

**EFFECT OF MOTIVATION ON EMPLOYEE
PERFORMANCE IN NEPALESE COMMERCIAL BANKS**

A Thesis

By

BholaRawal

Central Department of Management

Exam Roll No: 657/16

Campus Roll No: 104/2072/73

Registration No: 7-3-28-107-2015

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CERTIFICATION OF AUTHORSHIP

The certification of authorship to be signed by the candidate would appear as follows:

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

BholaRawal

March, 2019

RECOMMENDATION LETTER

It is certified that thesis entitled "**Effect of Motivation on Employee Performance in Nepalese Commercial Banks**" submitted by **BholaRawal** is an original piece of research work carried out by the candidate under my supervision. Literary presentation is satisfactory and the thesis is in a form suitable for publication. Work evinces the capacity of the candidate for critical examination and independent judgment. Candidate has put in at least 60days after registering the proposal. The thesis is forwarded for examination.

.....

Lecturer. Phul Prasad Subedi

Thesis Supervisor

Central Department of Management

Tribhuvan university,

Kirtipur, Kathmandu, Nepal

Date:

APPROVAL SHEET

We, the undersigned, have examined the thesis entitled "**Effect of Motivation on Employee Performance in Nepalese Commercial Banks**" presented by **BholaRawal**, a candidate for the degree of **Master of Business Studies (MBS)** and conducted the viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

Lecturer.Phul Prasad Subedi

Thesis Supervisor

Internal Examiner

External Examiner

Prof. Dr. Sanjay Kumar Shrestha
Chairperson, Research Committee

Prof. Dr. RamjiGautam
Head of Department

Date:

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BholaRawal

Researcher

ABSTRACT

The main purpose of this study is to determine the relationship between factors of motivation and employee performance in Nepalese commercial banks. This has contributed general ideas about factors affecting employee motivation and their effects on employee performance in Nepalese commercial banks. This research study would assist us in answering the questions like what are the motivating factors in Nepalese commercial banks? How these motivating factors affect employee performance? And what relationship exists among them? The theoretical framework has been developed according to meet the objectives of this study including different variables such as salary, promotion, working environment, career development, training, incentives etc.

While doing the research, data was gathered from primary source of data by using questionnaire method from 150 respondents of selected as sample for the study. Samples were selected conveniently with stratified sampling techniques. This study covers only Kathmandu district and far-western region of the country. Different tools of data analysis have been used such as frequency distribution, mean, percentage, weighted mean, and correlation coefficients etc. to derive conclusions of the study.

The results of the study depicted that employees are motivated by promotion, salary, incentives and expecting growth for opportunities and personal development with fair and unbiased evaluation and recognitions of their jobs done. A need based training program is necessary for every employee; the main factor to reduce stress in banking institutions is cooperative and pleasant working environment. HR policies and weak management practices have been blamed for employee demotivation in Nepalese commercial banks. However the motivational packages adopted by most commercial banks have brought inner satisfaction and increased devotion with customers which ultimately has contributed towards efficiency and increased customer base. The correlation coefficients 0.602, 0.551 and 0.362 of salary, promotion and working environment with employee performance respectively reflect that employee performance of commercial banks in Nepal is heavily influenced by these motivational factors.

Therefore, this study will be helpful for different commercial banks to review their motivational practices, training programs, promotion of employees, working environment, career development initiatives, and incentives etc. to enhance their employees' performance. This study has recommended to commercial banks to promote employees based on their performance and work experience, appropriate need based

trainings have to be conducted for enhancing employee performance. Similarly Management should take decisions relating to salary, promotion and working environment with great participation of employees.

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LIST OF ABBREVIATIONS

CRD	: Career Development
EP	: Employee Performance
HR	: Human Resource
HRM	: Human Resource Management
INC	: Incentives
PE	: Performance Evaluation.
PRO	: Promotion
RR	: Rewards and Recognition
SAL	: Salary
SPSS	: Statistical Package for Social Science
TR	: Training
WOE	: Working Environment