states that the interest rate and saving of the banks have direct relationships. According to Philp (2009), while interest rates risk is a major concern for banks due to the nominal nature of their assets and the asset liability maturity mismatch Mustefa,

2009), some researcher emphasize that high interest rates have positive impact on banks Mohammed and Mahadi (2015).

2.7.4 Population growth of the country

The twin objectives of nib international bank, i.e. acquiring deposits and advancing credit cannot be attained without good banking habits of the people. Moreover Mahendra (2005) states that, the number of saving accounts are more important because of it ensures that the profitability of account holders withdrawing cash at a time reduce as the number of saving account increase there by creating advantage for banks in terms of increasing the size of the loan able fund. So, the higher number of saving accounts the greater is the advantage to banks. So, the number of saving account depends on the number of saving account holders. Therefor the number of saving account holders and advantage of banks is positive relationship.

2.7.5. Per Capital Income of the Society

According to Erna (2004), per capita is the level of GDP divide by the population of a country or region. Changes the society in real GDP per capita over the time is often interpret as a measure of changes in the average standard of living of a country. If households and firms desire to hold more money, saving will increase Ismail, (2015). So, the relationship between income and saving is positive, that is as the income of society increase the same happens for the Nib banks saving. Income is expected to have a positive effect on saving. Therefore, as society's per capital income increase the same will happen for nib international banks saving. Mahendra (2005) also indicates that income of the society matter for banks saving growth. Mohammed and Mahadi (2015), Ethiopia is one of the poorest countries in the world with an estimate per capita income of just \$203 (IMF2007 cited by the financial standards foundation).

2.7.6 Economic Growth

Economic performance was generally being measure through GDP, available that has also become the universal metric for standards of living Hamid (2011). It is universally applying according to common standards, and has some undeniable benefits mainly due to its simplicity Devinaga (2015). According Herald and Heiko (2009), growth is one of the determining factors for nib international bank saving. GDP is calculated by adding up the value add at stage of production (dedicating the cost of produce inputs and materials purchase from an industry is supplies. Erna (2004) finds four variables, GDP, number of Islamic banks branch offices profit

sharing rate and interest rate that are through to have effect on the volume saving. So, GDP can affect the growth of Nib banks saving.

2.7.7 Consumer Price Index

According to Herald and Heiko (2009), price can also determine Nib bank saving and it can be indicated by CPI. In literature there is evidence for the influence of CPI on nib international bank saving; however, this area is rarely study.

2.8 Research gap.

The gap observed in the previous research is that. (1) Most of the study is not in NIB Wolkite branch; there are limited studies that are conducted related to assessment of factor affecting mobilization of nib international bank in wolkite branch (2) Most studies are not similar with this topic. (3) Most are far apart from today, there are no recent studies based on the recently updated data. Therefore, taking into account of the significance of assessment to factor that affecting mobilization of saving deposit in nib international bank in wolkite branch in southern Ethiopia, this study was to be undertaken to fill the above mentioned gapes as there have no enough previous studies on the same and even on related topics specifically in Wolkite branch.

CHAPTER THREE

3. Research Design and Methodology

3.1. Background study area

Location

Wolkite is separate town found in Gurage zone of southwestern Ethiopia. Topographically, the district situated between a latitude of 8°17'N 37°47'E and Longitude of 8.283°N 37.783°E and an elevation between 1910 and 1935 meters above sea level (fig1)..From this area , the researcher selected wolkite town which is a zone of Gurage and it describes to introduce the map of my research area(CSA, 2007)

Population and means of livelihood

The total number of populations of the study area is estimated about 17,200 among these male 9,400 and female 2,200. From the total population of town, most of people in are living in urban area and some are living in rural area the Keble (Keble administrate, 2022). Trade, Mixed farming system such as livestock and agriculture are the main livelihood activities and income sources in the study area (wolkite town agricultural office, 2022).

Climate and topography

Topographically the study area is characterized by flat gentle slop, train and flat geographic future. Argo ecologically characterized by “*Woina Dega*” climatic condition which receives 800-1200mm average annual Rain fall and havening about 21C° annual temperature (Wolkite Town Admin,2022).

3.4 Source of Data

The study was used both primary and secondary source data. The primary data was data that is collected by a researcher from first-hand sources, using methods like: Interviews, surveys and censuses, diaries, etc. It is directly collected evidence from the original source. However, the secondary sources of data are a data that collected from Books, published paper, articles, and journals of which having related information to the researcher title.

3.5 Method of data collection

The researcher was used primary method of data collection. The primary data was collected from nib international bank of wolkite branch by using questionnaire.

3.6 Target Population

The target populations of this study were employees and customers of Nib International Bank from Wolkite branch.

3.7 Sample size and Sample Technique

3.7.1. Sample size

The sample size was selected from employees and customers of nib international bank of wolkite branch .The researcher used Convenience sampling method to select sample size from customer and employees of nib international bank wolkite branch. Essentially, the researcher was used random sampling method to select sample size from customer and employees of the bank. Therefore, the researcher was used 20 sample size from 40 to the total employees of nib international bank from wolkite branch and similarly, 30 sample from 1200 of the total customers of nib international bank from wolkite branch.

3.8 Data Analysis Technique

Regarding the analysis part was accomplished through the data that are collected from primary sources. The data was organized in quantitative and qualitative method. For the quantitative data analysis part, conducted through percentages and tables. Regarding the qualitative data explanations take place briefly and in sequential manner. Primary data was tabulate first and then analyze items.

CHAPTER FOUR

4 Data presentation, Analysis and interpretation

The study is intended to know assessment of factor affecting saving mobilization in Nib bank of Ethiopia Wolkite branch. The required data are expressed based on a quantitative and qualitative way and the study was collected by using primary data. This chapter discusses information about the background information of the respondents including gender, age, work experience, educational status and field of studies of both employees and customers responses to the questionnaire and the interview responses gained from the manager of Nib bank of Ethiopia wolkite Branch. The details of the data presented and analyzed in both customers and employees of Nib bank, wolkite branch to be discussed as follows:

4.1 General characteristic of customer respondents

All the chapter deals with the presentation, analysis and interpretation of data collected on the assessment of Factor that affecting saving mobilization in Nib bank Ethiopia wolkite branch. The analysis under taken is based on the information obtained from questionnaires which were distributed to the customer of the of Nib bank wolkite branch. Out of 30 questionnaires distributed 100% of them questionnaires were successfully responded and collected from customer of the bank. The general characteristics of respondents like gender, age, educational level, marital status, occupation and income level are stated precisely in the below table

Table 4.1.1. The demographic characteristics background of customer

No	Description		No of respondent	Percentage
1	Gender	Male	15	50%
		Female	15	50%
		Total	30	100%
2	Age	18-33 years	15	50%
		35-44 years	10	30%
		45-65 years	6	20.00%
		Total	30	100%

3	Educational level	Literate	26	86.67%
		Illiterate	4	13.33%
		Total	30	100%
4	Marital status	Married	20	66.66%
		Single	10	33.33%
		Total	30	100%
5	Occupation	Employee	13	43.333%
		Businessman	10	33.33%
		Service man	-	
		Unemployed	7	16.6%
		Total	30	100%
6	Income level	500-1000	-	
		1000-2000	4	13.33%
		2000-4000	5	16.66%
		Above 4000	21	70%
		Total	30	100%

Source: Data collected from questionnaires, 2023

Above Table indicates that 15(50%) respondents were male and 15 (50%) of the respondents were female. The researcher observed that majority of respondents were male. Regarding to their age 15(50%) of respondents were between 18-34 years, 10 (30%) of respondents were 35-44 years, 6 (20%) of the respondents were 45-65 years. The researcher observes that the majority of the respondents were 18-34 years. Regarding to educational level 26 (86.67%) of respondents were literate and 4 (13.33%) of respondents were illiterate. The researcher observes that respondents were literate. Regarding to marital status 20(66.6%) of respondents were married, 10(33.33%) of respondents were single. The researcher observed that majority of respondents were married. Regarding to occupational level 13 (44.33%) of the respondents were employees, 10 (33.33%) of the respondents were businessman and 7 (23.33%) of respondents were unemployed and none respondents with service man. The researcher observed that majority of respondents were employee. Regarding to income level none of the respondents were birr 500-1000, 4 (13.33%) of the respondents were 1000-2000, 5(16.66%) of the respondents were 2000-4000 and 21(70%) respondents were above 4000. The researcher observes that the majority of respondents were above 4000 income level.

Table 4.1.2 Issue related to deposit of money by customers

No.	Why do you deposit your money?	Respondents Number	Percentage
1	For security	-	-
2	To earn interest rate	-	-
3	For emergency	-	-
4	For all	30	100
Total		30	100

Source: Data collected from questionnaires, 2023

The above table 4.1.2 indicates that, 30 (100%) of respondents answered that they save their money for all none respondents only for security, only to earn interest rate and only for emergency. From the above table researcher observe that the depositor deposits their money for purpose. From this researchers we conclude that the majority of the respondent said that the purpose of deposit money in the bank are not for security ,interest ,emergency but deposit money for this cumulative effect.

Table 4.1.3 Reason for selecting the bank than other bank

No.	Why did you select Nib bank, wolkite branch?	Respondents Number	Percentage
1	Pay higher interest rate	-	-
2	Near to me	21	70%
3	Give efficient service	3	10%
4	Private bank	6	20%
Total		30	100

Source: Data collected from questionnaires, 2023

Table 4.1.3 shows that, 21(70%) of respondents responded that they select the Nib bank wolkite branch because of the bank were near to their home and 3 (10%) of respondents answered that they select the bank because of getting efficient services, 6(20%) of respondents responded that they select the Nib bank main branch because of private bank. None respondents answered that because of pay higher interest rate. From the above table the researcher observed that depositor select the Nib bank wolkite branch because of near to their home. From this the researchers we conclude that the majority of the respondent said that the availability branches in the area are the factor to select Nib bank.

Table 4.1.4 Issue related to hosting customer on time

No.	Does Nib bank, wolkite branch host you on time?	Respondents Number	Percentage
1	Yes	30	100%
2	No	-	-
Total		30	100%

Source: Data collected from questionnaires, 2023

Table 4.1.4 shows that, 30 (100%) of respondents answered that the bank host its customers on time and none respondents answered that the bank cannot host its customers on time from the above table the researcher observed that the bank could host its customers on time. From this the researchers we conclude that the majority of the respondent said that the service given by Nib bank are very host to the customer.

Table 4.1.5 Level of interest rate paid on deposit

No.	How do you feel about interest rate paid on your deposit?	Respondents Number	Percentage
1	Higher	-	-
2	Medium	25	83.33%
3	Lower	5	16.66%
Total		30	100

Source: Data collected from questionnaires, 2023

Table 4.1.5 shows that, none of the respondents answered that the interest paid on their deposit is higher, while 25 (83.33%) of respondents answered that interest paid on the deposit is medium and 5 (16.66%) of respondents responded that the interest rate paid on their deposit is lower. From the above table the researcher observes that the interest rate paid on their deposit is medium. From this the researchers we conclude that the interest paid by the Nib bank are medium compared to other private and government bank.

Table 4.1.6 Motive for increasing deposit by customers

No.	What can Nib bank, wolkite main branch do for you to increase your deposit?	Respondents Number	Percentage
1	Increase interest rate	7	23.33%
2	Improve its service	9	30%
3	Motivate customers	12	40%
4	Provide incentives	2	6.6
Total		30	100

Source: Data collected from questionnaires, 2023

Table 4.1.6 shows that, 7 (23.33%) of respondents answered that their increase their deposit when the bank increase its interest rate on deposit, 9 (30%) of respondents replied they increase their deposit when the bank improves its services, 12 (40%) of respondents responded that the increase their deposit when the bank motivates customers and 2 (6.6%) of respondents answered that they increase their deposit when the bank provides incentive for them. From the above table, the researcher observed that depositor increases their deposit when the bank motivates customers.

Table 4.1.7 Distribution of branches in city and outlying

No.	Distribution of branches in city and outlying?	No of respondents	Percentage%
1	Yes	12	40%
2	No	18	60%
Total		30	100%

Source; data collected from questionaries'2023

Table 4.1.7, indicates that 12(40%) of the respondents have believed that the branches were fully distributed and the majority of the respondents 18(60%), have not believed the distribution of branches in city and outlying are fair. This indicates that there is more country done here in wolkite. From this the researcher concluded that the majority of the respondent said that the distribution branches in city and outlying were not fair, because the bank can take adequate infrastructure so in case the majority branches of the respondent were suited in city rather than country side.

Table.4.1.8 Major Factors contribute more to increase the deposit amount of the bank

No.	Major Factors contribute more to increase the deposit amount of the bank?	No of respondent	Percentage
1	Aggressive branch expansion	11	36.66%
2	Aggressive advertisement	9	30%
3	Increase customer handling culture	8	26.66%
4	Other	2	6.67%
	Total	30	100%

Source; data collected from questionnaire, 2023

Table 4.1.8 indicates, the majority of the respondents, 11(36.66%) believe that aggressive branch expansions are major factors to contribute deposit balances of the bank, 9 (30%)of the respondents agreed, aggressive advertisement brings more depositors to the bank and major factors for increasing of bank deposit balances, 8(26.66%) of the respondents agreed increasing customer handling cultures are the major factors for increasing deposit balances of the bank and the remaining 2(6.67) believes there are other factors to contribute deposit balance such as upgrading technology and extending bank closing hours. This implies nearing to the customer by opening additional branches is the major factors to increase the deposit balance of the bank. From this the researcher I concluded that the majority of the respondent said that the aggressive branch expansion in all parts of the country are the major factor contribute more to increase the deposit amount of the bank.

Table 4.1.9 factors affecting the deposit mobilization process of the bank

No.	factors affecting the deposit mobilization n process of the bank	No of respondent	Percentage
1	The current infrastructure reconstruction	15	50%
2	People attitude towards private bank	9	30%
3	Government intervention towards privately owned bank	4	13.33%
4	Branch office location and poor parking area	-	-
5	Competition with other private and gov'tal bank	2	6.67%
6	Other		
	Total	30	100%

Source; data collected from questionnaire 2023

The above table,4.1.9 shows that the majority of the respondents 15(50%) believed that the current infrastructure reconstruction of the city are the major factors affecting the deposit

mobilization process, 4(13.33%) of the respondents agreed , government intervention affect mainly the deposit mobilization process, (30%) of the respondent agreed on peoples attitude towards private banks are highly influence the deposit mobilization process and 2(6.67%) of the respondents believed competition with other private and governmental banks. From this researcher I conclude that the majority of the respondent said that the current infrastructure reconstruction in city and rural area the major factor that affect deposit mobilization of the bank.

Table.4.1.10 Is NIB mobilizing enough saving currently

No.	Is the Nib bank mobilizing enough saving currently?	Frequency	Percentage%
1	Yes	9	30%
2	No	21	70%
	Total	30	100%

Source; data collected from questionnaire

Based on the analysis on table 4.1.10, 9 (30%) of the respondent were agreed that Nib Bank have mobilized enough about of deposit and 21(70%) of the respondent were disagreed that Nib Bank can mobilize more deposit than others. From this researcher I conclude that the majority of the respondent said that Nib bank of wolkite cannot mobilize enough saving currently due to lack of awareness creation in the society or lack of team spirit among employees etc.

Table 4.1.11. Mostly where does the NIB Bank collect its deposits

No.	mostly where does the Nib Bank collecting its deposits	Frequency	Percentage%
1	Individual customers	18	60%
2	Government	3	10%
3	Business organization	9	30%
4	All	-	
	Total	30	100%

Source; data collected from questionnaire .2023

Based on the above table 4.1.10, 18(60%) of the respondents respond that Nib Bank collects its deposits from individual customers and they agreed individual customers are the main sources of deposits, 9(30%) of them says it collects its deposits from business organization, 3(10%) of the respondents said that deposit from the government. From this researcher I conclude that the majority of the respondent said that mostly the Nib bank can collect its deposit from individual.

Table 4.1.12 at macro level the major factors affect the volume of deposit in the bank

No.	At macro level the major factors affect the volume of deposit in the bank?	Number of respondent	Percentage%
1	Economic environment of the country	20	66.66%
2	The volume of business transaction of the country	6	20%
3	The banking habit of the people	4	13.33%
4	All	-	
	Total	30	

Source data collected from questionnaire; 2023

Based on the above table, 12, 20 (66.66%) of the respondents responded that the economic environment of the country will affect the volume of deposit, 6(20%) of them said that the volume of business transaction of the country will affect it, 4(13.33) of the respondents agreed upon the society to the banking habit. From this researcher I conclude that the majority of respondent said that the major factor affect the volume of deposit in the bank is economic environment of the country means like inflation GDP, per capita income and the like can affect deposit mobilization of the bank.

Table, 4.1.13 the most determining factors of Nib Bank deposit

No.	The most determining factors of Nib Bank deposit?	Number of respondent	Percentage%
1	Interest rate of the bank	10%	30%
2	Overall inflation of Ethiopia	5	16.66%
3	Real domestic product/GDP growth of Ethiopia	3	10%
4	Number of branch expansion	13	43.33%
5	All	-	
	Total	30	100

Source data collected from questionnaire; 2023

Based on the above table, 13 of the respondents agreed that branch expansion can be the main determinants for deposit growth on the bank, 10% of them claims that interest rate was the most determinant factors of the bank deposit and the rest of the respondents said that the determinants factors of deposit was not only but many for this case cumulative effects of two. From this

researcher I conclude that the majority of the respondent said that numbers of branch expansion strategy of the Nib bank .international banks are the most determining factors affect deposit amount of the bank.

Table 4.1.14 Volume of total deposit difference among Nib Bank branches

No.	13 volume of total deposit difference among Nib Bank branches?	Number of respondent	Percentage%
1	Yes	25	83.33%
2	No	5	16.66%
	Total	30	100%

Source data collected from questionnaire; 2023

Based on the table 14 analysis, 25(83.33) of the respondents agreed that the deposit are different in volume among the branches of Nib international bank and the other 5(16.66) were not agreed with the difference in deposit among the Nib bank in wolkite branches. From this researcher I conclude that the majority of respondent said that there was difference in volume of total deposit among Nib bank wolkite branches due to development that area.

Table 4.1.15, Major cause for the difference in total deposit among the Nib Bank branches

No.	Major cause for the difference in total deposit among the Nib Bank branches?	Number of respondent	Percentage%
1	Awareness of the society	5	16.66%
2	Service Excellency	6	20%
3	Awareness of the staff	4	13.33%
4	Accessibility of branch office	2	6.6%
5	All	13	43.33%
	Total	30	100%

Source; data collected from questionnaire 2023

Individual respondents were asked to tell their feeling about major causes for the differences in total deposit among the Nib bank wolkite branches in their respective area. Though there were certain differences among the branches' respondents, overall agreed that there is no one exceptional reason for deposit differences among Nib Bank wolkite branches that is why 13(43.33%) of the respondents selected all, followed by the service Excellences can be a reason

6(20%), 2(6.6%) of the respondents stated that accessibility of branch office to the society as a reason for the deposit volume variation, 5(16.66) of the respondent claims that the main reasons for deposit variation among branches was awareness creation for the society and as well as 5(13.33) of the accessibility of branch offices From this researcher I conclude that the majority of the respondent said that all are major cause for the difference in total deposit among Nib Bank wolkite branches but most of the respondent claims that the reason for deposit variation among branches was awareness creation for society.

Questionnaire; filled by customer.

The study is intended to know factor affecting saving mobilization in Nib bank wolkite branch. The required data were expressed based on a quantitative and qualitative way and the study was collected by using primary data.

4.2. General characteristic of employee respondents

All of the chapter deals with the presentation, analysis and interpretation of data collected on the factor affecting saving mobilization in Nib bank Wolkite branch .The analysis under taken is based on the information obtained from questionnaires which were distributed to the customer of the of Nib Bank Wolkite branch. Out of 20 questionnaires 20 of them questionnaires were successfully responded and collected from employee of the bank.

Table 4.2.1. The demographic characteristics background of Employees

Gender	No of respondent	Percentage
Male	12	60%
Female	8	40%
Total	20	100%

Source data collected from questionnaire; 2023

According to table, it is observed that out of the 20 respondents 12(60%) of respondent were males and the remaining 8 (40%) were females. This shows that majority of the respondents were males. This might be due to smaller number of female employees in the Bank, compared to males.

Table 4.2.2 Work experience

Work experience in the bank	No of respondent	Percentage
2-5	10	50%
6-10	5	25%
11-15	3	15%
>15	2	10%
Total	20	100%

Source data collected from questionnaire; 2023

Based on the above table shows that 50%(10) of the respondents have 2- 5 years work experience on Nib Bank, 25%(5) of them have 6-10 years' work experience, 15%(3) of them have 11-5 years' work experience and the other 10%(2) of them have above 15 years work experience in the bank. From this researcher I conclude that the majority of employees of the bank were more experienced and more elite to give the appropriate answer for the question.

Table 4.2.3 Respondents educational level

Education level	No of respondent	Percentage
Diploma	2	10%
Degree	15	75%
MSc degree	3	15%
PhD	-	-
Total	20	100%

Source data collected from questionnaire; 2023

Based on the table shows that 10% (2) of the respondents have diploma, 75 % (15) of them bachelor degree, 15 % (3) of them have master's degree and none of respondent in PHD. The majority of the bank employees were BA degree. So high educational level in the Nib Bank,.

Table 4.2.4 respondents'' work positions

Position in the bank	No of respondent	Percentage
Branch manager	1	5%
Customer service manager	7	35%
Senior customer service officer	6	30%
Planning officer	1	5%
Customer relation officer	5	25%
Total	20	100%

Source data collected from questionnaire; 2023

Based on the above table shows that 5% (1) of the respondents were on the position of branch manager in the bank, 35% (7)of the respondents are on the position of customer service manager in the bank, 30% (6)of the respondents were Senior Customer service officer, 5% (1) of them were planning, 25%(5) of them is customer relation officers. Based on this frequency distribution the researcher can see the normal distribution among each job titles in bank staff an can say most the respondents were eligible to answer the questions raised by the researcher to grasp relevant information.

Table 4.2.5 most significant depositors of your bank in terms of size of deposit

S	No of respondent	Percentage
Individual customer	5	25%
Business organization	11	55%
Gov.t entity	0	0%
NGOs	4	20%
Total	20	100%

Source data collected from questionnaire; 2023

Table 4.2.5.The most significant depositors of banks in term of size of deposits as per the table shown above,5(25%) of the respondent said that individual customers,11(55%)of the respondents said that business 4(20%) of them NGO’s but the government entities have got 0% of respondents because every government entities use public banks rather than private banks.This means ,them significant depositor of banks interms of the size of deposits was found inbusiness organizations because they have more transactions and more funds than individuals

Table 4.2.6 deposit type has the most significant deposit for you

Which deposit type has the most significant deposit for you?	No of respondent	Percentage
Saving account of deposit	14	70%
Current account deposit	6	30%
Fixed time deposit	0	0%
Total	20	100%

Source data collected from questionnaire; 2023

Table 4.2.6 The typeof deposit which has the most significant deposit volume in the above of respondents replied that, the most significant deposit of Nib banks was saving account

deposits and 30% of the respondents said 6 current account deposit. Also affirmed that, the most significant volume of deposit in Nib banks saving deposit. From this researcher I conclude that the majority of bank employees said that the most significant deposit of Nib banks were saving account deposit. The reason is that saving account has an interest paid to customer.

Table 4.2.7 bank increasing the number of its branches every year

Is your bank increasing the number of its branches every year?	No of respondent	Percentage
Yes	20	100%
No	-	-
Total	20	100%

Source data collected from questionnaire; 2023

As per the above table 4.2.7, 20(100%)of respondents agreed on the increasing the number of the its branches every year.The researcher conclude that the Nib bank expand its Wolkite branches from year to year. So it's better to satisfy the needs of customer.

Table 4.2.8 the main reason for the branch expansion

What do you think the main reason for the branch expansion?	No of respondent	Percentage
To mobilized Deposit	10	50%
To increase number of staff	2	10%
To collect foreign currency	2	10%
To give loan facility	3	15%
To increase customer base	3	15%
Total	20	100%

Source data collected from questionnaire; 2023

The main reason for branch expansion was deposit mobilization. As table 4.2.8 Shown that 50% respondent perceived the main reason of branch expansion was for mobilizing deposit, 10% to increase customer base and also 10% responded to collect foreign currency .the remaining 15%of the respondents perceived that the reason was to give loan facility and to increase number of staffs. To summarize the responses the main objective was to mobilize deposit and to increase customer base as well as it uses them to collect foreign currency.

Table 4.2.9 deposit mobilized by respective branches of your bank differ

Does the deposit mobilized by respective branches of your bank differ?	No of respondent	Percentage
Yes	20%	100%
No	0%	0%
I do not know	0%	0%
Total	20	100%

Source data collected from questionnaire; 2023

AS Table 4.2.9 shows us, 100% of respondent perceived deposit was differed from branches, there were some reasons to make difference .the main reason was proximity of branch to business centres employees capacity to handle customer and the MGT’S strategy.

Table 4.2.10 the cause for the difference in deposit mobilization among branches

What do you think is the cause for the difference in deposit mobilization among branches?	No of respondent	Percentage
Convenience of bank branches	4	20%
Proximity (branch close to home or job)	3	15%
Good customer service	6	30%
Awareness of society	3	15%
General appearance office and materials	1	5%
Convenient working hour	1	5%
Low cost or charges	2	10%
Total	20	100%

Source data collected from questionnaire; 2023

According to the filled and returned questionnaires,30% of mobilization among branches was good customer service, 15% Of the respondents believe awareness of the society differ deposit mobilization among banks,15% of the respondents believed that proximity of the branch was the reason of difference in deposit mobilization.The remaining 40 % convenience of bank branches, convenient working hours,general appearance of office, materials and low cost /charges.

Table 4.2.11 the volume of deposit mobilized by your bank grow year to year

Does the volume of deposit mobilized by your bank grow year to year?	No of respondent	Percentage
Yes	20	100%

No	-	-
Total	20	100%

Source data collected from questionnaire; 2023

As per the above table 4.2.11 20 (100% of respondents agreed on the volume of deposit grow year to year. from this researcher conclude that the volume of deposit were grow due to service excellency or by giving incentive.

Table 4.2.12 if your answers “yes” what could be the reason

If your answers “yes” what could be the reason?	No of respondent	percentage
Attractive interest rate	5	25%
Product disparity (card banking internet, banking mobile banking...)	6	30%
Literacy about saving	2	10%
The service given by the bank	4	20%
Convenience of branches	2	10%
The citizens per capita income increase	1	5%
Total	20	100%

Source data collected from questionnaire; 2023

As per table 4.2.12.30% of the respondents believe that the main reason of consistent growth of deposit was product disparity ,25% of them believe attractive interest rate,10% literacy about saving and 20% was te quality of services given by the bank .The remaining15% of the respondent believe the main reason was branch expansion, convenience of the branch and the citizens‘ per capita income. from this researcher I conclude that the volume of deposit mobilized by the Nib bank consistent grow year to year due to the product disparity like(mobile banking ,internet banking and the like’s

Table 4.2.13 factors do you think affect the volume of deposits of the banks

Which of the following factors do you think affect the volume of deposits of the banks?	No of respondent	Percentage
Saving interest rate	3	15%
Economic development of the country	4	20%
The money supplied By the government (by printing money)	2	10%
The number of branches opened	5	25%
Inflation	1	5%
Increase in per capita income	2	10%

Quality customer service	3	15%
Total	20	100%

Source data collected from questionnaire; 2023

As per table 4.2.13 25% of the respondents believed that factor that affect deposit mobilization was the number of branches opened by bank s which mean abank, 20 of the respondents believed that economic development of the country and deposit mobilization has positive relationship, and 25% of respondents of two factor sbelieve saving interest rate& quality customer service increase deposit mobilization. In general all of the factors affect deposit mobilization.from this researcher I conclude that the majority of the employees said that economic development of the country means the development of service and the manufacturing ,agriculture sector are affect the deposit mobilization of the bank.

Table 4.2.14 main challenges of your bank

What do think the main challenges of your bank%	No of respondent	Percentage
Competition from other banks	10	50%
Lack of technology	1	5%
Lack trained man power	4	20%
More banks joined in the markets	1dede	5%
Small number of the branches(in inaccessibility	1	5% ^s
Government/regulation	1	5%
Government participation in banking industry	3	15%
Total	20	100%

Source data collected from questionnaire; 2023

The majority of the respondents or 50% (10)believed the main challenge of Nib bank was competition from other banks,5%(1)of the respondents‘also believed smallnumber of branches.The remaining such as government participation in banking industry 15%(3)Government laws/regulations 5%(1) of the respondents respectively.from this researcher I conclude that the majority of the respondent said that the main challenge of the Nib bank was competition from private bank by providing new service and new branches in all parts of the country due to this competition from private bank are the main challenges of the bank.

CHAPTER FIVE

SUMMARY, CONCLUSIONS & RECOMMENDATION

5.1 conclusions

- ✓ The survival of Nib bank highly depends on the deposit because mobilizing deposit for Nib banks is a matter of survival without having enough deposit for Nib banks business is nothing.
- ✓ Nib bank workite branches performs variety service among this service mobilize deposit accepting different type of deposit is the major one. This source of deposit mobilization is saving deposit, demand and time deposit.
- ✓ The Nib bank workite branches attract customer to mobilize deposit by providing incentive paying interest rate and motivate customers by opening new branches near to customer and introducing new banking technology.
- ✓ The interest rate paid on saving deposit is similar to other private bank but some private bank pays higher interest rate on saving deposit than Nib bank workite branch.
- ✓ The purpose of bank mobilize deposit was to advance loan to invest in other manufacturing and service investment areas rather than to invest in security.
- ✓ According to the study deposit mobilization is very difficult tasks because of having many factors affect bank deposit. Base on this study factors for Nib bank deposit growth are service Excellency, branches expansion, opening new branches. Promotion, interest rate, awareness creation and using new banking technology.
- ✓ The deposit of Nib Bank largely collected from individual
- ✓ The bank collect deposit in three from i.e. demand deposit fixed deposit and saving deposit among this form of deposit the largest proportion of deposit is on the form of deposit which fixed interest.
- ✓ The current activities of private bank by branch expansion as well as aggressive promotional affect directly or indirectly of the deposit mobilization process of Nib international bank.

Among this variable branch expansion is an important strategy for deposit mobilization. it is highly significant than other. And interest rate is considered as less significant in deposit growth due to a little market-based rate of adjustment are exercised in the Nib Bank. \

5.2. Recommendation

- ✓ There is private bank which compete bank to mobilize more deposit by paying high interest rate. Therefore, the branches to become strong competitor the branches should make relation with other private bank and should gather information about weakness and strength of other private bank and improve its weakness.
- ✓ The minimum interest on saving deposit increase from 4 to 5 by the national bank. Now the Nib Bank Wolkite branches pay 5 percent on saving deposit but few private banks pay greater than 5 percent due to shortage of deposit. depositor save their money in those banks pays higher interest rate .this cause low mobilization of deposit for Nib Bank Wolkite main branches .therefore to improve this problem the branch should increase their interest rate on saving deposit above 5 percent.
- ✓ It is better to host customer on time and provide technology to attract more depositor
- ✓ The bank also introduces new technology to satisfy the needs of customer but not introduce only also adopted.
- ✓ The majority of respondent said that the distribution of the bank is not fair in city and outlying. So the bank can address all parts of the country.
- ✓ The majority of the respondent said that the major factors affecting deposit mobilization is expansion due to this the bank expect to open new branches and new technology to its customer.

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APPENDIX I
WOLKITE UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF ACCOUNTING AND FINANCE

Dear Respondents:

This is questionnaire designed to collect data from **customer** of Nib bank on the assessment of factors that affect mobilization of saving deposited case study in Nib international bank wolkite Branch. The study is going to be used as input for a senior essay in partial fulfillment BA degree in banking and finance. Your genuine response is solely used for academic purpose and the data would have been treated utmost confidentially. There for, your kind cooperation is appreciated in advanced.

Background of respondents

I. General respondent's information

1. Gender

Male Female

2. Age

18-34 years 35-44years 45-65 years

3. Educational Level

Diploma BA degree MSC degree PHD

4. Marital status

Married Single unmarried

5. Occupations

Employee Business man Service man Unemployed

6. Income level

500-1000 1000-2000 2000-4000 Above 4000

7. Why do you deposit your money?

For security to earn interest rate

For emergency all

8. Why do you select Nib international at wolkite branch?

Pay higher interest rate Near to me

Give efficient service Government bank

For emergency for all

9. How do you feel about interest rate paid on your deposit?

Higher Medium Lower

10. What Nib bank shall be doing for customers to increase their deposits?

Increase interest rate Improve its service

Motivate customers Provide incentive

11. Does Nib bank, wolkite main branch host you on time?

Yes No

12. Do you think the branch distribution in city and outlying fairly opened?

Yes no

13. From the listed which factors contribute more to increase the deposit amount of the bank?

Expanding branch opening/aggressive branch expansion

Aggressive advertisement increase customer handling culture

Others _____

14. What factors from the listed affect the deposit mobilization of your bank?

- The current infrastructure reconstruction
- Government intervention to wads privately owned bank
- People attitude towards private bank
- Branch office location and poor parking area
- Computation with other private and governmental bank
- Other _____

15. Is Nib bank of Ethiopia mobilizing enough saving currently

Yes no

16. mostly where does the Nib bank collecting its deposit

- Individual customer
- Business organization
- Government
- All

17. At macro level which of the following is the major factors affect the volume of deposit in

Nib bank

- Economic environment of the country
- The volume of business transaction of the country
- the banking habit of b\people
- all

18. which of the following is the most determining factors of Nib bank deposit

- Interest rate of Nib bank
- Number of branch expansion
- Real domestic product/GDP growth of Ethiopia
- Overall inflation of Ethiopia All

19. there volume of total deposit difference among Nib bank branches

Yes no

20. The answer for Q no 13 yes what is the major cause for the difference in total deposit among the Nib bank branches

- Awareness of the society
- Accessibility of branch office
- Service Excellency
- Awareness of the staff
- All

APPENDIX II
WOLKITE UNIVERSITY
COLLEGE OF BUSINESSE AND ECONOMICS
DEPARTMENT OF ACCOUNTING AND FINANCE

Dear Respondents:

This is questionnaire designed to collect data from **employees** of Nib bank on the assessment of factors that affect mobilization of saving case study in Nib international bank wolkite Branch. The study is going to be used as input for a senior essay in partial fulfillment BA degree in banking and finance. Your genuine response is solely used for academic purpose and the data would have been treated utmost confidentially. There for, your kind cooperation is appreciated in advanced.

General Instruction

Please put a tick on the space provided. Select the appropriate answer and circle. For question that need further explanations please use the space provided under each section.

I. Personal Information

1. Gender:

Female Male

2. Work experience in the bank:

2-5 years

6-10 years

11-15 years

Above 15 years

II. General Information

3. Which group of customers are the most significant depositors of your bank in terms of the size of deposits?

Individual customers Business organizations Government entity
NGOs

4. Which deposit type has the most significant deposit volume?

Savings account deposits Current account deposits Fixed time deposits

5. Is your bank increasing the number of its branches every year?

Yes No

6. If your answer for Number 3 above is 'Yes' what do you think is the main reason for the branch expansion?

Deposit mobilization To Give Loan facility
To have a large number of branches To increase customer base
To collect foreign currency

7. Does the volume of deposit mobilized by respective branches of your bank differ?

yes No I do not know

8. What do you think is the cause for the difference in deposit mobilization among branches?

- Convenience of bank branch
- Proximity (branch close to home or job)
- Good Service
- Awareness of the society
- General appearance office & materials
- Convenient working Hours
- Low cost /charges

9. Does the volume of deposit mobilized by your bank grow year to year?

Yes No

10. If your answer is 'yes', what could be the reason?

- Attractive interest rate.
- Product disparity (card banking, internet banking, mobile banking...)
- Literacy about saving.
- The service given by the bank
- Convenience of the branch expansion

- The citizens' per capita income increased

11. Which of the following factors do you think affect the volume of deposits of the bank?

- Saving interest rate
- Economic Development of the country
- The money supplied by Government (by printing money)
- The Number of branches opened Inflation Increase in per capita income
- Quality customer service

12. What do you think main challenges of your bank?

- Competition from other banks
- more banks joined in the market
- Lack of technology
- Lack of trained manpower
- Small number of Branches (inaccessibility)
- Government laws /regulations
- Government participation in banking industry