

FACTOR AFFECTING EMPLOYEE PERFORMANCE IN NEPALESE COMMERCIAL BANKS

A Dissertation submitted to the Office of the Dean, Faculty of Management in partial fulfillment of the requirements for the Master's Degree

by:

Sita Thapa

Exam Symbol No.: 2969/17

Campus Roll No.: 124/073

T.U. Regd. No.: 7-2-429-52-2009

Shanker Dev Campus

Kathmandu, Nepal

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled “**Factor Affecting Employee Performance in Nepalese Commercial Banks**”. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

Sita Thapa

Signature:

Date:

REPORT OF RESEARCH COMMITTEE

Ms. Sita Thapa has defended research proposal entitled “**Factor Affecting Employee Performance in Nepalese Commercial Banks**” successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestion and guidelines of supervisor Asso. Prof. Dr. Kapil Khanal and submit the thesis for evaluation and viva-voce examination.

Asso. Prof. Dr. Kapil Khanal

Dissertation Supervisor

Signature:

Dissertation Proposal Defended Date:

.....

Dissertation Submitted Date:

.....

Asso. Prof. Dr. Sajeeb Kumar Shrestha

Head, Research Department

Signature:

Dissertation Viva Voce Date:

.....

APPROVAL SHEET

We, the undersigned, have examined the dissertation entitled “**Factor Affecting Employee Performance in Nepalese Commercial Banks**” presented by Sita Thapa, a candidate for the degree of Master of Business Studies (MBS Semester) and conducted the Viva voce examination of the candidate. We hereby certify that the dissertation is worthy of acceptance.

.....
Asso. Prof. Dr. Kapil Khanal
Dissertation Supervisor

.....
Internal Examiner

.....
Internal Expert

.....
External Expert

.....
Asso. Prof. Dr. Sajeeb Kumar Shrestha
Chairperson, Research Committee

.....
Asso. Prof. Dr. Krishna Prasad Acharya
Campus Chief

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This study entitled “**Factor Affecting Employee Performance in Nepalese Commercial Banks**” has been prepared in partial fulfillment for the Degree of Master of Business Studies (MBS) under the Faculty of Management, Tribhuvan University is based on research models involving the use of qualitative aspect of factors affecting employee performance of commercial banks in Nepal.

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Sita Thapa

Date:

TABLE OF CONTENTS

	Page No.
Title Page	i
Certification of Authorship	ii
Report of Research Committee	iii
Approval Sheet	iv
Acknowledgements	v
Table of Contents	vi
List of Tables	viii
List of Figures	ix
Abbreviations	x
Abstract	xi
CHAPTER – I INTRODUCTION	1
1.1 Background of the Study.....	1
1.2 Problem Statement	3
1.3 Objectives of the Study	5
1.4 Research Hypotheses.....	6
1.5 Rationale of the Study	6
1.6 Limitations of the Study	7
CHAPTER – II LITERATURE REVIEW.....	8
2.1 Theoretical Review	8
2.1.1 Concept of Employee Performance	8
2.1.2 Factors Affecting Employee Performance	9
2.1.2.1 Leadership.....	9
2.1.2.2 Working Environment	10
2.1.2.3 Motivation.....	11
2.1.2.4 Job Satisfaction	11
2.1.3 Theories of Employee Performance	12
2.1.3.1 Equity Theory	12
2.1.3.2 Expectancy Theory	13
2.1.3.3 Firm Specific Human Capital Theory.....	13

2.1.3.4 Job Matching Theory	14
2.1.3.5 Hierarchy of Needs	14
2.2 Empirical Review	15
2.3 Research Gap.....	26
CHAPTER – III RESEARCH METHODOLOGY.....	27
3.1 Research Design.....	27
3.2 Population, Sample and Sampling Design	27
3.3 Nature and Sources of Data and Instrument of Data Collection	27
3.4 Method of Analysis	28
3.5 Research Framework and Definition of the Variables	31
CHAPTER – IV RESULTS AND DISCUSSION	34
4.1 Results	34
4.1.1 Demographic Profile of Respondents.....	34
4.1.2 Summary of Descriptive Analysis	36
4.1.3 Correlation Analysis	38
4.1.4 Multiple Regression Analysis.....	39
4.2 Discussion	41
CHAPTER – V SUMMARY AND CONCLUSION	43
5.1 Summary	43
5.2 Conclusion.....	44
5.3 Implications.....	45

References

Appendices

LIST OF TABLES

	Page No.
Table 1 Summary of Empirical Review.....	22
Table 2 Demographic Specification.....	35
Table 3 Summary of Descriptive Analysis	36
Table 4 Pearson Correlation Coefficients of Study Variables	38
Table 5 Model Summary	39
Table 6 Analysis of Variance (ANOVA).....	40
Table 7 Regression Coefficient of Variables on Employee Performance	40

LIST OF FIGURES

	Page No.
Figure 1 Research Framework of the Study	31

ABBREVIATIONS

%	:	Percentage
&	:	And
CM	:	Commitment and Motivation
e.g.	:	Example
EP	:	Employee Performance
i.e.	:	That is
IBM	:	International Business Machine Corporation
JS	:	Job Satisfaction
L	:	Leadership
MKT	:	Marketing
MS. DO	:	Microsoft Disk Operating System
No.	:	Number
Res	:	Respondents
SEM	:	Structural Equation Modeling
SPSS	:	Statistical Package for Social Sciences
T.U.	:	Tribhuvan University
WE	:	Working Environment
WHO	:	World Health Organization
WO	:	Work Overload
www	:	World Wide Web

ABSTRACT

This study investigates the factors affecting employee performance in Nepalese commercial banks. This study is based on descriptive research design and causal-comparative research design. 400 employees or respondents are taken from three government banks as a sample of the study. Correlation and regression analysis is used to analyze the data. This study found that employee agreed that job satisfaction factor highly affects their performance and they believe that their performance was also high. The correlation analysis shows that leadership and employee performance is significant positive between these variables. At the same time, there is significant positive association between working environment and the employee performance. Similarly, correlation value between motivation and the employee performance is significant positive. Moreover, correlation value between job satisfaction and the employee performance is significant positive. The regression result concluded that there is significant positive effect of leadership on employee performance. Then, there is also significant positive effect of working environment on employee performance in banks. At the meantime, motivation has significant positive impact on employee performance. Finally, job satisfaction has significant positive effect on employee performance in banks. Hence, all the factors have significant impact on employee performance in Nepalese commercial banks within Kathmandu Valley.

Key words: Employees performance, leadership, working environment, motivation and job satisfaction,.

CHAPTER - I

INTRODUCTION

1.1 Background of the Study

Employee performance and workplace success are commonly connected. A person or group of people's performance in a performance organization is defined as the results of their work completed within a given time frame, in accordance with their respective authorities and responsibilities, in order to legally, morally, and ethically achieve the organization's goals. Although performance is a direct effect of performance, some people feel more successful or accomplished because of their jobs. Performing is all about working hard and achieving the goals you set out to achieve. Employee performance is one indicator of an organization's success. An organization's success rate rises when employee performance does as well (Ichsan et al., 2021).

The human resource of a company is the most important resource that affects employee performance. The manufacturing process depends heavily on the utilization of human resources. Employees that are driven and skilled enable the firm to succeed. As a result, in addition to providing the required space, equipment, and supplies, management must also motivate its staff. The effectiveness of the workforce affects the three primary success factors: customer relations, quality, and productivity. Workers that are motivated will perform well (Stone, 2008). Although an organization has many resources, its people are its most important resource as without them, no production can occur. The effectiveness of an organization is mostly determined by the caliber of its workforce, which is gauged by their output.

Therefore, a key factor in the organization's success is the performance of its employees. Nelson and Quick (2003) argued excellent performance and low employee complaints are the results of a job with strong motivation and cleanliness aspects. Job performance of employees: Just like any other system, if its parts don't function properly and effectively, it can't function. Therefore, the secret to enhancing a company's capacity to handle change well is to comprehend the interaction that exists between the firm and its workforce. Organizations need to be aware of the elements influencing employee performance since doing so will enable them to make

decisions that will boost employee performance and, consequently, the organization's overall performance. Organizational performance has been demonstrated to be significantly impacted by employee performance. This is because the basis of organizational performance is individual performance. Finding the variables that influence an employee's performance can help with hiring, retaining, and overall organizational performance (Mohammed & Nimalathan, 2011).

If their employer provides them with the right kind of incentive and acknowledgement, staff members may work efficiently (Armstrong, 2010). The most precious resource in every firm is its workforce, without which no industrial activity could occur. The effectiveness of an organization is mostly determined by the caliber of its workforce, which is gauged by their output. Employee performance is impacted when its components don't function properly and efficiently, just as in any other system. Therefore, improving an organization's performance in reaching its strategic objectives requires an understanding of the interaction between the company and its employees. Activities related to human resources are intended to encourage employees, resolve problems and tensions in the workplace, and match individuals to organizational duties. Thus, HRM techniques seek to accomplish two goals: raising organizational effectiveness and employee performance (Bratton & Gold, 2007).

Given that employee performance is influenced by both skill and motivation, it makes sense to put strategies in place that aim to enhance both. As a result, workers can acquire the required skills in a number of ways (for as through careful hiring and training) and can gain from a range of incentives to boost motivation. Armstrong (2010) asserted that three critical factors motivation, aptitude, and environment determine an employee's effectiveness. Each of these factors affects how well the employee performs.

Based on data from job analyses, which are systematic processes for identifying the qualities of jobs, as well as the knowledge and skills needed to do them, performance standards are used to assess employee performance. It suggests that no single system or set of goals is ideal for every kind of company. Organizations must therefore plan and manage employee performance in accordance with the goals and purposes of the company. To meet predetermined goals, every firm must monitor employee job

performance. Workers carry out their responsibilities in accordance with supervisors' specified standards (Mullins, 2010).

Employee performance is influenced by a variety of factors, including the organization's performance evaluation system, the working environment, and motivating elements to succeed and outperform rivals in the market (Bratton & Gold, 2007). The term "working environment" refers to any setting in which methods for establishing conducive circumstances for carrying out daily tasks by individuals in particular and the organization as a whole are implemented (Pal, 2011). The goal of training is to enhance workers' abilities, attitudes, and knowledge. Employee performance can be evaluated through performance reviews (Robins, 2007); motivation is the desire and initiative to carry out an activity (Armstrong, 2010). The success of Nepal's Commercial Bank, a state-owned corporate entity that provides services, is contingent upon the performance of its workforce.

Performance of employees is often correlated with success in the workplace. A performance bank records the work that an individual or group of individuals completes for a bank within a given timeframe, adhering to their respective roles and responsibilities, lawfully achieving the bank's objectives, abiding by moral and ethical standards, and not breaking any laws. Since performance is generated from performance, some people believe that their labor or achievements are the reason behind their performance. Performance is the culmination of one's work and product. Employee performance is one of the indicators used to evaluate the success of an organization. Employee performance has a positive correlation with the banks' success rate. The research is identified the major factors affecting employee performance in Nepalese commercial banks through identifying the variables include leadership, working environment, motivation and job satisfaction.

1.2 Problem Statement

By implementing performance management, an organization may guarantee that its workers contribute to the company's goals, objectives, and purpose by setting expectations and motivating them to work harder. When a person performs better, the organization as a whole automatically performs better. An organization's success

should be increased by a good performance management system, which should also ensure that the staff is highly motivated (Muda et al., 2014).

The concept of performance management, a contemporary HR phenomenon, is to optimize employee potential for company success. Performance management, when combined with financial and non-financial compensation systems, is the process of taking methodical action to improve team, organizational, and individual performance (Armstrong, 2010). In terms of the aims and objectives set forth by the company, employees' performance varies, with certain employees performing better than others based on the incentive. Organizations must thus comprehend the factors that affect employees' job performance since doing so will help them make informed decisions that will enhance employee performance as well as the performance of the company as a whole. By recognizing the factors that influence employees' job performance, organizations may more effectively control these obstacles that have a negative impact on workers' performance in particular and the overall organizational outcome in general (Armstrong, 2010).

Even if they all agree that a number of elements are prevalent, different writers have varying perspectives on the issues surrounding the factors that affect employees' effectiveness at work. For example, Kazan and Gumus (2013) showed that institutional affiliation and motivation have an effect on employee performance but salary, employee connection, job satisfaction, promotion, and title do not. Diamantidis and Chatzoglou (2019) found flexibility and intrinsic motivation have a direct impact on job performance, but the job environment and managerial support have the largest effects (both direct and indirect). Armstrong (2010) mentioned that the factors that determine an employee's effectiveness on the job include the work system, leadership, incentive, and individual influences. On the other hand, Rafique et al. (2017) also noted motivation, communication, and job stress.

Muda et al. (2014) assessed motivation, communication, and job stress as additional factors influencing workers' performance. Lutfi et al. (2022) found that, of the factors influencing employee salary, working conditions, promotion, education, and training, two had a substantial impact on employee performance: variable working circumstances and remuneration. Ramadhani (2022) concluded that teamwork had no

significant association with objectives setting, employee relationships, interpersonal relationships, and employee performance, yet these relationships are positively significant. Niroula and Updhaya (2023) stated that career development and training facilities have a considerable and favorable impact on workers' performance. Employee performance was marginally positively impacted by social security and marginally negatively impacted by salary and allowances.

Human resources, which are crucial for organizational excellence, play a major role in the accomplishment of intended organizational objectives. As one of the companies that offers public services, the Commercial Bank of Nepal depends largely on the performance of its workforce. On the other hand, little research has been done on the factors that affect employees' job performance at the Commercial Bank of Nepal. Therefore, the purpose of this study is to examine the factors that affect employees' job performance at the commercial bank of Nepal's branches in the Kathmandu region. This study deals with following issues in context of Nepalese commercial banks.

- i. What is the employee performance in Nepalese commercial banks?
- ii. Is there any relationship between employee performance factors and employee performance in Nepalese commercial banks?
- iii. Do leadership, work environment, motivation and job satisfaction have impact on employee performance in Nepalese commercial banks?

1.3 Objectives of the Study

The general objective of the study is to investigate the factors that affect employees' performance in commercial banks of Nepal Kathmandu area branches. The specific objectives of this study are as follows:

- i. To identify the employee performance in Nepalese commercial banks.
- ii. To evaluate the relationship between employee performance factors and employee performance in Nepalese commercial banks.
- iii. To examine the impact of leadership, work environment, motivation and job satisfaction on employee performance in Nepalese commercial banks.

1.4 Research Hypotheses

The following hypotheses were developed to break down the above research questions. Therefore, this research work attempted to test the following hypotheses in the case of commercial banks in Nepal.

- i. H₁: There is positive effect of leadership on employee performance in Nepalese commercial banks.
- ii. H₂: There is positive effect of work environment on employee performance in Nepalese commercial banks.
- iii. H₃: There is positive impact of motivation on employee performance in Nepalese commercial banks.
- iv. H₄: There is positive impact of job satisfaction on employee performance in Nepalese commercial banks.

1.5 Rationale of the Study

For the relevant bodies, this study will play a significant role in addressing employee performance-related issues. This study helps commercial banks in Nepal identify their gaps in human capital management so they can identify areas of focus for efficient use of their human capital. The banks recently designed and began implementing their Emergency Preparedness Manager system as one strategic aspect of their HRD strategy. Because the study's overall conclusions directly relate to Nepal's commercial bank workers in terms of the variables influencing their job performance. The research assists the business in filling in the gaps indicated in the problem description. Additionally, it aids in offering solutions and examples of how to handle issues, serving as a resource for concerned management offices.

It helps workers become more conscious of the issues influencing how well they perform at work, and it helps planners create solid schedules that take into account workers' poor performance. By taking these characteristics into consideration when defining plans and targets, the study will also have a big impact on policy makers. Additionally, it can assist agents and similar company sectors in determining the elements influencing employees' job performance and offering crucial advice in that regard.

1.6 Limitations of the Study

The study has some limitations. The main limitations of the study are as follows:

- The study focuses on the factor affecting employee performance of Nepalese commercial banks and thus does not embrace the other HRM aspects.
- The correctness of the information supplied and the participants' candid answers to the survey questions serve as the foundation for the study's assumptions.
- The majority of the data in the data analysis section came from primary sources, and the validity of the data depends on how trustworthy the respondents' statements are.
- This study includes employees from 10 commercial banks inside Kathmandu Metropolitan City. The level of employees taken as respondents in the study falls under assistant level, officer level, manager level and senior manager level.
- This study used only descriptive analysis, correlation analysis and multiple regression analysis.

CHAPTER - II

LITERATURE REVIEW

After reviewing this chapter, the reader will be able to evaluate the elements influencing employees' performance in Nepalese commercial banks. The chapter contains background information to help readers understand what will be examined and reported in the research. The chapter offers a theoretical and empirical evaluation that is consistent with the goals and purposes of the study.

2.1 Theoretical Review

2.1.1 Concept of Employee Performance

Organizations are evolving and enhancing their ability to manage change proactively in order to prosper in the business world and meet the ever-changing demands of the environment. The talent, aptitude, experience, knowledge, and output of personnel define a business's potential for sustainability (Armsstrong, 2008).

Cooke (1995) stated that performance is the accomplishment of a given job evaluated against predefined or established standards of cost, speed, accuracy, and completeness. According to an employment contract, performance is defined as fulfilling a duty in a way that absolves the performer of all obligations outlined in the agreement.

Performance is the accomplishment of a job as evaluated against predetermined, well-known benchmarks for speed, accuracy, completeness, and cost. Employee performance is the result of workers' contributions to the accomplishment of organizational goals. In order to achieve the organization's stated goal, managers monitor and assess employee performance, with individuals required to perform at an acceptable level (Armsstrong, 2008).

Monitoring an employee's performance in relation to goals, such as job descriptions and positional objectives, is an essential aspect of managing human resources. Performance management is the process of ensuring that workers' actions and outputs align with the objectives of the company. Defining the responsibilities and results of a

position that contribute to the success of the organization is one of the actions of performance management. The employee's performance for a given length of time is then compared to the desired performance using a variety of metrics. Rewards are frequently created to promote excellent performance (Noe et al., 2011).

2.1.2 Factors Affecting Employee Performance

The subject of employee turnover has been thoroughly examined from a number of angles, and it has been proposed that a range of variables contribute to employee turnover in a business. A few aspects are biographical and some are demographic, such as monetary compensation, the workplace culture, career advancement, the feeling of self-accomplishment and self-recognition among employees, excessive stress among them, etc. It is undeniable that demographic factors such as age, education level, and tenure have consistent positive or negative relationships with turnover ratio.

2.1.2.1 Leadership

The ability of an organization's CEO to maximize its people resources is essential to its success. A competent leader recognizes the role that staff members play in accomplishing the organization's objectives and knows that inspiring staff members to work toward these goals is crucial to their success.

Effective leadership is necessary for a company to be successful because motivated employees are essential to the business's success. Employees must feel inspired to invest in the mission of the organization. According to Saari and Judge (2004), ignoring this will have a negative impact on organizational performance. In the end, each employee is ultimately responsible for their own performance or lack thereof. Cummings and Schwab (1973) discuss the relationship between employee performance and leadership actions or qualities. They do, however, emphasize that the literature has lost credibility over time because it was not supported by actual data.

The literature (Kreitner, 2006) generally agrees that an organization's leadership plays a crucial role in determining whether it succeeds or fails; great organizations start with exceptional leadership, and successful organizations therefore mirror their

leadership. When a leader's influence on their subordinates contributes to the achievement of organizational success, that leader is effective (Jones & George, 2000).

2.1.2.2 Working Environment

The concept of the workplace environment has been operationalized through an analysis of how much workers believe their immediate surroundings satisfy their social, extrinsic, and intrinsic requirements, as well as the reason they continue to work for the company (Pal, 2011). A positive work environment has several advantages, including increased productivity, happier employees, employee stability, business advantage, higher profitability, increased security, and improved health (Robbins, 1997).

The behavioral, psychological, and physical components of the workplace are all present. The tangible office environment's spatial arrangement and surrounding amenities are included in the physical environment. According to Pal (2011), the psychosocial factor of the working environment includes the interactions between the environment and working conditions, organizational conditions, the functions and content of the work, individual characteristics of the workers, and those of their family members. On the other hand, behavioral traits that may have an effect on bank employees' performance at work include the exclusive nature and function of job satisfaction, as well as its systematic decline or strengthening over time. An employee's success at work can be impacted by a variety of factors (Armstrong, 2008).

The factors that pertain to the office occupants' ability to establish a physical connection with their office setting make up the physical environment. The elements of the behavioral environment are related to the degree of interpersonal interaction among office occupants and the influence the workplace can have on an individual's conduct. Pal (2011) found that a company's capacity to attract and retain skilled employees may also be significantly impacted by the physical office environment. Individuals who work in uncomfortable environments run the risk of performing poorly and developing occupational health issues that increase turnover and absenteeism (Robins, 1997).

The atmosphere of the workplace has a good and negative impact on workers' dedication, confidence, and production. It is therefore no accident that new incentive programs that emphasize work/life balance, health and fitness, and lifestyle modifications were not previously seen as important payback techniques but are now standard procedures among reputable firms (Khan & Jabbar, 2013).

2.1.2.3 Motivation

Performance and motivation appear to be positively correlated. Performance is also the process by which effective use of inputs and emphasis on teamwork are necessary to accomplish continual improvement in output supply, quality, and productivity. Employees that receive both intrinsic and extrinsic rewards from the company are more likely to be motivated to work hard and fulfill all of their obligations, which benefits the company as a whole (Kaur, 2012). Several studies have found that when employees feel empowered, their motivation levels rise and they perform effectively.

Kreitner (2006) described a good organization maintains productivity, ensures seamless operations, and fosters teamwork among employees for the benefit of the business as a whole in addition to establishing a reward system to boost employee motivation and, ultimately, performance. Motivation can be used as a useful criterion to encourage employees to demonstrate their positive traits in the workplace in a way that advances the achievement of corporate objectives and raises performance and satisfaction levels. It is also stated that employees must be treated with dignity and respect in order to survive, and they will only stay with the company if it provides them with adequate incentives.

2.1.2.4 Job Satisfaction

Hulin and Judge (2003) defined job satisfaction as complex psychological responses to one's work. As a result, one could conceptualize job satisfaction as a combination of cognitive and emotional states. Hulin and Judge (2003) stated attitudes can be either judgmental or emotional, and work satisfaction is an attitude.

Stated differently, affect is a sensation or emotion, whereas judgment is a product of the mind. Saari and Judge (2004) used the terms attitudes and satisfaction

interchangeably, indicating a conviction that work contentment may be a useful countermeasure. Therefore, it is possible to conceptualize job satisfaction as having three parts: behavioral, cognitive, and affective. The cognitive component is a belief about a work, whereas the emotional component is a feeling about a job. These two factors are frequently connected. Saari and Judge (2004) argued that the behavioral component serves as a sign of behavioral intentions towards a job, such as showing up on time and putting in a lot of effort. Effects of the external environment on human perceptions during work. Since work occupies a significant portion of a person's life, job happiness may have an impact on overall human contentment.

Consequently, it may be said that there is a reciprocal relationship between life contentment and work satisfaction, and managers ought to assess their employees' living circumstances in addition to their work problems. Employee requirements, preferences, and past experiences all play a part in the employment expectations when they are employed. Employee attitudes on their jobs will be either positively or negatively impacted by how organizations react to these needs. The relationship between human expectations and benefits received from a job is demonstrated by job satisfaction (Dizgah et al., 2012).

2.1.3 Theories of Employee Performance

The theories of employees performance are reviewed in this study are equity theory, expectancy theory, firm specific human capital theory, job matching theory, hierarchy of needs.

2.1.3.1 Equity Theory

Adams (1963) put forth this hypothesis in an attempt to understand how workers would respond to being treated fairly or unfairly in comparison to other workers. This hypothesis states that workers who receive unfair treatment in comparison to their peers would experience stress, which may cause them to put in less effort at work or maybe resign. This hypothesis aims to illustrate what happens to workers who think they will receive fair treatment at work. It highlights the significance of justice and equity in the workplace, such as giving workers a sense of control over their futures in relation to their employers. This is due to an unjust system that is rife with victimization and unpredictability, which erodes the perception among employees that

their efforts will go in vain. They ought to understand the significance of behaving modestly toward their subordinates, the ways in which equity may be useful in various contexts, and the impact equity has on the organization due to employee responses (Al-Zawahreh & Al-Madi, 2012). This hypothesis is extremely pertinent to the study since it identifies a few of the factors that may lead workers to choose to perform poorly at their workstations.

2.1.3.2 Expectancy Theory

Vroom (1964), referenced by Parijat & Bagga (2014), focused on the psychological adjustment process that occurs in a person. This theory places a strong emphasis on an individual's interest in relation to anticipated actions, rewards, and organizational goals. This notion makes a distinction between the effort and the result of general performance. It interprets actions as the outcome of a subconscious decision to maximize pleasure and despise misery. Expectancy, which is essentially increasing effort in the hopes of producing better results, Instrumentality, which is essentially estimating the likelihood that each worker will succeed in their task and produce a variety of work-related outcomes, and Valence, which is an employee's degree of preference for a particular kind of reward, are introduced (Ball). This theory concentrates on important management components, such as effort, performance, reward, and, ultimately, personal objectives. It offers a kind of quantitative technique for determining employees' motivation (Parijat & Bagga, 2014). Managers need to design systems that integrate performance and reward in order to improve performances. Additionally, they tried to ensure that the recipient of the prize merited it. It is recommended that managers provide training to their staff in order to enhance their talents and instill the notion that diligent labor leads to superior performance (Ball). That's why it matters to this research.

2.1.3.3 Firm Specific Human Capital Theory

Becker pioneered the theory of Firm Specific Human Capital (FSHC) in 1975. It is said that high employee attrition rates will reduce a company's willingness to invest in staff training if it is required of them to pay for it. The hypothesis states that as employees have reduced opportunity costs of leaving the company, the motivation will be even weaker when firm-specific and general training are less separable

(Lynch, 1993). Therefore, when turnover rises, so does company productivity. Employee tenure continues to positively correlate with FSHC accumulation, even if it is bred through learning-by-doing. Therefore, reduced production will still come from a greater turnover rate. Turnover has further detrimental effects on productivity in addition to the obvious loss of human capital represented by the departing employees. First of all, during the training and unoccupied time, a certain quantity of productivity will be lost. It would have been possible to allocate the administrative funds utilized for hiring, training, and separation to other areas of the manufacturing process. Furthermore, a high personnel turnover rate may be detrimental to the organization's morale. Sheehan (1993) documents through a controlled experiment that the departing employees' attitudes are affected, which in turn has a detrimental impact on the productivity of the firm. Consequently, a separation that is justified (from the employer's point of view) but an involuntary job could lead to an unjustified voluntary employee exit, creating a domino effect. The idea is best suited to direct this investigation to a greater level since it pinpoints the causes why workers depart from the company. The theory also illustrates the effects that a high turnover rate has on an organization, which is shown in the particular goals of this investigation.

2.1.3.4 Job Matching Theory

Burdett (1978) created the job matching concept. This theory's main finding is that until there is a good fit for both sides, employers will look for workers and job seekers will look for employers. The circumstances for an ideal match, however, could alter over time, resulting in a constant reallocation of labor. Consequently, the hypothesis contains pertinent information about this study based on this research. Employees in the banking sector are currently perceived to be looking for work at an ever-growing number of financial institutions, and many of these organizations do seek for qualified candidates with the necessary training, experience, and level of dedication. The theory, however, does not describe the kinds of individuals that depart from the company, the reasons behind their departures, or even the consequences that the company faces when a large portion of its workforce does so. This hypothesis is insufficient to direct this investigation because it is unable to identify these variables. Consequently, our study was not directed by this idea.

2.1.3.5 Hierarchy of Needs

Maslow (1943) argued hierarchy of needs hypothesis divides employee needs into five developmental categories, starting with basic physiological demands and progressing to needs for professional and personal development. According to this theory, passing the lower degree of satisfaction is a prerequisite for reaching the higher one. The argument is strong because it maintains that employers must meet all of the demands of their employees in order for them to really dedicate themselves to work objectives. This idea states that when needs are not met by an employer at any level of the hierarchy, it can lead to a lack of fulfillment in the professional life of the employee. Eventually, the person may attempt to meet these needs on their own, perhaps by looking for a new job that offers better chances. This argument ignores the fact that human wants are limitless and that, in reality, corporations are unable to provide for all of their employees' requirements. certain workers who used to be in better-paying positions are still quilters in certain firms. This indicates that there is no definitive point demonstrating that this is the maximum degree of fulfillment for human desires, which are infinite. As a result, this idea was chosen to direct the research since, as was previously said, workers at some businesses, like NBC, resign from their positions despite receiving rewards and being highly motivated.

2.2 Empirical Review

Naseem et al. (2012) examined factors affecting employees' performance: evidence from Pakistan. This study examined the effects of motivation, well-designed offices, and a happy work environment on employees' performance. The study's main objective is to ascertain whether the aforementioned traits and employee performance are related. For this reason, information was obtained from a number of Hazara division organizations. The study's conclusions demonstrated that strong motivation, a positive work environment, and well-designed offices improve employees' performance. The performance of employees and well-designed offices were positively correlated. It becomes evident that there was a favorable relationship between workers' and well-designed offices. Subsequently, there was a positive correlation between a happy work atmosphere and employee performance. Its results demonstrated that the work environment has a significant impact on employees'

productivity. Ultimately, there is a significant and clear correlation between employee motivation and increased performance.

Kazan and Gumus (2013) examined measurement of employees' performance: a state bank application. The purpose of this study was to evaluate the performance of the employees in the service facilities. Using a survey, 500 qualified observations were recorded. Statistical analytic techniques were used. Promotions, titles, work pleasure, pay, or connections with coworkers have little bearing on an employee's ability to perform. It has been discovered that institutional motivation and belonging affect employee performance. This indicates that staff performance rises by 0.556 units for every unit change in institutional motivation and belonging. Employee performance has not been statistically impacted by budget. Employee performance is statistically impacted by administration. One unit change in the administrative perspective results in a 0.140 unit increase in worker performance. Employee performance is impacted by the physical workspace. Conversely, a one unit variation in the physical workspace results in a 0.158 unit decline in worker productivity. Since the scope of this study is restricted to the state bank under examination, more research on other state and private banks is required. The research findings could be applied by executives to address real-world problems by prioritizing the areas where performance of workers in service facilities is measured. The study indicates that institutional membership and motivation had an impact on employee performance, while salary, employee relationships, work satisfaction, promotions, and titles do not.

Muda et al. (2014) investigated factors influencing employees' performance: a study on the Islamic banks in Indonesia. The purpose of this study was to examine the factors that influence employee performance in Islamic banks. The literature review indicates that three aspects that are deemed significant impact employee performance and warrant further investigation. Whether or not each of those variables affects the employees' performance in real time and to some extent is the research issue. With an N=32 sample size, the population of this study comprised 47 responders using the quantitative approach. The multiple regression approach was then used to examine the primary data, which were collected using Likert typed scale questionnaires. The results showed that, with a determination coefficient test value of 59.3%, job stress, motivation, and communication variables account for 59.3% of the employees'

performance, with the remaining 31.7 percent being explained by other factors. Furthermore, the F test demonstrates that job stress (X1), motivation (X2), and communication variables (X3) all affect employees' performance concurrently, whereas the T test indicates that only the communication variable (X3) has a partial impact on employee performance and that neither the job stress (X1) nor the motivation (X2) variables have any effect at all on the employees' performance.

Pawirosumarto et al. (2016) investigated factors affecting employee performance of PT. Kiyokuni Indonesia. The purpose of this study was to investigate, evaluate, and explain how discipline, motivation, and leadership style affect workers' performance at PT. Kiyokuni Indonesia concurrently and in part. The questionnaires on respondents' motivation, discipline, leadership style, and worker performance provided the study's main source of data. Using the Slovin formula, a sample of 82 respondents who satisfied the criteria was selected from the population of 451 individuals. Multiple linear regression analysis using SPSS Version 22 is the analytical technique employed. The results of the research showed that employee performance is positively and significantly influenced by a leader's style, motivation, and discipline all at the same time. The findings also indicated that discipline, employee motivation, and leadership style all had a favorable and significant impact on worker performance. Since discipline has the most impact on worker performance, it requires particular consideration.

Rafique et al. (2017) analyzed factors affecting to employee's performance: A study of Islamic banks. The purpose of this study was to investigate the elements influencing worker performance in Islamic banks. The research argues that the three elements evaluated as crucial components influence employees' performance, which needs to be taken into account. Even though each of those factors has a modest and immediate impact on the employees' performance, the study question still stands. The population of this study, using the quantitative technique, consisted of 60 respondents, or $N = 50$. Multiple regression analysis was used to examine the primary data that were gathered using a Likert scale questionnaire form. The results demonstrate that the employees' performance is influenced by elements related to motivation, communication, and job stress, with a determination coefficient test value of 60.1%. The remaining 39.9% of the test results are associated with other factors.

Additionally, the F test demonstrates how job stress (X1), motivation (X2), and communication variables (X3) all affect employees' performance simultaneously. In contrast, the T test shows that while motivation (X2) has a partial effect on employee performance, job stress (X1) and communication (X2) variables have no incomplete effect on employees' performance.

Diamantidis and Chatzoglou (2019) analyzed factors affecting employee performance: an empirical approach. This study aimed to investigate the relationships between factors related to the firm/environment (training culture, management support, environmental dynamism, organizational climate), jobs (job environment, job autonomy, job communication), and employees (intrinsic motivation, skill flexibility, skill level, proactivity, adaptability, commitment), as well as the effects of these relationships on EP. By using the structural equation modeling method, a new study model is provided that investigates the connections between these components and EP. The findings showed that, although flexibility and intrinsic motivation have a direct impact on job performance, job environment and management support have the largest effects (both direct and indirect).

Aldoseri and Almaamari (2020) investigated factors influencing employee performance at the banking sector in Kingdom of Bahrain. The goal of this study was to investigate the elements that affect employee performance, specifically the work environment, motivation, job satisfaction, leadership style, and involvement with service organizations. Furthermore, no comprehensive study has looked into the connection between these six characteristics and service sector performance. As a result, the purpose of this study is to present a review of the literature on the key elements influencing employee performance in service firms. The results showed that the factors that have a greater favorable impact on employee performance include work environment, motivation, job happiness, leadership style, and employee engagement. Policy makers and managers can gain a practical grasp of the elements influencing employee performance in the service industry by referring to the article's results. therefore drawing in and acquiring additional clients. Managers of service firms will be able to create more effective employee performance-boosting strategies by using the knowledge of the elements influencing employee performance that this study will provide.

Alsaad and Almaamari (2020) analyzed semi literature review of factors influencing employee's performance at banking service. Examining the variables that influence the bank's performance was the goal of this investigation. The study specifically focuses on the impact that electronic banking, employee engagement, creativity, technology, and quality of service have on bank success. This research will be a focused review of the literature on the bank's performance characteristics. The banking performance has been significantly improved via electronic banking, staff involvement, creativity, technology, and quality of service. The results of this study should enable bank management to take into account the factors affecting how the business is run. Once more, it will draw new clients and purchasers to the financial system.

Wahyono et al. (2020) examined Analysis of factors affecting BRI bank employee performance. The purpose of this study was to examine how work motivation affects employee performance and how transformational leadership, burnout, and emotional intelligence affect motivation at work. 42 employees of BRI Syariah KC in Semarang City participated in this survey as respondents; these 42 employees represent the whole number of employees in the organization. In this study, a quantitative method was adopted. The study employed direct delivery of questionnaires to participants as a data gathering approach. statistical analysis with WarpPLS Version 6.0 and the structural equation model (SEM). The findings demonstrated that neither burnout nor transformative leadership had a discernible impact on the work motivation of BRI Syariah KC staff members. Emotional intelligence positively and significantly impacted the job motivation of BRI Syariah KC personnel, although Semarang itself had no such effect. The performance of BRI Syariah KC staff is positively and significantly impacted by Kota Semarang and employee work motivation. City of Semarang. The study's findings have ramifications for how businesses should decide in order to enhance worker performance.

Asih et al. (2020) investigated factors affecting employee performance: studies at banking in Indonesia. Employee performance at PT Bank Mega is frequently impacted by the leadership philosophies that are allocated to them. Recognizing the effects of organizational confidence, transformational leadership, and recruitment on a bank organization's performance. The quantitative sample in this study consisted of

75 respondents, and convenience sampling was the preferred technique of sampling. The respondents' self-completed questionnaire was utilized to collect primary data. The SEM-PLS analysis employed Partial Least Square (Smartpls) version 3.0 for data processing and analysis. The findings demonstrated that hiring practices had a favorable and noteworthy impact on PT Bank Mega Tbk call center workers' performance. On the other hand, staff performance is unaffected by leadership transition. Because leaders differ in temperament, there is a lack of established communication between superiors and subordinates. It is important for leaders in service-oriented businesses to sustain positive relationships with their staff, since effective communication fosters a conducive work environment that enhances employee performance.

Lestari and Guritno (2021) investigated factors affecting the performance of Islamic banking employees. The purpose of this study was to determine how employee performance at the Bank Syariah Indonesia Semarang Branch is impacted by compensation, competence, and organizational culture. Fifty workers from the Bank Syariah Indonesia Semarang Branch participated in this quantitative investigation. The application program SPSS version 20 was used to process the data. The analysis in this paper includes instrument testing, statistical tests, MRA tests, and tests based on classical assumptions. The findings indicated that employee performance was not significantly impacted by compensation, but was positively and significantly impacted by honesty, while employee performance was not impacted by motivation. The relationships between employee performance and compensation, employee performance and competence, and employee performance and motivation are all moderated or strengthened by organizational culture characteristics. The study's conclusions suggest that in order to improve worker performance, management should focus more on compensation and motivation.

Safitri and Irwanto (2022) examined factors affecting employee performance at the communication information and statistics department Bengkulu province. The purpose of this study was to identify the factors affecting the performance of employees at the Department of Information Communication and Statistics Bengkulu Province. These elements, in Sanjaya's opinion, comprise external organizational environmental variables, internal employee factors, and organizational internal

environmental factors. In all, 87 State Civil Apparatus employees are included in this descriptive research, which uses the overall sample technique (saturated sampling). This study employed a questionnaire approach for data collection, distributing questionnaires in the form of a list of statements on a Likert scale. Multiple linear regression analysis is the analysis strategy used in this study. The study's findings show that the variable internal employee characteristics had an impact on employee performance. Employee performance of is also impacted by variable internal organizational environmental factors. The organizational external environmental factor variable had no effect on employee performance. Since employee internal factors, organizational internal environmental factors, and organizational external environmental factors all significantly affect employee performance.

Lutfi et al. (2022) analyzed factors affecting employee performance at Makassar City's Regional Secretariat. The purpose of this study was to determine the impact that education, training, training opportunities, working circumstances, and salary had on the performance of employees at the Makassar Regional Secretariat office. This study, which was carried out from July to September 2016, used primary data from a data collection questionnaire to obtain a sample of 124 respondents. SPSS was used to examine the data. The study's findings demonstrated that varied working circumstances and salary are among the elements that have a major impact on employee performance. Other factors that will also effect employee performance include promotion, education, and training.

Ramadhani (2022) investigated factors affecting employees' performance in the new commercial banks in Tanzania. The purpose of the study was to evaluate the impact of goal-setting on worker performance, the influence of worker involvement on worker performance, the impact of interpersonal relationships on worker performance, and the degree to which worker collaboration affects worker performance. A population of 170 employees from Access Bank, Akiba Bank, and Equity Bank was used to create the study sample. Only 100 of the 118 responders who were given the questionnaire were able to complete it and send it back. The data collected from respondents was analyzed using SPSS Version 16 software. Multiple linear regression and Pearson correlation were employed to assess the data and ascertain the link between the independent and dependent variables. Setting goals,

employee relationships, interpersonal relationships, and employee performance were found to be positively correlated with each other, however teamwork was not found to be positively correlated. According to the report, banks should let workers participate in decision-making, set ambitious but doable objectives, and pay staff members based on their output (performance-based salary structure).

Niroula and Updhaya (2023) investigated effect of motivation on employees' performance in cooperative society of Lalitpur Metropolitan City, Nepal. The main objective of this research was to determine how motivation affects workers' performance in cooperative institutions. Research on the impact of motivation on workers' performance in financial institutions, such as commercial banks, insurance providers, and cooperatives, is generally uncommon in Nepal. Therefore, the purpose of this study is to investigate how employee motivation affects cooperative performance in Nepal. On a descriptive research design, this study is built. Descriptive statistics, correlation and regression analysis are used to analyze the data. Cronbach's Alpha has been used to test for reliability. This study found that career development and training facilities had a major and favorable impact on workers' performance. Employee performance is not much impacted negatively by salary or allowances, and not significantly impacted positively by social security.

Table 1

Summary of Empirical Review

S.N.	Authors/ Date	Topic	Objectives	Methodology	Major Findings
1	Naseem, I., Sikandar, A., Hameed, N., & Khan, R. (2012).	Factors affecting employees' performance : Evidence from Pakistan.	This study examined the impact of favorable working environment, good office design and motivations on employees' performance.	This study used correlation and multiple regression analysis.	The study found that strong motivation, a positive work environment, and well-designed offices improve employees' performance. The performance of employees and well-designed offices were positively correlated. It becomes evident that there was a favorable relationship between workers' and well-designed offices. Subsequently, there was a positive correlation between a happy work atmosphere and employee performance.
2	Kazan, H., & Gumus,	Measurement of employees'	The purpose of this research was to measure the	The correlation and multiple regression	The study found that institutional membership and motivation had an impact on employee performance,

	S. (2013).	performance : A state bank application.	performance of the employees who work in the service facilities.	analysis were used in this study.	while salary, employee relationships, work satisfaction, promotions, and titles do not.
3	Muda, I., Rafiki, A. & Harahap, M (2014).	Factors influencing employees' performance : A Study on the Islamic Banks in Indonesia.	This study aimed to analyze the determinants for employee performance in Islamic Banks.	The primary data gathered in the form of questionnaires with a Likert typed-scale were then analyzed using the multiple regression method.	The study found that the job stress, motivation and communication variables simultaneously influence employees' performance, while the T test shows that both job stress and motivation variables have no partial effect on the employees' performance, whereas the communication variable has a partial effect on employee performance.
4	Pawiros umarto, A. S., Sarjana, P. K., & Muchtar, M. (2016).	Factors affecting employee performance of PT. Kiyokuni Indonesia.	This study aimed to examine, analyze and explain the influence of leadership style, motivation and discipline to employee performance simultaneously and partially at PT. Kiyokuni Indonesia.	The analytical method used is multiple linear regression analysis using SPSS Version 22.	The results of the research showed that employee performance is positively and significantly influenced by a leader's style, motivation, and discipline all at the same time. The findings also indicated that discipline, employee motivation, and leadership style all had a favorable and significant impact on worker performance.
5	Rafique, M. S., Ali, R. T., & Ahmed, S. A. (2017).	Factors affecting to employee's performance : A study of Islamic banks.	This research aspired to examine the factors for employee performance in Islamic Banks.	This study used correlation and multiple regression analysis.	This study showed how job stress (X1), motivation (X2), and communication variables (X3) all affect employees' performance simultaneously. In contrast, the T test showed that while motivation (X2) had a partial effect on employee performance, job stress (X1) and communication (X2) variables had no incomplete effect on employees' performance.
6	Diamantidis, A. D., & Chatzoglou, P. (2019).	Factors affecting employee performance : An empirical approach.	The purpose of this study was to examine the interrelations between firm/environment-related factors, job-related factors and employee-related factors and their impact on EP.	A structural equation modeling approach was used and descriptive and correlation analysis also used in this study.	The findings showed that, although flexibility and intrinsic motivation had a direct impact on job performance, job environment and management support had the largest effects (both direct and indirect).
7	Aldoseri, F. I., & Almaam	Factors influencing employee	The purpose of this study was to explore the factors	The correlation and multiple regression	The results showed that the factors that had a greater favorable impact on employee performance include

	ari, Q. A. (2020).	performance at the banking sector in Kingdom of Bahrain.	influencing employee performance, namely: leadership style, job satisfaction, motivation, employee engagement and work environment.	analysis were used in this study.	work environment, motivation, job happiness, leadership style, and employee engagement. Policy makers and managers can gain a practical grasp of the elements influencing employee performance in the service industry by referring to the article's results.
8	Alsaad, L. H., & Almaamari, Q. A. (2020).	Semi literature review of factors influencing employee's performance at banking service.	The aim of this study was to examine the driving factors of the performance of the bank.	This study used correlation and multiple regression analysis.	This study found quality of service, creativity, technology, employee engagement, competitiveness and electronic banking have shown a significant positive impact on the bank's performance.
9	Wahyono, T., Zaman, B., & Hartono, S. R. (2020).	Analysis of factors affecting BRI bank employee performance .	This study aimed to analyze the effect of transformational leadership, burnout, and emotional intelligence on work motivation, and the effect of work motivation on employee performance.	Data collection method used in this study is the distribution of questionnaires directly to respondents. Statistical analysis using structural Equation Model (SEM) with WarpPLS Version 6.0.	The findings demonstrated that neither burnout nor transformative leadership had a discernible impact on the work motivation of BRI Syariah KC staff members. Emotional intelligence positively and significantly impacted the job motivation of BRI Syariah KC personnel, although Semarang itself had no such effect. The performance of BRI Syariah KC staff is positively and significantly impacted by Kota Semarang and employee work motivation.
10	Asih, D., Indrajaya, S., Rianto, J., Bastian, A. F., & Setini, M. (2020).	Factors affecting employee performance : Studies at banking in Indonesia.	Employee performance at PT Bank Mega tends to depend on their respective leadership styles.	. Analysis SEM-PLS, data processing was carried out using the Partial Least Square (Smartpls) version 3.0.	The findings showed that hiring practices had a favorable and noteworthy impact on PT Bank Mega Tbk call center workers' performance. On the other hand, employee performance is unaffected by leadership transition. Because leaders differ in temperament, there was a lack of established communication between superiors and subordinates.
11	Lestari, S. P. P., & Guritno, A. (2021).	Factors affecting the performance of Islamic banking employees.	This study aimed to see how remuneration, competence, and organizational culture affect employee performance at Bank Syariah Indonesia Semarang Branch.	Instrument tests, classical assumption tests, statistical tests, and MRA tests are all included in this study's analysis.	The findings indicated that employee performance was not significantly impacted by compensation, but was positively and significantly impacted by honesty, while employee performance was not impacted by motivation. The relationships between employee performance and compensation, employee performance and competence, and

					employee performance and motivation are all moderated or strengthened by organizational culture characteristics.
12	Safitri, W., & Irwanto, T. (2021).	Factors affecting employee performance at the communication information and statistics department Bengkulu province.	The purpose of this study was to determine the factors affecting employees performance at the Department of Information Communication and Statistics Bengkulu Province.	The method of analysis in this research is multiple linear regression analysis.	This study showed that the variable internal employee characteristics had an impact on employee performance. Employee performance of is also impacted by variable internal organizational environmental factors. The organizational external environmental factor variable had no effect on employee performance.
13	Lutfi, A., Zubair, M. K., & Hafid, H. (2022).	Factors affecting employee performance at Makassar City's Regional Secretariat.	This study aimed to find out the factors compensation, working conditions, promotion, education and training have an effect on employee performance.	The study employs descriptive statistics, regressions and correlation analysis.	This study revealed that varied working circumstances and salary are among the elements that had a major impact on employee performance. Other factors that will also effect employee performance include promotion, education, and training.
14	Ramadhani, L. (2022).	Factors affecting employees' performance in the new commercial banks in Tanzania.	The study was carried out with the objective to assess the role of goal setting on employee's performance, to assess the effect of employee involvement on employees performance.	Pearson correlation and multiple linear regression analyzed data to determine the relationship between the independent variables and dependent variable.	This study found that setting goals, employee relationships, interpersonal relationships, and employee performance were found to be positively correlated with each other, however teamwork was not found to be positively correlated. According to the report, banks should let workers participate in decision-making, set ambitious but doable objectives, and pay staff members based on their output (performance-based salary structure).
15	Niroula, B., & Updhaya, J. P. (2023).	Effect of Motivation on Employees' Performance in Cooperative Society of Lalitpur Metropolitan City, Nepal.	The main objective of this study was to find out effect of motivation on employees' performance in cooperative institution.	Descriptive statistics, correlation and regression analysis are used to analyze the data.	This study found that career development and training facilities had a major and favorable impact on workers' performance. Employee performance was not much impacted negatively by salary or allowances, and not significantly impacted positively by social security.

2.3 Research Gap

Research gap refers to the gap between previous research and this research. In Nepalese context research on the factor affecting employee performance is almost non-existent. Few research has been conducted on employee performance, however study about different factors with employee performance has not been made. Organizations' human resources are important and hard to replicate assets. Organizations must raise employee performance in today's fiercely competitive global business climate in order to boost productivity in the competitive market. It is still not widely acknowledged by Nepalese enterprises that this fact exists, and that further research is needed to improve employee performance, which in turn boosts production. This research has focused to investigate the predicators of different factors and their impact on employee performance in Nepalese commercial banks. Thus, the research bridge the gap through its findings and also give path for further research to new researchers and organizations.

CHAPTER - III

RESEARCH METHODOLOGY

This chapter describes research design, population and sample, and sampling design, nature and sources of data, and instrument of data collection, method of analysis and research framework and definition of variables.

3.1 Research Design

This study is based on descriptive research design and causal-comparative research design to deal with fundamental issues associated with the factor affecting employee performance in Nepalese commercial banks. This study adopts descriptive research design to analyze the factors of employee performance status which causes strong job performance in Nepalese commercial bank. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee performance.

3.2 Population, Sample and Sampling Design

The population for this survey is the employees working in twenty commercial banks in Nepal (till July, 2023). Among them, employee of ten commercial banks are chosen as samples for the study. Thus, the sample size represents the average number of employees working at different departments of commercial banks in Nepal. Out of 420 distributed questionnaires, valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. This study attempts to find out the major factors of employee performance and how those factors influence employees' performance. Non probability with usage of convenience sampling method is used.

3.3 Nature and Sources of Data and Instrument of Data Collection

The primary data were used to extract the information from the employees regarding the perception of employees on the existing factors and its impact on employee performance in Nepalese commercial banks. Structured set of 5 point likert Scale questionnaires were distributed to the employees of the banks.

3.4 Method of Analysis

Different statistical methods were used in the investigation. The following subsections discuss the statistical instruments that were employed in this write-what statistical study to evaluate the data findings:

Mean

The mean, which is obtained by dividing the total number of values by the number of values, is the arithmetic mean of a range of values or quantities. It alludes to the average that is examined or utilized to determine the data's central tendency. A widely used and easily understood metric of central tendency is the arithmetic mean. To find it, tally up all of the population's data points, then divide the total by the number point. The mean is computed in this study to determine the average of the respondents' answers to the various variables in the Likert scale question. On all samples, the mean value of the answers to the Likert scale question is computed.

$$\text{Mean } (\bar{X}) = \frac{\sum X}{n}$$

Where,

$\sum X$ = Value of responses of each independent or dependent variable

n = No. of statements

Standard Deviation

The standard deviation, which measures dispersion, is used to express how much a set of data values vary or are dispersed. The positive square root of variance is one way to define it. One helpful characteristic of the standard deviation is that, in contrast to variance, it has the same units of measurement as the data. There is a larger deviation within the data set if the data points deviate further from the mean. Therefore, the standard deviation increases with data spread. The standard deviation is computed for each sample in this study based on the Likert scale responses.

$$\text{Standard Deviation (S.D.)} = \sqrt{\frac{\sum (X - \bar{X})^2}{n}}$$

Where,

X = Value of responses of each dependent or independent variable

\bar{X} = Mean value of responses of each dependent or independent variable

n = No. of responses

Variance

Variance is a measure of the variation in numbers within a set of data. The variance of a set shows how far each number deviates from the mean. To calculate the variance, take the difference between each value in the set and the mean, square the differences, then divide the sum of the squares by the total number of values in the set. The Likert scale responses for each sample in this study are computed to determine the variance. Variance is a statistical measure of how much a set of data differs from each other. Variance is used in statistics to quantify the deviation from a mean or average, and it's used in probability distribution.

Correlation Coefficient (r)

The relationship between an independent variable and another dependent variable is known as the correlation coefficient. It is a technique for ascertaining how these two variables are related to one another. A correlation coefficient is present when there is a strong relationship between the two variables, meaning that changes in the independent variable's value also affect the dependent variable's value. To determine the degree of relationship between independent and dependent variables for each sample in this study, correlation is computed for the responses given on a Likert scale.

$$\text{Correlation Coefficient (r)} = \frac{n\sum XY - \sum X \sum Y}{\sqrt{n\sum X^2 - (\sum X)^2} \sqrt{n\sum Y^2 - (\sum Y)^2}}$$

Where,

X = Value of independent variable

Y = Value of dependent variable

n = Number of responses

t- Statistics

It is applied to Student's t-test hypothesis testing. In a t-test, the t-statistic is used to decide whether to accept or reject the null hypothesis. Set up Hypothesis

Null hypothesis (H_0); $\rho = 0$ i.e. There is no correlation between the considered variables.

Alternative Hypothesis (H_1); $\rho \neq 0$ i.e. There is significant correlation between the considered variables.

Test statistic under H_0 ;

$$t_{\text{cal.}} = \frac{r}{\sqrt{1 - r^2}} \times \sqrt{n - 2}$$

Where,

r = Sample correlation between two variables

r^2 = Coefficient Determination

n = No of Pair of observations

Level of significance: Level of significance $\alpha = 5$ percent

Critical Value: Tabulated or critical value of t at α percent level of significance for $(n - 2)$ degree of freedom obtain from 't' tables.

Decision

- i. If calculated 't' is less than or equal to tabulated value of 't' it falls in the accepted region and the null hypothesis is accepted and if calculated 't' is greater than tabulated 't' null hypothesis is rejected.
- ii. If p-value calculated is less than the level of significance i.e. 5 percent, null hypothesis is rejected and if p-value calculated is higher than the level of significance i.e. 5 percent, null hypothesis accepted.

Regression Analysis

Regression is one statistical method used to evaluate the degree of a relationship between one dependent variable and one or more independent variables. It covers a wide range of techniques for analyzing and modeling several variables to find their relationships. Based on responses on a Likert scale, regression analysis is utilized in this study to ascertain the direction of the relationship between the independent and dependent variables for each sample. The relationship's theoretical model is represented by the equation below:

$$EP = \beta_0 + \beta_1L + \beta_2WE + \beta_3M + \beta_4JS + \varepsilon$$

Where,

EP = Employee Performance

L = Leadership

WE = Working environment

M = Motivation

JS = Job Satisfaction

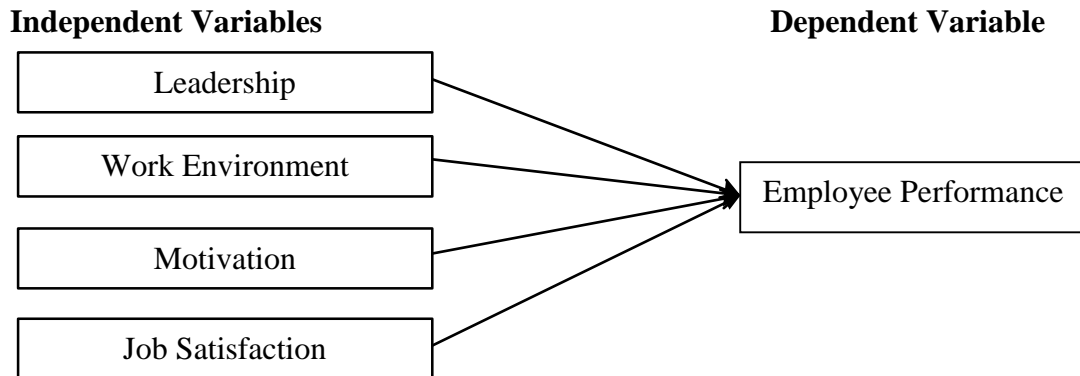
β_0 = The intercept (constant)

$\beta_1, \beta_2, \beta_3, \beta_4$ = Coefficient of variables

ε = Error term.

3.5 Research Framework and Definition of the Variables

The researcher develops the following research framework for the study based on reviews of the theoretical and empirical literature.



Source: Kazan and Gumus (2013); Pawirosumarto et al. (2016); Asih et al. (2020); Badrianto and Ekhsan (2020); Aldoseri and Almaamari (2020); Wahyono et al. (2020).

Figure 1 Research Framework of the Study

Leadership

It is the duty of a competent leader to mentor and educate their team members in order to improve performance and develop expertise in quality maintenance. And it's a huge responsibility to take charge of the entire crew. The establishment of unambiguous leadership standards fosters maturity in their job and responsibilities as well as basic beliefs. Asih et al. (2020) stated that leadership transformation has no effect on employee performance. Pawirosumarto, Sarjana and Muchtar (2016) also concluded that there was a positive and significant influence of leadership style on employee performance.

Work Environment

The notion of the workplace environment has been operationalized through an analysis of how much workers believe their immediate surroundings satisfy their social, extrinsic, and intrinsic requirements, as well as the reason they continue to

work for the company (Pal, 2011). A pleasant work environment has several advantages, including increased productivity, happier employees, employee stability, business advantage, higher profitability, increased security, and improved health (Robbins & Judge, 2015). The atmosphere of the workplace has a positive and negative impact on workers' commitment, confidence, and output. It is therefore no accident that new incentive programs that emphasize work/life balance, health and fitness, and lifestyle modifications were not previously seen as important payback techniques but are now standard procedures among reputable firms (Khan & Jabbar, 2013).

Motivation

Robbins and Judge (2015) stated that motivation is the readiness or desire to execute an action that is dependent on the activity or the capacity to meet certain demands. Regardless of size, employee motivation studies are routinely conducted in today's businesses across all industries. These businesses came to understand how important it is to motivate staff members in order to meet organizational objectives. Employee motivation is correlated with self-satisfaction, self fulfillment, and dedication, all of which are expected to improve work quality and adhere to organizational policies that will significantly increase efficiency and competitive advantage. Motivation keeps workers more productive and enhances their subsequent job performance, which raises workplace participation by making the work more fascinating and meaningful (Muda, Rafiki & Rezeki, 2014).

Job Satisfaction

Job satisfaction is the aspect that influences employee performance. Badrianto and Ekhsan (2020) observed a high level of work satisfaction will facilitate the successful achievement of organizational objectives. On the other hand, a low degree of work satisfaction poses a hazard that might suddenly or gradually cause the company to fail or suffer a setback. Robbins and Judge (2015) stated that job satisfaction is an individual's general attitude towards their work. Kazan and Gumus (2013) found that job satisfaction hasn't impact on employee performance. George and Jones (2007) stated that job satisfaction is a collection of feelings, beliefs, and thoughts about how someone responds to their work.

Dependent Variable**Employee Performance**

Performance, which encompasses technical concerns such raw materials, layout, and worker performance, is the conversion of inputs into outputs at the lowest possible cost. The state of the economy, market conditions, and adjustments made to the incentive structure for individuals all have a direct impact on performance (Noe et al., 2010). Organizations can address these restrictive elements that negatively impact employees' performance in particular and the overall organizational result in general by identifying the factors that affect employees' job performance (Armstrong, 2010). Diamantidis and Chatzoglou (2019) found job environment and management support have the strongest impacts (direct and indirect) on job performance, while adaptability and intrinsic motivation directly affect job performance. On the other hand, job stress, communication and motivation were also identified by Rafique et al. (2017).

CHAPTER - IV

RESULTS AND DISCUSSION

The main objective is to provide the results of the questionnaire survey and to evaluate, examine, and interpret the information that was acquired throughout the course of the investigation. The main objectives of this inquiry were fulfilled by the findings that came from the analysis of the data that was collected. The foundation of the study is derived entirely from original source data. Most of the primary source consists of questionnaire replies. The basic data obtained from 400 respondents is used to measure the factors influencing employee performance. This chapter also covers the test of the hypotheses that were established in the preceding chapter. Taking into consideration the background information and demographics of the respondents, each hypothesis is looked at and assessed independently. This section contains three more subsections. The first section covers the responder profiles. The obtained data is identified and examined in the second phase using the correlation between the independent and dependent variables. This section tests the hypothesis from the previous chapter. The final portion contains an explanation of the result that was reached analytically.

4.1 Results

4.1.1 Demographic Profile of Respondents

The demographic analysis and interpretation of primary data obtained via surveys are covered in this section. This part examined the respondents' profile with regard to gender, age, income, education, and the number of years they had used e-banking services. 400 respondents out of the 420 that got surveys returned valid answers. As a result, the study's sample size is 400. The Kathmandu Valley was home to each and every responder.

The distribution of respondents by gender is displayed in Table 2. Data from 400 respondents were gathered and examined for this study. Sixty-six percent of the overall respondents are male, indicating that men make up the majority of respondents in banks. Out of 400 responders, men provide a greater majority of responses than women. On the other hand, when asked about factors influencing employee

performance in Nepalese commercial banks, 34% of the respondents were female. Male participants are probably more inclined to offer advice on factors affecting commercial banks' performance. In this particular situation, Nepalese commercial banks are able to recognize respondents of both sexes as the primary participants in the survey.

Table 2

Demographic Specification

No.	Items	Frequency	Percent	
1	Gender of Respondents	Male	264	66
		Female	136	34
		Total	400	100
2	Age of Respondents	20-29	132	33
		30-39	192	48
		40 and above	76	19
		Total	400	100
3	Education Level of Respondents	Up to Bachelor	188	47
		Master's/PHD	212	53
		Total	400	100
4	Work Tenure of Respondents	0-2 yrs	128	32
		3-6 yrs	152	38
		More than 6 yrs	120	30
		Total	400	100

Source: Opinion Survey, 2024

Table 2 also provides an age description of the respondents, indicating that 48.00 percent of the respondents fall into the 30- to 39-year-old age range. The age group of workers in commercial banks who are 40 years of age and older makes up the smallest percentage. Nonetheless, the bulk of responders are young. Furthermore, of the respondents, 33.00 percent identified as belonging to the 20–39 age group and 19.00 percent as representing the 40+ age group. This suggests that 81.00 percent of all employees in Nepalese commercial banks were of working age, active, and had high needs, which may lead them to look for alternative sources of income if regulations weren't followed. If handled well, this age group could undoubtedly be beneficial and productive for a considerable amount of time. Table 2 also displays the profile of respondents according to their level of education. According to the survey, 212 (or 53.00 percent) of the 400 employees who were questioned had master's degrees, while 188 (or 47.00 percent) had bachelor's certificates. The results suggest that most of the respondents who were questioned could read and comprehend the

questionnaires that were utilized in this investigation. As a result, respondents were able to give accurate responses and demonstrated that they were aware of how employees performed in Nepalese commercial banks. Table 2 also shows the respondents' job tenure description and indicates that 38 percent of the respondents have experience ranging from three to six years. Additionally, it is discovered that 128 respondents, or 30.00 percent, have worked in banks for less than two years, and 120 respondents, or 30.00 percent, have worked in banks for more than six years. The study's conclusions suggest that the majority of the staff members had sufficient experience to do their jobs effectively and productively. The results show that the respondents had a medium level of experience, which is to say that they were of a medium age. People in this age range typically have a lot of requirements because it is thought that this is the age at which people begin to take care of their children in all aspects of life, including paying fees, looking for places to build, and needing banks. They typically hunt for other occupations to match their expectations, as such needs must typically be met by salary and other forms of remuneration.

4.1.2 Summary of Descriptive Analysis

The standard deviation and mean value of each variable are used to identify the factors affecting employee performance in Nepalese commercial banks. The gathered data has been evaluated using descriptive analysis, which has aided in the data's summarization and description. Table 3 compiles the descriptive analysis's specifics.

Table 3

Summary of Descriptive Analysis

Study Variables	N	Mean	Std. Deviation
Leadership (L)	400	3.8158	.88600
Work Environment (WE)	400	3.8125	.83578
Motivation (M)	400	3.8383	.81580
Job Satisfaction (JS)	400	3.8508	.81186
Employee Performance (EP)	400	3.8225	.81574

Source: Appendix-I

As per Table 3, among the independent variables, the mean job satisfaction data topped the graph, which had a standard deviation of 0.81186 and a mean value of 3.8508. According to this finding, the majority of respondents only somewhat agreed

that employee performance is impacted by work satisfaction aspects. Stated differently, the supervisor offers guidance and feedback to enhance the work performance of the staff. The staff members are content with their job performance and are completely aware of the bank's performance evaluation system.

Motivation has the second-highest mean, with a mean value of 3.8383 and a standard deviation of 0.81580. This finding suggests that most respondents strongly believed that employee performance is impacted by motivational factors. Stated differently, the vast majority of employees felt that the banks had a high degree of motivation. This shows that all workers are satisfied with and fairly compensated for their benefits, and they believe that the bank's job rotation policy and structure encourage employee motivation.

With a mean value of ($M=3.8158$) and a standard deviation of 0.88600, leadership had the third-highest mean. This suggests that the employee thought the banks had very high levels of leadership. This shows that all employees are free to communicate to their supervisors about their feelings about their jobs in an objective manner, and that my boss gives praise and prizes to those who carry out their assigned tasks. Leadership plays a crucial role in an organization's success or failure.

Table 3 shows that the working environment had a mean score of 3.8125 and a standard deviation of 0.83578. This finding suggests that most respondents strongly agreed that the bank offers a positive work environment. Put another way, they find that a better workspace one with a large office, adequate lighting, etc. will help them do their jobs more effectively and that their workplace is a calm place to work.

The employee performance mean score was 3.8225, with a standard deviation of 0.81574. According to this result, the majority of respondents strongly agreed that bank employees collaborate well with one another, that they may learn new things while working there, and that they make every effort to avoid being absent from work. It is clear from this that the majority of respondents felt that their performance was strong and that their job satisfaction had a significant impact on it.

4.1.3 Correlation Analysis

Correlation analysis was performed to determine the variables affecting employee performance in Nepalese commercial banks. The performance of bank employees and other variables are the dependent and independent variables, and the relationship between them is displayed in the following tables. In this study, correlation analysis was employed to ascertain the relationship between the variables. The researcher calculated the correlation coefficient value in this analysis using the SPSS program. The general relationship between variables and the job performance of bank employees was the main focus of the correlation analysis.

Table 4

Pearson Correlation Coefficients of Study Variables

	L	WE	M	JS	EP
Leadership (L)	1				
Work Environment (WE)	.604**	1			
	.000				
Motivation (M)	.517**	.540**	1		
	.000	.000			
Job Satisfaction (JS)	.545**	.598**	.481**	1	
	.000	.000	.000		
Employee Performance (EP)	.644**	.666**	.695**	.665**	1
	.000	.000	.000	.000	

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

Source: Appendix-II

Table 4 reveals the correlation test between both dependent and independent variables using correlation coefficient matrix. The correlation value between leadership and employee performance is as 0.644 which has significant value 0.000. So, it can be clearly stated that there is significant positive association between leadership and employee performance ($P < 0.05$), also correlation value between working environment and employee performance is as 0.666 which has significant value 0.000 so it can be clearly stated that there is significant positive association between working environment and the employee performance ($P < 0.05$).

Similarly, correlation value between motivation and the employee performance is as 0.695 which has significant value 0.000 so it can be clearly stated that there is significant positive association between motivation and the employee performance ($P < 0.05$). Finally, correlation value between job satisfaction and the employee

performance is as 0.665 which has significant value 0.000 so it can be clearly stated that there is significant position association between job satisfaction and the employee performance ($P < 0.05$).

4.1.4 Multiple Regression Analysis

It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable (employee performance among employees in Nepalese commercial banks) and independent variables (leadership, working environment, motivation and job satisfaction).

Table 5

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.827 ^a	.684	.680	.46118

a. Predictors: (Constant), Leadership, Working Environment, Motivation and Job Satisfaction

Source: Appendix-III

The R square is 0.684. The implication therefore is that, 68.40 percent of the variation in the dependent variable (employee performance) is explained by the independent variables (Leadership, Working Environment, Motivation and Job Satisfaction). In this study, the R statistic is 0.827, indicated that there is strong relationship between study variables. This implies that the employee performance was highly influenced by its independent variables. Standard error of estimate is flawlessly associated with regression analysis.

Table 6*Analysis of Variance (ANOVA)*

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	181.499	4	45.375	213.344	.000 ^b
Residual	84.010	395	.213		
Total	265.509	399			

a. Dependent Variable: Employee Performance (EP)

b. Predictors: (Constant), Leadership, Working Environment, Motivation and Job Satisfaction

Source: Appendix-III

An analysis using ANOVA (F-value) suggests that the influence of dependent variables may be explained by the greatest number of potential combinations of predictor variables. Findings indicate that the employee performance indicator has a major influence. The employee performance proxy variables of leadership, working environment, motivation, and job satisfaction have F-values of 213.344 ($p = 0.000 < 0.05$), which indicates a significant relationship between the dependent variable (employee performance) and the independent variables, indicating the overall significance of the model.

Table 7*Regression Coefficient of Independent Variables on Employee Performance*

Variables	Coefficients	t-statistics	P-Value
(Constant)	-.007	-.049	.961
Leadership (L)	.178	5.073	.000
Work Environment (WE)	.187	4.785	.000
Motivation (M)	.360	10.123	.000
Job Satisfaction (JS)	.274	7.285	.000

a. Dependent Variable: Employee Performance (EP)

Source: Appendix-III

Table 7 presents the regression coefficient of independent variables leadership, working environment, motivation and job satisfaction of banks' employees and the intercept value of dependent variable employee performance. The regression coefficient (β) for leadership is 0.178. The findings demonstrate that increases in a single leadership unit boost staff performance in banks by 0.178 units, and the leadership p value of 0.000 indicates statistical significance at the 5 percent

significance level. Hence, this is significant positive effect of leadership on employee performance.

The coefficient of regression β for the working environment is 0.187. Based on the data, if each working environment improved by one, employee performance increased by 0.187 units. The working environment's p value of 0.000 indicates that it is statistically significant at the five percent significance level. Hence, this is significant positive effect of working environment on employee performance in banks. The regression coefficient (β) for motivation is 0.360. The data indicates that a one-unit rise in each motivator would result in a 0.360-unit improvement in employee performance. The motivation's p value of 0.000 indicates that it is statistically significant at the five percent significance level. Hence, motivation has significant positive impact on employee performance. The regression coefficient (β) for work satisfaction is 0.274. According to the statistics, employee performance would rise by 0.278 units for every unit that work satisfaction increased. Furthermore, at the 5 percent significance level, the job satisfaction p-value of 0.000 shows statistical significance. Hence, this is significant positive effect of job satisfaction on employee performance in banks.

4.2 Discussion

The main purpose of the study is to examine the factor affecting employee performance of commercial banks in Nepal. This study is broadly paying attention on different factors (like leadership, working environment, motivation and job satisfaction). This research also highlights the association between different factors and employee performance. Research and previous literature supports the relationship between leadership factors, working environment, motivation, job satisfaction and employee performance. The research literature validates that these factors directly influence employee performance.

Results obtained from the data analysis for leadership has positive and statistically significant relationship with employee performance and also significant positive impact on employee performance in Nepalese commercial banks in Nepal. If employees feel free to express objectively their feelings about jobs to their supervisor and leader provides recognition/rewards when others achieve their duties, they are

more performing in the banks. The result is consistent with Aldoseri and Almaamari, (2020) which observed positive and significant relationship between work leadership and employee performance. The results are not consistent with Wahyono et al. (2020).

At the same time, working environment is found to have positive and significant relationship with employees' performance in Nepalese commercial banks. The impact is also found to be positive and significant. Kazan and Gumus (2013) identified positive and significant relationship between working environment and employees' performance. If employees feel comfortable to work a better work environment (spacious office, enough lighting etc.), they will make them perform better at their job. (Lutfi et al., 2022) mentioned that work environment has significant positive impact on job performance. The results are also consistent with Aldoseri and Almaamari (2020).

This study also found that there is positive and significant relationship of motivation and employee performance in Nepalese commercial banks. The result shows that the impact is also positive and significant on employee performance. The result is line with the findings of Wahyono et al. (2020) mentioned that motivation has positive and significant positive impact on employee performance. The results are also consistent with Muda et al. (2014). It seems to that result confirms that of and Rafique et al. (2017) concluded that role ambiguity has a partial effect on employees' performance.

Moreover, this study found that job satisfaction is found to have positive and significant relationship with employees' performance in Nepalese commercial banks. The impact is also found to be positive and significant. The result is consistent with Aldoseri, and Almaamari (2020) which observed negative and significant relationship between supervisor support and employee performance. The results are not consistent with Kazan and Gumus (2013).

CHAPTER – V

SUMMARY AND CONCLUSION

5.1 Summary

The definition of bank performance is an example of how a bank leverages its advantages to understand its objectives. When executing a term, banks usually use a variety of computations to demonstrate their readiness to accomplish pre-negotiated goals under the specific circumstances. Through loans and adventure systems, banks have tried to expand their credit card organizations, charges, and balance sheets over the past few decades. Since its late inception, the budgetary structure has changed to reflect the environment's increasing complexity. Performance is the outcome of work that employees in a company, both individually and in groups, achieve. The work that workers do to fulfill tasks and responsibilities in line with their roles is known as employee performance. This is abiding by the organization's authority and duty to fulfill its vision, purpose, and goals, as well as by having the capacity, tenacity, and independence to do so within the allotted time frame in a way that respects morality and ethics and does not break any laws.

The general objective of the study is to investigate the factors that affect employees' performance in commercial banks of Nepal Kathmandu area branches. The specific objectives of this study are to identify the employee performance in Nepalese commercial banks, to evaluate the relationship between employee performance factors and employee performance in Nepalese commercial banks and to examine the impact of leadership, work environment, motivation and job satisfaction on employee performance in Nepalese commercial banks. This study is based on descriptive research design and causal-comparative research design to deal with fundamental issues associated with the factor affecting employee performance in Nepalese commercial banks. This study adopts descriptive research design to analyze the factors of employee performance status which causes strong job performance in Nepalese commercial bank. Causal-comparative design is used to find the cause and effect of relationship between different factors and employee performance. The population for this survey is the employees working in twenty commercial banks in Nepal. Among them, employee of ten commercial banks namely; Nepal bank Limited, NMB Bank Limited, Standard Chartered Bank Limited, Nabil Bank Limited, Global

IME Bank Limited, Nepal Investment Mega Bank Limited, Prime Commercial Bank Limited, Machhapuchchhre Bank Limited, Kumari Bank Limited and Prabhu Bank Limited are chosen as samples for the study. Out of 420 distributed questionnaires, valid responses were received from 400 respondents. Therefore, the sample size of the study is 400. This study attempts to find out the major factors of employee performance and how those factors influence employees' performance. Non probability with usage of convenience sampling method is used. This study used mean, standard deviation, frequency distribution, correlation analysis and multiple regressions to analyze the data by using Excel and IBM SPSS version 23. This study used employee performance as dependent variable and leadership, working environment, motivation and job satisfaction are as explanatory variables.

This study found that employee agreed that job satisfaction factor highly affects their performance and they believe that their performance was also high. The correlation analysis shows that leadership and employee performance is significant positive between these variables. At the same time, there is significant positive association between working environment and the employee performance. Similarly, correlation value between motivation and the employee performance is significant positive. Moreover, correlation value between job satisfaction and the employee performance is significant positive. The regression result concluded that there is significant positive effect of leadership on employee performance. Then, there is also significant positive effect of working environment on employee performance in banks. At the meantime, motivation has significant positive impact on employee performance. Finally, job satisfaction has significant positive effect on employee performance in banks. Hence, all the factors have significant impact on employee performance in Nepalese commercial banks within Kathmandu Valley.

5.2 Conclusion

This study concluded that there is high level mean score for the employee performance. It shows that all elements of commercial banks in Nepal are at high level. The mean score value of job satisfaction is the highest mean score value compared to the other elements, leadership, working environment and motivation. This indicates that job satisfaction is the dominant element in this study and the

majority of the respondents agreed that job satisfaction is the factor highly affects their employee performance and they believe that their performance level is also high.

The correlation analysis shows that leadership has significant positive relationship with employee performance. At the same time, there is significant positive association between working environment and the employee performance. Similarly, correlation value between motivation and the employee performance is significant positive. Moreover, correlation value between job satisfaction and the employee performance is significant positive.

The regression result concluded that there is significant positive effect of leadership on employee performance. Then, there is also significant positive effect of working environment on employee performance in banks. At the meantime, motivation has significant positive impact on employee performance. Finally, job satisfaction has significant positive effect on employee performance in banks. However, all the factors have significant impact on employee performance in Nepalese commercial banks within Kathmandu Valley.

5.3 Implications

On the basis of above summary and conclusion, following implications are made;

- The finding revealed that leadership, working environment, motivation and job satisfaction that have the more significant positive influence on employee performance. The findings of this study provide policy makers with a practical understanding of the factors that are likely to impact employee performance in the service sector. Thereby attracting and gaining more customers.
- This study will assist bank managers better understand the elements that affect employee performance, which will help them create strategies that will work better for raising employee performance in banks.
- Some of the most recent information, statistics, and challenges pertaining to the factors influencing employee performance may be found in this research. Therefore, bankers, depositors, future academics, and students should all find this study to be valuable.

- With regard to the workplace, the bank must make every effort to ensure that employees feel secure and at ease while carrying out their duties. In order to increase employee performance, the bank must provide a secure and comfortable work environment. Any shortages in office resources, facilities, or equipment that affect workers' overall performance must be filled by the bank. As a result, the bank must proceed to address these issues with the working environment by making adjustments to programs and solutions that are appropriate and transparent.
- The primary component, motivation, has a favorable correlation with worker performance. A win-win situation for the bank is what motivates employees rationally. Research shows that employees are more likely to perform their jobs when they believe their benefit package is fair and sufficient for all bank workers, and that job rotation and structure also play a role in employee motivation.

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ABSTRACT This study investigates the factors affecting employee performance in Nepalese commercial banks. This study is based on descriptive research design and causal-comparative research design. 400 employees or respondents are taken from three government banks as a sample of the study. Correlation and regression analysis is used to analyze the data. This study found that employee agreed that job satisfaction factor highly affects their performance and they believe that their performance was also high. The correlation analysis shows that leadership and employee performance is significant positive between these variables. At the same time, there is significant positive association between working environment and the employee performance. Similarly, correlation value between motivation and the employee performance is significant positive.

