

CHAPTER-I INTRODUCTION

1.1 Background of the Study

The term motivation is derived from the Latin word '*movere*' which means to move (Baron, Henley, McGibbon and McCarthy, 2012). Certo (2016) describes motivation as giving people incentives that cause them to act in desired ways. Motivation has also been described as the process of arousing and sustaining goal-directed behavior (Nelson, 2013). Employee motivation is the key factor to boost up the function of an organization. In the globalization phase, every company needs to sustain in the fierce competitive market. Employees are main factors to manifest the business goals into reality. Therefore, in today's world every organization tries to manage their human resource department to keep their employees motivated. Organizational performance in the market can be evaluated by assessing the level of motivation of employees. Motivation can play a lead role to get the professional milestone in each financial year in less effort manner (Saad, 2018).

Employees are the bedrocks of every organization. For the success of an organization, committed and devoted employees are needed. Employees are particularly important participants in the formulation of the image that customers get. In order to successfully market or sell the company's services or products, the company must first and foremost target employees. Employees are therefore the first customers of every organization. Once the company is able to identify employees' needs, then they will be motivated to work effectively to achieve the goals of the organization. Motivation is one of the most important concepts of psychology and very vital for managers who direct the growth of their subordinates towards worthwhile goals (Adnan, 2005).

Nizamand Shah (2015) the success or failure of any organization depends on its employee that how well they were motivated towards their work and with how dedication they are performing. Employee motivation is directly linked to employee commitment, productivity and business profits. An organization should know about their employees that who are its great workers, who need training. Every employee has its own motivational factors that motivate them to perform

their work effectively and efficiently. Some employees are motivated by recognition and some are by rewards. Motivated employees are productive, happy, committed and satisfied to their jobs. Ouchi (2004) organizations would be more profitable, effective and efficient when its workers trust over them and this will lead to productivity, high level of involvement. If you treat your workers well they will treat you well, if you treat them badly they will treat you bad. Jishi (2009) motivated employees mean staff retention and loyalty which in short-run will give growth of business. A highly motivated person will work hard towards the achievement of organizational goal, given the ability and adequate understanding of the job. Therefore, the challenge for today's management is to administer motivational programs which will encourage employees to improve their work performance and productivity. Excellent services provided and offered by employees can create a positive perception and ever lasting image in the eyes of banking customers. The motivation of a bank employee plays a major role in achieving high level of satisfaction among its customers (Petcharak, 2004).

Most of the employees are motivated by cash incentives but other is motivated by recognition (Mc Coy, 2000). Employee motivation is very important for organizations as every concern requires physical, financial and human resources to accomplish the goals. It is through motivation that the human resources can be utilized by making full use of it. This can be done by building willingness in employees to work. This will help the enterprise in securing best possible utilization of resources. It results into increase in productivity, reducing cost of operations, and improving overall efficiency. Stability of workforce is very important from the point of view of reputation and goodwill of a concern. The employees can remain loyal to the enterprise only when they have a feeling of participation in the management. The skills and efficiency of employees will always be of advantage to employees as well as organization. This will lead to a good public image in the market which will attract competent and qualified people into a concern. Organizations in this dynamic globalized world are continuously trying to develop and motivate their employees to help achieve enhanced performance with various human resource applications and practices. Reward management system is the highly used practice for the enterprises to achieve the desired goals (Güngör,2011).

This study focuses on factors affecting employee motivation and their performance. Motivating employees is a challenge and keeping employees motivated an even greater challenge (Levy, 2013). Today, organizations are under intense pressure to identify and implement programs that will prove effective in improving employee productivity (Deci, 2013). It is no longer enough to increase salaries and expect increased performance; it is more complex than that (George and Jones, 2013). Employee motivation affects productivity and a poorly motivated labor force will be costly to the organization in terms of lower productivity and performance, excessive staff turnover, increased expenses, frequent absenteeism and a negative effect on the morale of colleagues (Jobber and Lee, 2014). It is a well-known fact that the success of an organization largely depends on the quality of its human resource, irrespective of the industry within which it operates (Deci, 2013). It is with this in mind that leaders and managers must strive to ensure that their workforce is motivated and therefore productive. Motivation is seen as one of the most important factors in issues related to human resources management (HRM) and organizational behavior management (Nelson, 2013)

1.2 Statement of the Problems

In a highly competitive, global environment, organizations are constantly under pressure to retain their workforce (Deci, 2013). According to Stanley (2012), in today's marketplace, where companies seek a competitive edge, motivation is key factor for talent retention and performance. No matter the economic environment, the goal is to create a workplace that is engaging and motivating, where employees want to stay, grow and contribute their knowledge, experience and expertise. Highly skilled, reliable and experienced employees are valuable asset for any organization. It is evident that highly motivated employees are more likely to have high productivity. However, good performance is not as a result of motivation only, but also includes ability i.e. skills, equipment, supplies and time. Some organizations have been known to experience a high staff turnover despite offering above average salaries (Aguinis, 2012). This tells us that money is not the only way to motivate employees. Additionally, different people are motivated by different factors. It is important for managers and supervisors to understand

what motivates individual employees, and not assume a one-size-fits-all approach (George and Jones, 2013). An organization is only as strong as its workforce. Human resources need to be treated with great care, since they are a special resource that needs to be given special managerial attention and time (Storey, 2013). Therefore, studies like this are an invaluable resource in helping organizations identify and maximize on ways to motivate employees whilst mitigating employee turnover and under-performance. With that in mind, researcher decided to carry out a study into the effects of motivation on employee performance in Nepalese commercial banks. It is the human resource amongst other factors of production in the organization which really makes a distinction.

The study has been conducted with expectation to answer the following research questions:

-) What are the factors influencing employee motivation in Nepalese commercial banks?
-) What are the effects of factors of motivation on employee performance in Nepalese commercial banks?
-) What is the relationship between factors of motivation and employees' performance?

1.3 Objectives of the Study

The main purpose of the study is to find out the relationship between factors of employees motivation with their performance in Nepalese commercial banks. The specific objectives are outlined as below:

-) To identify the factors influencing employee motivation in Nepalese commercial banks.
-) To examine the effects of factors of motivation on employees' performance in Nepalese commercial banks.
-) To assess the relationship between factors of motivation and employees' performance.

1.4 Significance of the study

The study shows the actual position of employee motivation and its impacts on the employee performance in Nepalese commercial banks. Due to emerging global economy, competent human resources have increasingly become a necessary component of business and valuable assets for the development of the organization. The new techniques of doing activities, emergence of new technology and introduction of new banking products and services, especially in banking sector became challenging. So many banks realize that employees' satisfaction is necessary to survive and sustain in the competitive market. For this employees should be motivated towards their work which leads them to work effectively and efficiently. Employees will not be able to perform job unless they possess the required abilities. Employees' abilities can be improved through training and development and other variables. However, without motivation, ability is also of no use. . Job performance is thus the result of the interactions between ability and motivation. So, in Nepalese context motivation plays an important role for achieving the goal (Chaulagai, 2017).The employee motivation, enthusiastic and energetic behavior toward task fulfillment play key role in success of an organization (Cheng,1995). The content to which employees are motivated in their work depends on how well those employees are able to produce in their job. Motivation is expected to have positive effects on quality performance. Employees who are characterized by a high level of motivation will definitely show higher work and life satisfaction.

The study has addressed the issues relating to importance of employee motivation in Nepal as well as banking performance at first place and secondly, it deals with employees' motivation and its various dimensions. Similarly, the study analyses the relationship between employees' motivation and banking performance. Therefore, the study is in anticipation that some of this study may be useful in understanding crucial aspects of employees motivation in Nepalese commercial banks and can be improved the level of employee satisfaction for the better banking performance. There is lack of proper literature on the employee motivation and banking performance particularly in Nepal, The study is expected to be more important and it analyses the demographic

characteristics of employee's motivation and also measures the banking performance by taking the dimensions of employee's motivation such as salary, promotion, working environment, career development, incentives, recognition and training. Additionally, the study has furnished with recommendation on how to increase the employee motivation for the betterment of the banking performance in the competitive marketplace; who need to be promoted, who should be trained by which type of training programs; which incentive is most influencing to motivate employees.

Conclusively, the findings of this study can be useful to individual employees, researchers and management of commercial banks in Nepal. Firstly, the individual employees working in different commercial banks of Nepal are informed as to the incentive programs available to them and how best to utilize them for their personal development and improved performance. Secondly, management of all the commercial banks operating in Nepal can review their policies, and motivational programs to increase employee motivation, organizational commitment and promote organizational citizenship along with retention of highly skilled and qualified personalities. Finally, this study has added a drop as source for those who want to conduct their studies in near future for research purpose on motivation and employee performance in Nepalese banking industry.

1.5 Limitations of the Study

No research study is free from limitations. The major limitations of the study are as follows:

- J Sample size 150 selected from 10 commercial banks may not be sufficient to generalize the result for all commercial banks.
- J The results of this study depend on the accuracy and fairness of employees' responses. But employees may not give true responses.
- J The research study has been carried out at Kathmandu and Far-Western region of Nepal so it may be different from other regions of the country.

1.6 Basic Terms used and Definitions

1.6.1 Motivation

Motivation is the act of energizing people to put extra effort. It is willingness to exert high level of efforts. It is an inner state within the individual that energizes, directs and sustains behavior towards goal achievement. Employee's motivation among financial, economic and human resources, the latest is more essential and has the capability to endow a company with competitive edge to others (Rizwab et. al, 2010).

1.6.2 Working Environment

Many businesses fail to understand the importance of working environment for employee job satisfaction and thus face a lot of difficulties during their work. Spector (1997) observed that most businesses ignore the working environment within their organization resulting in an adverse effect on the performance of their employees. According to him, working environment consists of safety to employees, job security, good relations with co-workers, recognition for good performance, motivation for performing well and participation in the decision making process of the firm. He further elaborated that once employees realize that the firm considers them important, they will have high level of commitment and a sense of ownership for their organization. Different factors within the working environment such as wages, working hours, autonomy given to employees, organizational structure and communication between employees & management may affect job satisfaction (Lane, Esser, Holte, & Anne, 2010). Arnetz (1999) argued that to meet the standards of organization, employees need a working environment that allows them to work freely without problems that may restrain them from performing up to the level of their full potential. The objective of this research paper is to analyze the impact of working environment on employee job satisfaction.

1.6.3 Trainings

Armstrong (2010) defines training as the use of systematic and planned instruction activities to promote learning. Training is the systematic development of the attitude and skill behavior pattern required by an individual in order to perform adequately a given

task (Oliseh, 2005). He states that training is designed to change the behavior of the employee in the work place in order to stimulate efficiency and higher performance standards. It develops their skills, changes their attitude towards work and builds their loyalty to the company hence improved performance. Training also helps build the foundation for career advancement hence staff recognition through promotions. This leads to job satisfaction. Training and development practices are aimed at enhancing employees' personal qualities that lead to greater organizational performance. Training is aimed at helping the employees obtain knowledge and skills required in performing and being able to develop their abilities to the full, within the areas that are relevant to the organization. For training to be effective, it should improve the performance and ability of the trained employee.

1.6.4 Career Development

According to Greenhaus, *et al.* (2010) stated that career development is a continuous process of work life. The development of employees for future positions, an organization is assured of a supply of qualified, committed employees to replace the higher-level employee. In addition, a career development practice enables organizations to develop and place employees in positions compatible with their individual career interests, needs, and goals. This promotes employee satisfaction and optimal use of employee abilities (Hall & Lorgan, 2009). The development of the capacity and capability of the organization's managers has a fundamental impact on efficiency, effectiveness, morale and profitability of an organization. High performing organizations increasingly pay close attention to the validity of their recruitment practices and are becoming equally vigilant about developing their employees' career in order to ensure they achieve optimum performance both in the present and the future (Mwanje, 2010). Employee could move from one institution to another not necessarily in the same career, but probably from one field to another or from one level to another (Robbins, 2010).

Pereek and Rao (2012) concur and argue that career development of employees should be seen as an investment, not a cost; and that bad performance, ignorance and low

commitment to duty are very costly barriers in an organization. It is pointed out that the key to high levels of performance lies in having employees who are willing to work, are well managed, well led, well-motivated and are always re-skilling. Career development covers an employee's work life. It starts with, for example staff orientation, on-the job training, experience, short courses, professional courses, post graduate degrees or diplomas.

1.6.5. Incentives and Rewards

Incentives are pay for performance. They link rewards to performance to enhance productivity. They are generally monetary benefit paid to employees for outstanding performance. They are given in addition to pay. People would therefore be working just for money. Most organizations use money not as a motivator, but simply as a means for ensuring adequate staffing. The need for apparent fairness encourages the use of salary grades and hence comparability of earnings. Financial incentives operate with varying strengths for different people in different situations. Many researches have shown that money is not a single motivator or even a prime motivator. The study, which investigated the influence of monetary incentives and its removal on performance, showed that the subjects in the experimental group who receives individual incentives performed better than other (Bergum and Lehrs, 2004).

1.6.6 Recognition

Giving recognition to employees is something that does not come naturally to do, but requires more effort and consistency to achieve it. The employees do not all the time require cash, as it is the perception of most managers to be motivated to give of their optimum best, but sometimes mere appreciation is enough for them to perform very well. When employees accomplish a mission, they believe that indeed they have achieved something and have the mindset that recognition from management is an appreciation for that achievement. But the challenge is here that, most managers do not give enough recognition because they themselves do not get enough.

Ali (2009) argues that there is a statistically significant ($r=0.92$, $P<0.01$) direct and positive relation between recognition and employee work motivation which revealed that

recognizing employees work increases their motivation to accomplish tasks and execute responsibilities towards them by the organization.

1.6.7 Promotion

Bohlander Snell (2004) puts it forward that promotions involve change of the assignment to that of a higher level in the organization. The new job normally provides an increase in pay and status and demands more skills and carries more responsibility. Promotions enable an organization to utilize the skills and abilities of its personnel more effectively thus, good performance realized. The three principle criteria for determining promotions are merit, seniority, and potential. Promotions sometimes move with status in a group of other employees in an organization.

Stephen Robbins et.al. (1999) say that status is a prestige grading, position, or rank within a group. It is therefore, important for employees to believe that the status of an individual in a system is congruent with the job he or she is assigned to. The possibility of advancement often serves as a major incentive for superior managerial performance and promotions are the most significant way to recognize superior performance. Therefore, it is extremely important that promotions be fair, based on merit and untainted by favoritism (James etal, 2000:397).In some instances, even fair and appropriate promotions can create a number of problems for instance, members of an organization who are bypassed feel resentful, which may affect their morale and productivity.

1.7 Organization of the Study

This study consists of five chapters. The first chapter of the study is introduction which has covered background of the study, objectives of the study, significance of the study, limitations of the study, basic terms and definitions and organization of the study. This has been followed by chapter two which includes major literature review, conceptual framework and research gap. The third chapter explained about research methodology consisting of research design, research approach, procedures of data collection, sources and method of data collection, sampling techniques, tools for data presentation and techniques of data analysis used. Another main chapter of the study has become result of

the study which includes presentation of collected data and their interpretation and analysis along with major findings. Finally, fifth chapter has covered summary, conclusion, and implications of the study along with scope for future research.

CHAPTER –II LITERATURE REVIEW

The literature means the work we consulted in order to understand and investigate the research problem and review is the critical summary of published literature in the field of study. It helps to summarize the broad contents of research articles or studies and indicate linkages with other studies in the field. Review the literature cannot be ignored since they provide foundation to present study and provide guidance to the particular study (Pant, 2016). Motivation is probably one of the most researched areas of management. If a manager can grasp what will motivate employees, that manager will have more productive force (Mullien, 1997). In order to motivate employees to work for the organizational goals managers must determine the needs of employees, factors that motivate them and provide revenue in which appropriate incentives are available for their satisfaction. If the management is successful in doing so, there will be a positive impact in bank performance.

2.1 Meaning of Motivation

The word motivation is originally imitative from the Latin word movere, its meaning is to move. Guay et al. (2010) discuss that motivation mentions to the drive essential behavior. Motivation is the internal feeling that encourages an individual to involve in specific manners and thought that motivation it could be observed from two sides (Spector, 2003). Gouws (1995) expressed that motivation is the inner feeling or desire that initiates with a people either intentionally or unintentionally to complete the job excellently because it's pleasurable and not obligatory for what will be expected in arrival. For the organization employee motivation is one of the best policies to improve effective work management between the organization and employees. Motivation is very significant for the organization or management to treasure a method to motivate their workers. When workers realize that their views are considered to be valued it provides them an intellect of belongingness which can motivate the employees. The incentive always accomplishes the demand and requirements of the workers and in return the individuals repay it through

hard work and honesty. The main objective of the organization is to classify the needs and wants and replying it to the most elementary method of all organization to get the commitment of the workers (Surbhi, S. 2012).

Motivation is divided into two major types, intrinsic and extrinsic motivation. An employee's objectives are connected to his or her purpose for attractive with duty. Objective can be sectioned into mastery objective which can be compared with intrinsic value and performance objective which can be compared with extrinsic motivation (Broussard & Garrison, 2004). Intrinsic motivation is linked to work content which happen when employee execute an action from which they develop gratification for simply appealing in the effort himself. Many scholars defined intrinsic motivation as the performing of an action for its innate happiness relatively than for some distinguishable significance. Intrinsic motivation denotes to the innate features of job and distinguishing connected with the work itself, for illustration the capability to discuss to personnel an intellect of interest, accomplishment, achievement and responsibility (Kalleberg, 1977). Intrinsically motivated employees are encouraged to performance for the exciting or trial enabled rather than because of outside stress and incentive. In one way, intrinsic motivation exoduses within employees and on other way intrinsic motivation exoduses in the relationship between doings and employees. For some activities workers are intrinsically motivated and not others, but not everyone intrinsically motivated for some specific duty or works. According to Guay et al. (2010) intrinsic motivation refers to motivation that is energetic to by individual attentiveness, enjoyable and is usually various from extrinsic motivation which is operated by strengthening eventuality.

2.2 Review of Major Literature

Manzoor(2011) carried out study on impact of employee motivation on organizational effectiveness. The purpose of this paper is to identify the factors that effects employee motivation and examining the relationship between organizational effectiveness and employee motivation. A model was designed based on the literature, linking factors of employee motivation with employee motivation and organizational effectiveness. Three

hypotheses were built based on the literature and the model and were tested in perspective of the previous studies and literature. The literature and various studies concluded that factors: empowerment and recognition have positive effect on employee motivation. More the empowerment and recognition of employees in an organization is increased, more will their motivation to work will enhance.

Isiaka (2011) conducted a study on an appraisal of employees' motivation in the Nigerian banking industry. The main focus of the study was to appraise employee motivation using Nigerian banking industry as a case study. In carrying out this study, data was obtained from two major sources- primary data and secondary data. Primary data was obtained through the administration of questionnaire to the selected respondents from Nigerian Banks. Secondary data were sourced from published materials, such as related journals, and the banks' annual reports and accounts. The size of the sample is 94 where 80 copies of questionnaire were, found suitable for analysis of G-test. It was shown by the study that motivation has positive impact on employee performance in the banking industry. To maintain the enthusiasm employees bring to their jobs initially, management must understand the three sets of goals equity, achievement, and camaraderie. Specifically, the banks in Nigeria need to go back and reexamine their motivation packages. Most of the items the banks see as motivation were not seen as being so by the banks employees. In a similar development there is the need for the banks to desist from duplicating motivation items of one another. Each bank should design its own motivation items in line with its mission and vision.

Cynthia (2011) conducted a study on reward as a motivation tool for employee performance. The aim of this research was to explore three vital issues in human resource management mainly – to ascertain whether the rewards motivate employees, identify what kinds of rewards employees consider most beneficial and finally discuss some dilemmas and difficulties managers face in applying motivation theory to workplace setting. The respondents were all employees who also had oversight responsibilities as managers or supervisors of between five to ten people. The analysis of the twenty interviews suggested that while the use of rewards is vital in motivating employees, there

is the need for management and employers to have a clear understanding of the human nature and what actually motivates employees. The research further suggest that efficient motivation programs stems from a mixture of extrinsic and intrinsic rewards instead of focusing on any one particular one. Finally enhanced motivation can be attained among employees when managers do their best to design the work settings so they become motivators in themselves while at the same time eliminate demotivating factors at the work place. Nadia (2011) conducted a study on the relationship between work motivation and job satisfaction which aimed to explore the relationship between work motivation and job satisfaction. He stressed on the two hypotheses to test the relationship between work motivation gender differences and job satisfaction. The sample size of the study was 80 middle managers including 34 females from different banks of Karachi, Pakistan. Pearson correlation coefficient was calculated to ascertain correlation between the work motivation and job satisfaction. The findings of the study suggested that there was a positive correlation between work motivation and job satisfaction. Furthermore, there was a significant gender difference on the variables of work motivation and job satisfaction.

Adhikari and Gautam (2011) carried out a study on employees' commitment and organizational performance in Nepal. The study showed a number of new HR mandates recommended for improvements in the situation of low degree of commitment and compliance affecting level of performance in Nepalese workplace. Their study presented typological framework showing compliance commitment matrix. Based on this framework a number of new HR mandates recommended for the improvements in the situation of low degree of commitment and compliance affecting level of performance in Nepalese workplace. The descriptive and explorative method was used for the study. The major findings of the study were most of the information used in the study was collected from secondary sources. Examining the degree of compliance and commitment situation in Nepalese workplace, it seems poor status of the implementation of hard and soft HR practices. Organizations fail to comply given provisions of labor legislation, business and HR strategies are not sufficiently integrated and even there is lesser integration among

the HR practices such as result of performance evaluation and its implication for employees' career development.

Zulfaur and Bilal (2012) conducted a study on impact of human resource practices on employee perceived performance in banking sector of Pakistan. The main objective of this study is to examine the relationship and nature of relationship between the employee perceived performance and human resource (HR) practices i. e. compensation, performance evaluation (PE), and promotion practices in the banking sector of Pakistan. The survey was conducted by including 235 banking employees through distributing them personally administered questionnaire to investigate the impact of HR practices on employees' perceived performance. The relationship and nature of relationship is calculated by applying the spearman's correlation matrix and multiple regression analysis. The analysis of data revealed the result that the employee perceived performance and HR practices has the positive and significant relationship. The result obtained from the regression analysis showed that the two HR practices: performance evaluation and promotion practices are significant but the compensation practices are not significant. Moreover, this study provides help for top management of banking sector to design their HR policies and make practices to attain high employee performance.

Thomas (2012) carried out a study on effects of motivation on employee performance of Ghana commercial Bank, Kumasi Zone. The major objective of the study is to investigate the effect of motivational packages on employee performance at Ghana commercial Bank Limited. The primary data was collected from the field survey using questionnaires and interview schedules and data collected was processed using statistical package for social science (SPSS). Total 153 employees were given questionnaires for research purpose. The study revealed that, management can make use of different strategies and policies to motivate employees in the banking environment. Employees are interested in enhanced salaried, fringed benefits, promotion, and car loans as motivation elements sufficient to push employees of the bank to give out their best. Promotion has been a worry to most staff measures should be put in place management to ensure that there is continuity in the promotion of staff to avoid productivity in terms of deposit mobilization. The study

revealed that if management withdrew motivational packages it will have serious repercussions on employee's performance. There was a positive relation between employee performance and corporate performance since employees were able to achieve the bank's performance indicators in terms of deposits, loan recovery, profitability and also ensuring the liquidity of the banks.

Nduro (2012) conducted a study on effect of motivation on the performance of employees at Guaranty Trust Bank Ghana which aimed to assess motivation and its effect on the performance of Guaranty Trust bank, a private bank in Ghana. The study adopted the questionnaire and interview research instruments to collect data from both the primary and secondary sources. The study population comprised the staff of Guaranty trust Bank and their customers, and used the Accra, Kumasi and Takoradi branches as the study area. Issues of recognition, trust, respect, job security, salaries and bonuses which affect the morale of workers to maximize performance seem to be prevalent everywhere in Ghana. Such uncomfortable condition does not encourage workers to give their best hence low turnover. The study revealed that indeed there is a relationship between motivation and performance and aside the known fact that money is the key amongst motivational factors to employees. The study therefore concluded that great strides be made to motivate all staffs to enhance performance. The researcher recommended that management attaches more importance to issue of motivation to make the institution survive amongst its competitors.

Kiruja (2013) carried out a study on effect of motivation on employee performance in public middle level technical training institutions in Kenya. The study sought to establish the effect of motivation on employee performance in public middle level technical training institutions in Kenya. This study had adopted the descriptive research design. Sample size was 315 targeting administrators, heads of departments, teaching staffs, and non-teaching staffs. A structured questionnaire with Likert scale questions was used to collect data from the respondents. An interview was also conducted with administrators and heads of the department. Most employees in public middle level technical training Institutions in Kenya nowadays hold diplomas and degrees in various disciplines of

studies. The study found that employees are not satisfied with their pay and work environment. The practitioners and policy makers of technical institutions should use this study in developing policies and strategies to manage their human resources. The results and findings indicated that Human Resource management should come up with an effective performance measurement system that rewards hard workers and penalizes ineffective workers.

Lama (2013) conducted a study on quality of work life among the employees of commercial banks in Nepal. The purpose of the study was to examine quality of work life among the employees of commercial Banks in Nepal. The study was conducted a survey through modified questionnaire which were divided into five sections. The sample size was 14 commercial banks where 3 public banks 5 were joint venture and 6 were owned bank of Nepal. The numbers of respondents were 112. Descriptive analysis was used in the study. This study reflected that joint ventures and privately owned bank have similar results than the public banks in terms of employees' perception towards the factors influencing the quality of work life. The study ascertained that job security, employee relation, adequate and fair compensation, safe and healthy working environment, opportunity to develop human capacity, growth and lastly autonomy respectively play most influencing factor of quality of work life.

Muogbo (2013) conducted a study on the impact of employee motivation on organizational performance of some selected firms in Anambra state Nigeria. The main purpose of this study is to investigate the place of motivation in increasing organizational productivity among manufacturing firms in Anambra State of Nigeria. The study investigated the impact of employee motivation on organizational performance of these firms. The descriptive statistics such as frequencies, percentage and graphs are used for the analysis of the research questions while hypotheses testing were done with spearman Rank correlation coefficient. SPSS computer software was used to run the analysis. The study was selected 103 respondents from 17 manufacturing firms across the three senatorial zones of Abambra State. The results obtained from the analysis showed that

there is positive relationship between employee motivation and the organizational performance.

Muhamad and Idrus (2013) conducted a study on effect of compensation on motivation, organizational commitment and compensation and employee performance of local revenue management in Kendari City. The main objective of this study was to test and demonstrate empirical effect of compensation on motivation, organizational commitment on employee performance, organizational commitment on employee performance. The population of this study was 1394 employees among them 126 respondents were selected as sample for the study by using random sampling method with proportional basis. This study resulted that compensation has significant effect on motivation and organizational commitment, but does not have significant effect on employee performance. Organizational commitment and motivation have significant effect on employees' performance as well as a significant effect of organizational commitment on employee performance.

Ching, Shianet.al (2016) conducted research study on "The impact of motivation on employees' job performance at Prudential Assurance Malaysia Berhad in Seberang Jaya, Penang. In this study, researchers try to test the relationship between dependent variable employee performance with different independent variables such as reward, promotion, flexible scheduling, training, working environment etc. Descriptive research design was used. Pearson correlation, multiple regression analysis and hypothesis testing were used to analyze the collected data. The findings of this study was that he independent variables (Flexible scheduling, promotion, rewards, training and working environment) have the significant relationship with dependent variable (job performance).

Abdallaand Musbah (2017) conducted a study on "Effect of motivation on employee performance and commitment" study aims to test the impact of the motivation on the employees' performance and commitment at Royal Court Affairs of Oman. The model of the study consists of three variables one of them was the (Motivation) as independent variable and the rest were two variables (Employees' Performance, and Commitment) as the dependent variables. To achieve the research aim, the quantitative approach has been

employed for data collection. Structural equation modeling (SEM) technique was carried out by Amos software to test the validity of the research model. The results obtained in the study showed that the Motivation has a positive effect on the Employees' Performance and Commitment. The factor explained 67% of this impact on employees' performance. While the impact of the Motivation was 44% on Employees' Commitment, and the independent variable (Motivation), was showed the greatest impact on Employees' Performance, than Employees' Commitment, the researchers recommends that all policy makers of Leadership should pay more concern on policies and practices related to the motivation which results into developing the employees' performance, also policy makers inside the Royal Court Affairs of Oman should concentrate on emotional aspects of the employees which in turn result into a higher positive influence on their performance compared with the direct impact on their performances and Commitment.

Khan (2017) conducted the study on "Factors affecting employee motivation towards employee performance: a study on banking industry of Pakistan". The study provides the cognitive support for developing employee's motivation level at optimized level through consciousness towards applied approach and unrealistic ideas. The diligence of the research is to present the factors that help to motivate the employees to perform their job well. Whereas, the study restrains empirical and descriptive analysis of variables which comprehensibly highlight the significant relationship among the independent variable and dependent variable; the close-ended questionnaire is constructed to compute the statistical data. The study identifies the strong relationship among the defined factors that enhance the employee's motivation level in banking sector. Although the research is also aware the management and the managers of banks about the most preference factors that improves the employee motivation in the banks. This study valued the integrating knowledge, experience, action to groom skilled employees in the banks. Moreover, the main contribution of the research evaluating the role of the motivational factors in banking industry.

2.3 Research Gap

Many studies have been conducted and found in employees' motivation in developed countries. But in context of Nepal, especially in far west region there are very few articles and studies conducted that are related to employee motivation in banking sector. Some case studies are published and reported. Realizing this fact of research gaps, particularly in Nepalese context, researcher here has tried to set a framework to analyze the demographic characteristics of employee motivation and employee performance by taking into account the dimensions of employees' motivation such as salary, promotion, working environment, career development, training, incentives and recognition.

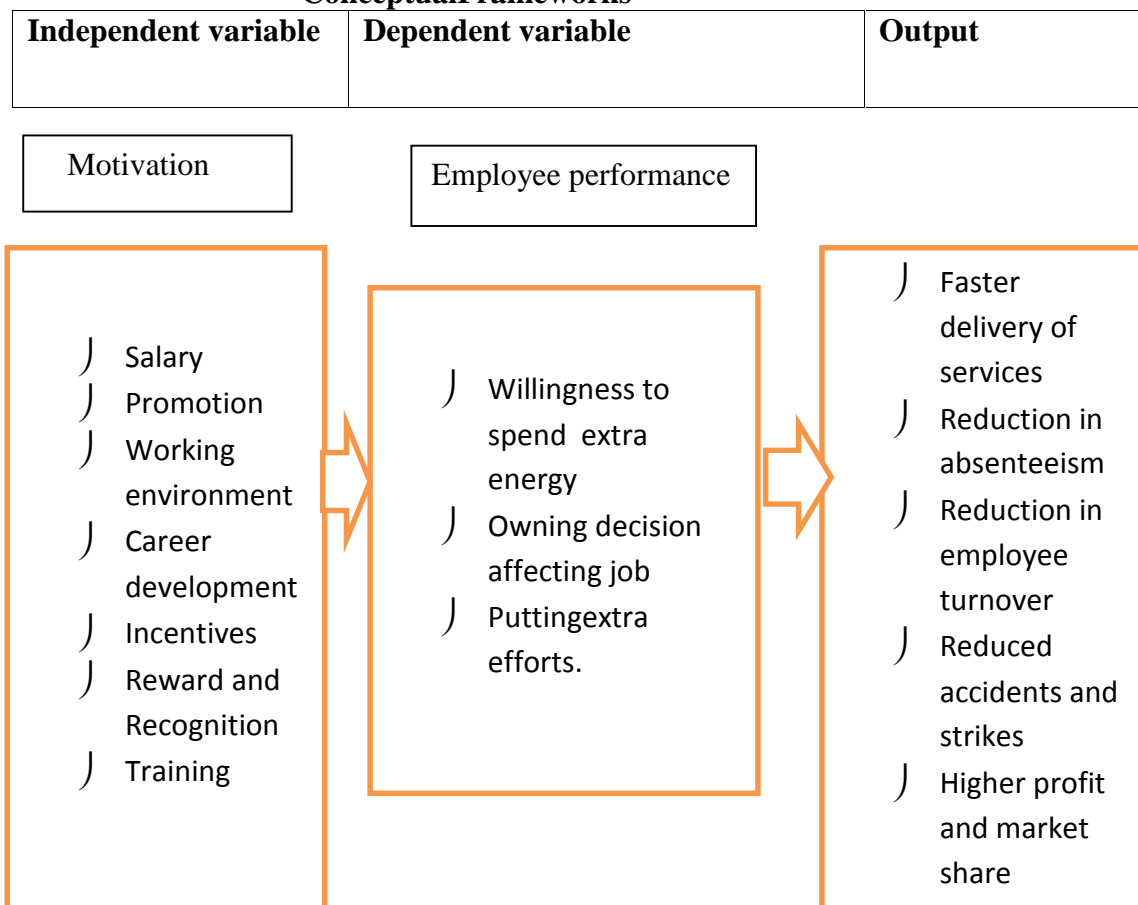
2.4 Conceptual framework

Nepalese banking sector is increasingly in growing trend in the competitive market. So employees should be more competent and highly qualified to compete in the market who can able to provide the better customer service. The organization could not be able to run without human resource. So, demotivated employees always elicit low level of performance at their job which negatively affects the performance of the organization. Employees' dissatisfaction with their job and organization results frequent employee absenteeism, delay in service delivery to customers, accidents and strikes and threat of unionism to management etc. which increases the operating costs. Therefore, motivation is that tool which always energizes employees towards goal achievements.

Organizations should give importance to the dimensions of motivation of employees for the prosperity and development of the organization. It is believed that the employees' motivation will help banks to reduce costs, increase revenue, and become more convenient for customers. Rewards and recognitions are essential factors in enhancing employees' job satisfaction and work motivation which is directly associated to organizational achievement. Thus, from the literature reviewed and studies, researcher has developed a framework for this study including dependent and independent variables taking into account different factors of employee motivation and performance in banking

sector of Nepal. The conceptual framework for this study has been presented by the help of figure 2.1.

Figure -2.1
Conceptual Frameworks



The figure 2.1 demonstrates the relationship between motivation (Independent variable) and employee performance (Dependent variable). Motivation of employees is affected by different factors determining it such as salary, promotion, working environment, career development, incentives, recognition and trainings. If all these factors of motivation are properly administered by top level management employee motivation and employee performance will automatically increase.

CHAPTER-III METHODOLOGY

Research methodology consists of general ideas of research design, research approach, data collection procedures, tools for data presentation and techniques of data analysis to derive answers to research questions.

3.1 Research Design

This study has applied descriptive and explanatory research designs to deal with the factors influencing motivation of employees and their performance in context of commercial banks in Nepal. The descriptive research design has been used for fact findings and search adequate information about factors influencing employee performance. The questionnaire has been prepared to collect the opinions, preferences and perceptions of employees regarding motivation and performance. The questionnaire also deals with the personal characteristics of employees of different specified commercial banks of Nepal such as educational qualification, job position, age, gender, etc. This design has been used to ascertain and understand the direction, magnitudes and forms of observed relationship between motivation and performance of employees of these commercial banks.

3.2 Research Approach

This study concerns with the views, and perceptions regarding employee motivation and level of performance of employees working in different commercial banks of Nepal. Since the study deals with non-quantifiable variables, it is based on the qualitative approach of research. Qualitative approach of research is primarily exploratory research focusing on the individual and group opinion regarding of the study. It also used open-ended questions to employees for collecting responses in their own words, rather than forcing them to choose from options given. So that it is easy to interpret and analyze the actual conditions of the employees' motivation and their performance in commercial banks.

3.3 Data Collection Procedures

It includes sources and methods of data collection, population and sample size, and sampling techniques.

3.3.1 Sources and Method of Data Collection

This study is based on primary sources of data collection. Primary data have been used to assess and examine the opinions of respondents regarding employee motivation with banking performance. A questionnaire method has been used to collect responses from respondents and the questionnaire is distributed to employees and they were requested to fill up the questionnaire to gather their views and perception on this subject. The dimensions of employee motivation such as salary, promotion, working environment, career development, trainings, incentives and recognitions are considered to frame the questionnaire in order to detect the relationship between factors of motivation and employees performance. In addition to this, secondary data from different books, articles, journals, reports and other relevant documents relating to the subject matter under study have also been collected.

3.3.2 Population and Sample Size

The population of the study consist approximately 800 employees of 100 branches of 10 commercial banks from Kathmandu and far-west region. Sample size of 150 employees has been chosen as sample for the study from the sampling framework to collect responses from respondent employees from different banks in Kathmandu and far western region of the country. The sample are selected from these commercial banks based on proportion of employees in population under study. The survey has been carried out at different 10 commercial banks representing different positions of employees to collect responses of employees from different posts and institutions. The table 3.1 shows the names of commercial banks selected for sample respondents and numbers of samples from each commercial bank.

Table -3.1
Samples Chosen from Different Commercial Banks

S. N.	Name of Banks	No. of Respondents.
1.	RastriyaBanijya Bank limited	20
2.	NIC Asia Bank Limited	20
3.	Nabil Bank limited	15
4.	Mega Bank Limited	15
5.	Nepal Investment Bank Limited	10
6.	Himalayan Bank Limited	10
7.	Everest Bank Limited	15
8.	Century Bank limited	15
9.	Agriculture Development Bank Limited	20
10.	Machhapuchhre Bank Limited	10
	Total	150

Source: Survey, 2019

3.3.3 Sampling Techniques

Researcher has used the conveniencesampling technique by classifying the employees of commercial banks under different strata based on their positions hold such as assistant level, officer level and manager level etc. Thus, both stratified sampling technique and convenience sampling have been used to select required numbers of sample under study. Under convenience sampling, researcher chooses the samples which are convenience for study.

3.4 Tools and Instruments of Data Presentation

The research is based on the primary data. For primary data collection a set of questionnaire is utilized as instrument and distributed to selected respondent. Different tables, charts, and figures have been used to demonstrate responses collected from respondents to summarize and make meaningful for findings.

3.5. Data Analysis Techniques

The major statistical tools such as Mean, percentage, frequency distribution method and correlation analysis have been used to analyze the responses collected from primary data. After collecting the distributed questionnaire, the responses derived were coded in a way that all responses can be accessed easily. A coded file was prepared and analyzed through SPSS (Statistical Package for the Social Scientists) and Microsoft excels in order to obtain meaningful result from the primary data. These data analysis techniques are explained below.

3.5.1 Frequency Distribution

The most widely used method of data analysis and interpretation as a method of reporting and summarizing data is frequency distribution. Frequency refers to the number of times various sub-categories of certain phenomenon occur from which percentage and accumulative percentage of the occurrence can be calculated (Pant, 2015).

3.5.2 Percentage

Percentage is a common language symbol. The use of percentage can make the data much simpler to grasp. One of the most useful features of percentage is that it can reduce everything to a common base and thereby allow meaningful comparisons to be made. Since mere number does not provide base for the comparison it is better to convert numbers into percentage (Pant, 2015).

3.5.3 Mean

Mean is the figure when the total of all the values in a distribution is divided by the number of values in the distribution. Mean is also known as average. It can only be calculated for numerical data (Pant, 2015). The calculation can be summarized by following formula

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

Where,

Σx = Sum of values in a distribution.

n = number of values in a distribution.

3.5.4 Weighted Mean

When calculating simple arithmetical mean it is assumed that all the observed values are of equal importance and given them equal weight in our calculation. In situations where the numbers are not equally important, certain weight is assigned that is proportional to its relative importance. The weighted mean is found by dividing the sum of the products of the values and their weights by the sum of the weights (Pant, 2015). It can be calculated using

$$\text{Weighted mean} = \frac{\sum W_i X_i}{\sum W_i}$$

Where,

W_i = Weight of particular mean

X_i = Mean of certain set of observation.

3.5.5 Correlation Analysis

Correlation analysis is the most widely used statistical tool to determine association between two or more variables. Correlation coefficient (r) could range between -1.00 to +1.00. Here, +1 indicates that there is perfectly positive relationship between two variables. -1 indicates that there is perfectly negative correlation between two variables. Correlation coefficient greater than 0.8 represents there is strong relationship between two variables whereas correlation coefficient less than 0.5 represents that there is weak relationship between variables. Correlation coefficient measures the degree of relationship between two variables (Pant, 2015). It may be positive or negative and can be calculated by using

$$r_{xy} = \frac{n \Sigma xy - \Sigma x \Sigma y}{\sqrt{[n \Sigma x^2 - (\Sigma x)^2][n \Sigma y^2 - (\Sigma y)^2]}}$$

Where,

n = No of samples

r_{xy} = correlation coefficient between X and Y

x = deviation of the x measured from the assumed mean.

Y = deviation of the y measured from the assumed mean.

3.6 Validity and Reliability

Reliability is the degree to which the observed variable measures the true value and is error free. The reliability measured and confirmed by testing both consistency and truthfulness of the respondents' response in primary data. Validity is the degree to which a measure accurately represents what it is supposed to measure.

After the data collection the reliability and validity was tested and the result was reliable and valid with Cronbach Alpha of 0.852 which means the data are reliable on 85.2% and 14.8% data were error. The table 3.2 explains the coefficient of Cronbach's alpha of the study.

Table-3.2
Coefficient of Cronbach's Alpha

Cronbach's Alpha	Standardized Cronbach's Alpha	No. of Items
0.852	0.852	14

Source: Survey, 2019.

The result of qualitative data shows the coefficient of 0.852 which shows that the data taken for the study is adequately reliable.

CHAPTER- IV

RESULT

4.1 Background

Data presentation and analysis deal with the organizing, summarizing, interpreting, and analyzing the collected raw data into useful information so that researcher can draw inferences about the population (Pant, 2015). In this chapter, researcher has presented collected data using table, bar diagrams, charts, and frequency distribution tables to tabulate, organize and summarized them. In addition, percentage, mean, weighted average, correlation coefficient have been calculated to interpret collected data and obtain relationship among different variables involved.

Researcher has collected information using primary sources of data collection from 150 respondent employees of 10 commercial banks operating in Kathmandu and far-western region of the country by the help of questionnaire. The demographic as well as other data collected from 150 respondents has been used to describe and measure the motivation and performance of these employees. The questionnaire survey has been conducted to collect required data. A set of questionnaire having different sections was prepared and distributed to employees of selected commercial banks from Kathmandu and far western region of Nepal. This section therefore, reports the results of questionnaire survey conducted among individual employees working at Kathmandu and far western region of different selected commercial banks.

4.2. Demographic Statistics

Demographic statistics of respondents includes gender, working experience, educational qualification, position of these respondents. The demographic characteristics relating to gender, working experience, educational qualification and position of employees etc. have been taken into account. The gender of male and female, working experience of employees has been classified into different four sections of 1-5 years, 5-10 years 10-15

years and above 15 years. Similarly, educational qualification has been categorized in to three groups of intermediate level, bachelor's level, and masters and above.

Table-4.1
Respondents Demographic Profile

Characteristics	Categories	Frequency	Percentage
Gender	Male	108	72.00
	Female	42	28.00
	Total	150	100.00
Work Experience	1-5 Years	75	50.00
	5-10 years	48	32.00
	10-15 years	20	13.33
	Above 15 years	7	4.67
	Total	150	100.00
Educational Qualification	Intermediate Level	28	18.67
	Bachelor Degree	82	54.67
	Master's Degree	40	26.66
	Total	150	100.00
Position	Assistant	78	52.00
	Officer	42	28.00
	Manager	30	20.00
	Total	150	100.00

Source: Survey, 2019

The table 4.1 shows that this study has been conducted on 108 male respondents and 42 female respondents with 72.00% and 28.00% respectively. This implies that presence of male is higher in commercial banks of far western region of Nepal. Out of 150 employees, majority of employees has been recently appointed belonging to 1-5 years' working experience in banking sector i.e.50.00% employees have 1-5 years'

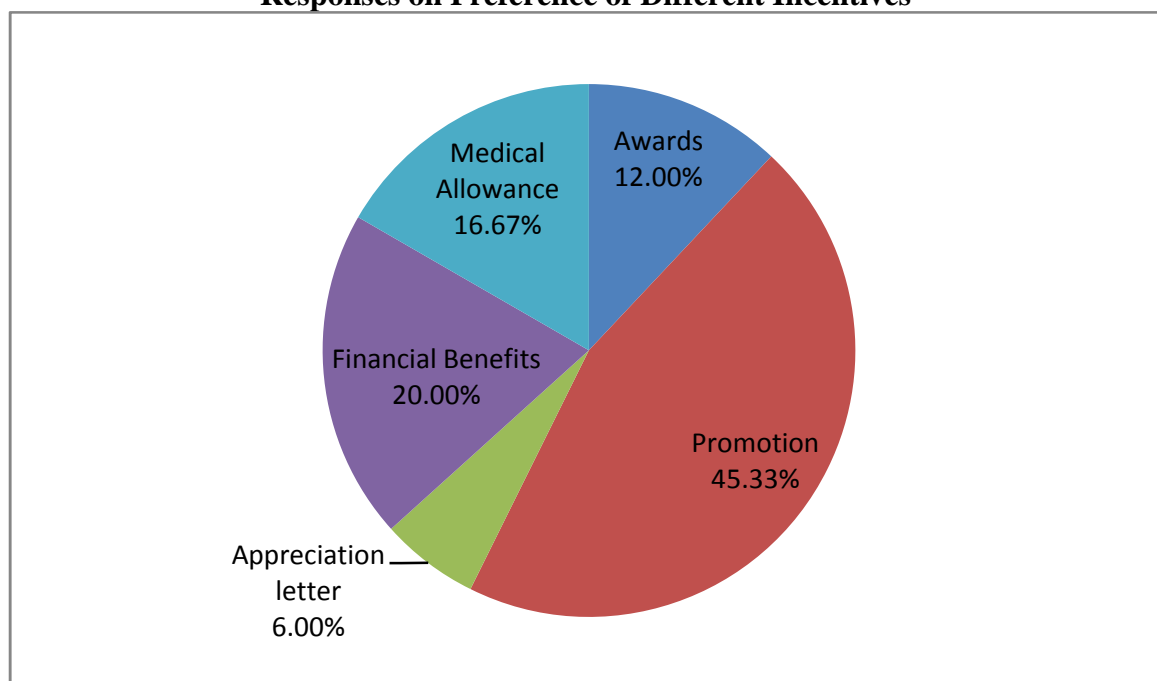
working experience, 32.00% employees have 5-10 years' work experience, 13.33% employees have 10-15 years' working experience whereas only 4.67% employees have above 15 years' experience. Similarly, most of the employees have attained bachelor's degree. This study shows that 54.67% have got bachelor's degree, 26.66% have got master's degree and 18.67% have got intermediate. In terms of positions that respondents held, 52.00% of them are working at assistant level, 28.00% are working at officer level and 20.00% are managers.

4.2.1 Responses Relating to Incentives

Employees need different types of incentives to act enthusiastically with high level of energy, zeal. The incentive may be financial or non-financial in nature. The major incentives under researcher's interest are Awards, Promotion, Appreciation letter, financial benefits, and Medical Allowance. The respondents were asked about their preference on different types of incentives to indicate which one is most effective to motivate and their responses have been shown in figure 4.1.

Figure- 4.1

Responses on Preference of Different Incentives



Source: Survey, 2019.

The figure 4.1 represents that the most important incentive for employee motivation is promotion. The result shows that many respondents prefer promotion i.e. 45.33%, 20.00% employees prefer financial benefits, 16.67% prefer medical allowance, and 12.00% prefer awards and only 6.00% employees prefer appreciation letter as incentive. Every commercial bank provides different types of incentives to motivate employees working additional to the basic salary. This study shows that most employees working in commercial banks are motivated by promotion and financial benefits. Chapagain (2017) has explained promotion and health allowance as most effective incentives to motivate employees in Nepalese commercial banks. Therefore, result of this study is slightly different.

4.2.2 Responses Relating to Training Feedback

Training is the act of increasing the skills of an employee for doing a particular job (Flippo). Training is important to increase skills, abilities, capabilities and efficiency of an employee. Therefore, management needs to design appropriate training programs so that employees' skills and abilities can be enhanced and improved which ultimately motivate employees. Respondents were asked type of training program that help to increase skills and abilities of employees. The responses have been presented by table 4.2

Table- 4.2
Responses on training programs that enhance Employees' ability or skill

Training program	Frequency	Percentage (%)
Work shop/Seminar	48	32.00
Coaching	11	7.33
Simulation Exercise	18	12.00
Job Instruction Training	65	43.33
Lectures	8	5.34
Total	150	100.00

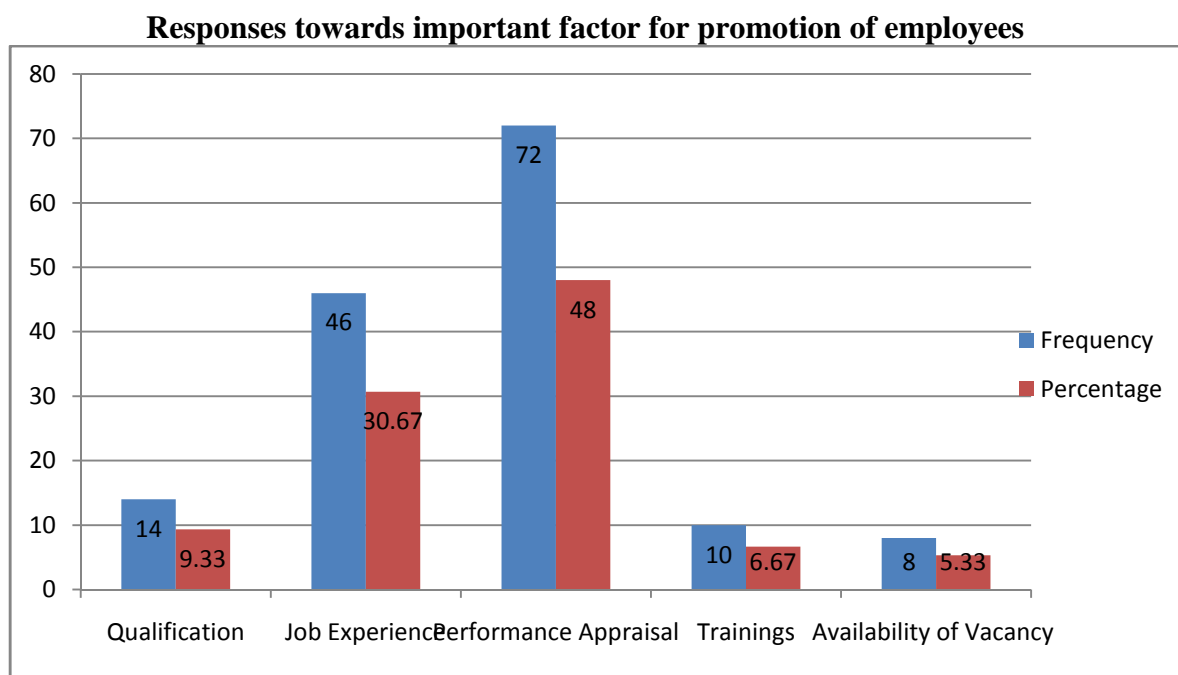
Source: Survey, 2019

Table 4.2 shows the responses of employees towards training programs that enhance their abilities and skills to perform better in their jobs. Employees' replies reflect that nearly 43.33% of employees chosen Job Instruction training programs, 32.00% employees said workshop/ seminar can enhance their skills, 12.00% said simulation exercise is best to enhance their skills and abilities, 7.33% prefer coaching whereas only 5.34% replied lecture is better training to enhance their skills and abilities. Chapagain(2017) had concluded in his study although results in terms of percentage and frequency are different emphasizing the importance of on the job training rather than the system of verbal class room training. Thus, the results of this study are in the same direction.

Results show that employees are more concentrated on training programs that are more effective, practical and easy to enhance their skills and abilities quickly. Moreover, they are not interested in "training by telling" they want to learn in step by step process so that they can build their capabilities. Thus, lecture is least preferred. Job Instruction Training and Workshop/Seminar are mostly preferred by them. Although, most of them are newly appointed but their training programs are designed on lecture basis not on practical format. Therefore, management needs to think about need based training programs to improve employees performance better.

4.2.3 Responses Relating to Promotion

Employees work for their growth, career enhancement and better future in an organization with high level of commitment and zeal. Therefore, all employees are looking for their promotion on the basis of their qualification, job experience, performance appraisal rating, trainings achieved, and availability of vacancy for them. Management should take appropriate decision on this matter otherwise employees may be dissatisfied with management and may not work properly at their working stations. Moreover, promotion should be justifiable; it should be based on appropriate basis of evaluation for promotion. The responses regarding important factor for promotion of employees are summarized by following figure 4-2.

Figure-4-2

Source: Survey, 2019

The figure- 4.2 shows that 72 employees i.e. 48.00% of respondents said performance appraisal is the most important factor for their promotion, 30.67% said job experience is required, 9.33% said qualification is needed for promotion whereas only 6.67% and 5.33% employees said trainings and availability of vacancy are important for employees' promotion respectively. Manzoor (2011) highlighted that performance appraisal helps to rectify employees weaknesses and provides appropriate guidelines for employee career development and achieve future potentialities.

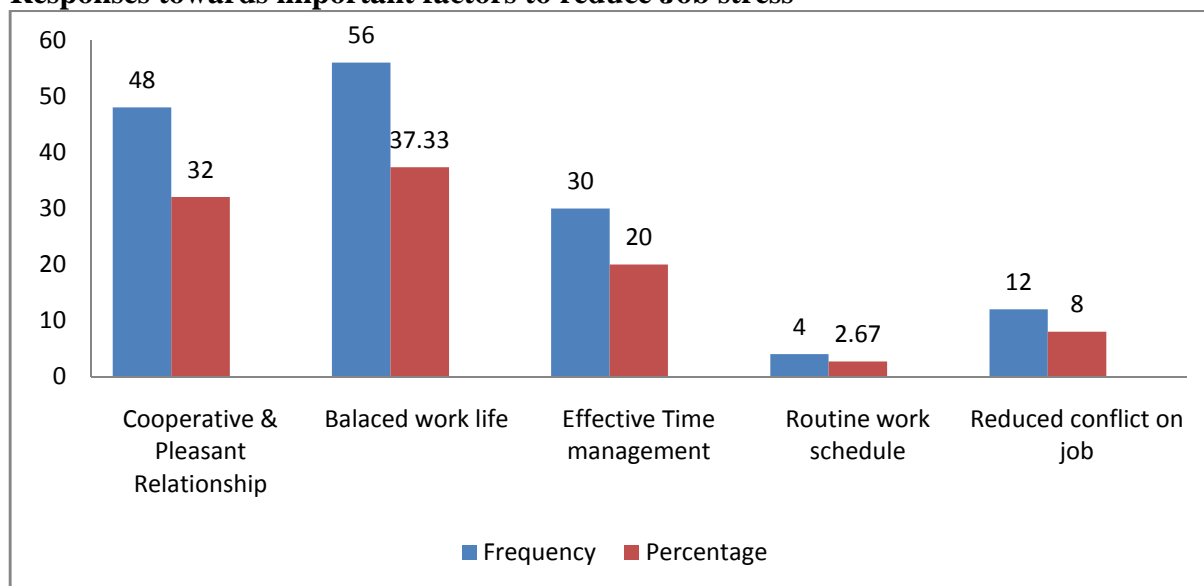
Therefore, performance appraisal is most important factor for most of employees working in commercial banks of Nepal. Employees want to be promoted based on the rating of their performance appraisal and job experience not on the basis of nearest and dearest relationship of boss. Performance appraisal helps to know where they stand, where they ought to be going, and how they are going to get there. This method is better for organization to evaluate the competent employees for the organization and further plan for the improvement. Therefore, performance appraisal is most important factor for promotion in Nepalese commercial banks. It helps to increase feelings of brotherhood,

equality, fairness and recognition of their efforts done for the organization. This ultimately further enhances the degree of motivation and level of performance of employees.

4.2.4 Factors Reducing Job Stress

Job stress is most prevailing factor of job for every employee and exists in every type of organization. Bankers are more prone to suffer from job stress because of overcrowd and work pressure, increased flow of customers and higher risk involved in job. Job stress is also one of the reasons behind low working performance. Employees on one hand need to be devoted and committed to their jobs to meet their personal goals and targets on the other they have their families, economic conditions and other organizational and group relationships that are most important causes of employees' job stress. What can be done to reduce employee job stress? The researcher major concern here is to concentrate on cooperative and pleasant relationship, balanced work life relationship, effective time management, routine work schedule, reduced conflict on job. The responses have been collected and presented in chart4-3 in terms of frequency and percentage.

Figure-4.3
Responses towards important factors to reduce Job stress



Source: Survey, 2019

This figure 4-3 shows 32.00% employees felt cooperative and pleasant working relationship among employees helps to reduce job stress, 37.33% employees felt balanced work- life relationship is important factor to reduce job stress, 20.00% said effective time management is important, 2.67% and 8.00% argued routine work schedule and reduced conflict onjob are important respectively to reduce job stress. Ayub (2011) focused on balanced work life situation of employees drastically reduce job stress to employees as most of job stressors are due to problems in family. Similarly, Chapagain (2017) highlighted on the friendly and cooperative working relationships contribute to reduce employee's stress in large extent.

From the analysis of figure 4-3, bankers are more prone to job stress when the work-life relationship becomes worst and doesn't exist cooperative and pleasant working relationship among employees working together. Therefore, management needs to consider about the balanced work-life relationship and should encourage cooperative, friendly and congenial working environment at working stations. If management is able to provide opportunity to maintain personal and professional lives of employees, employees will be more encouraged and likely to perform better (Ayub, 2011). In order to improve cooperative and pleasant working relationship among employees management needs to encourage team working environment among employees, foster competition between different branches and so on. On the other, balanced work- life relationship can be improved by considering family problems and economic status of employees.

4.2.5 Employees Responses towards the Organization

Performance of employees is affected by so many factors. One of the most important factors is how employees see their organizations. Employees having higher level of commitment and loyalty, perform better than employees who don't look their future and development in their organizations. Employees evaluate their organization in terms of trustworthiness, job security, future of the organization and better career growth etc. looking their HR policies and management systems. The employees were asked about their responses towards their organization. The responses are presented in table 4-2.

Table 4-3
Employees' Responses towards Organization

Factors	Frequency	Percentage (%)
Trustworthiness	28	18.67
Safe & Secure	48	32.00
No Future	12	8.00
Better Career opportunities	62	41.33
Total	150	100.00

Source: Survey, 2019

The table 4-3 shows that 41.33% employees said they have better career opportunities available within organization. It represents that they are sure about their better career opportunities in future. Likewise, 32.00% employees found their job and life safe and secure. 18.67% employees said their organizations are trustworthy and only 8.00% employees did not see their future in banking organizations. But, Chapagain (2017) found that most of employees feel their organizations as trustworthy. Therefore, most of employees see better career opportunities and safe and secure job and future in commercial banking organizations in Nepal. Hence, management needs to be aware of maintaining and promoting such opportunities for employees working in banking organization.

4.2.6 Responses on Nepalese Banking Climate

The banking market is growing so rapidly in Nepal. Number of branches of commercial banks has exceeded 3200 (NRB 3rd quarter review, 2075). Many local municipalities have access of commercial banks. Commercial banks are facing cut throat competition due to entry of joint venture commercial banks. Customers are looking for more easy, cheapest and convenient ways of getting services from banking institutions. Still Nepalese banking climate has not become conducive for employees motivation. The major reasons under consideration of researcher are poor HR. policy, weak management

practices, poor motivational packages, lack of supervision, and problem of right person to right job. The replies are presented in table-4.4.

Table-4.4
Reasons behind banking climate not being conducive for motivation

Factors	Frequency	Percentage (%)
Poor HR policy	56	37.33
Weak Management practices	34	22.67
Poor motivation package	26	17.33
Lack of supervision	18	12.00
Problem in job placement	16	10.67
Total	150	100.00

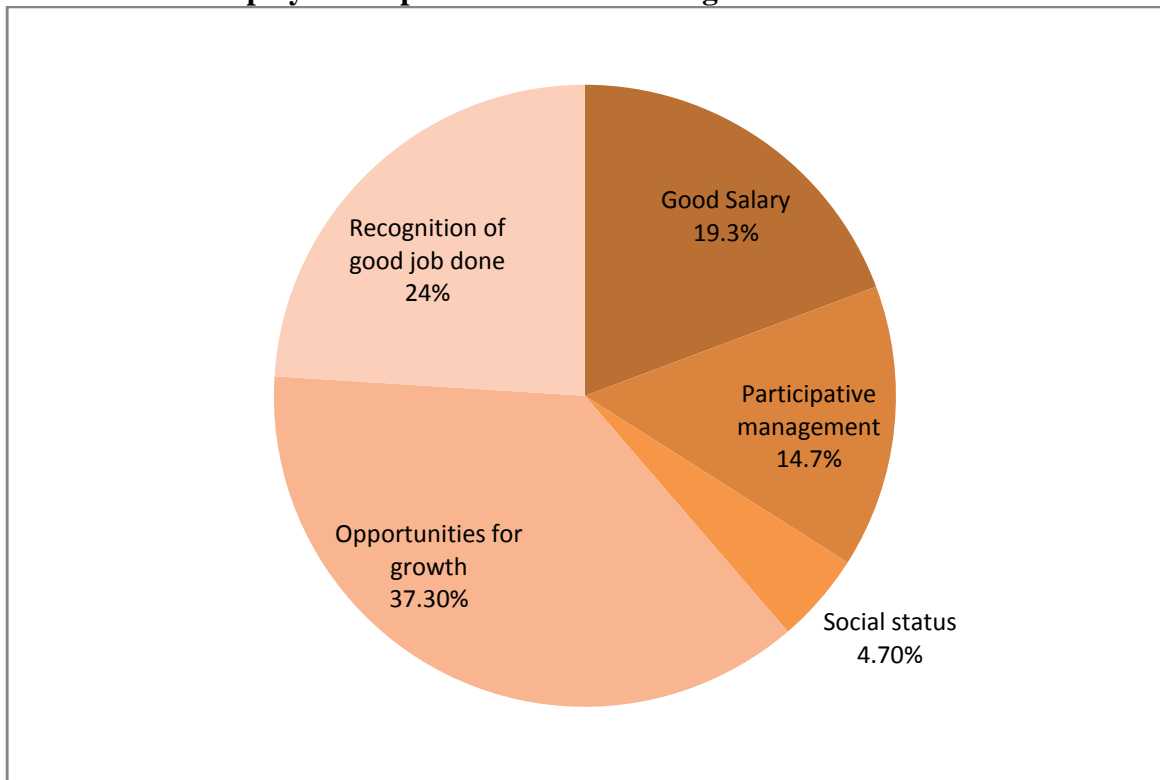
Source: Survey, 2019

Human resource policy is related with the policy regarding acquisition, development, utilization and maintenance of employees. Most of the employees' competencies are affected by the poor human resource policy. Table 4.4 shows that 37.33% employees argued poor HR. policy is one of the major reasons behind not being conducive Nepalese banking climate. 22.67% replied that weak management practice is the reason, 17.33% replied it is due to poor motivational package, 12.00% and 10.67% employees said lack of supervision and problem in job placement are the reason behind not being the Nepalese banking climate conducive for employee motivation. Chandrasekhar (2011) concluded that poor motivational package is major reason for environment of demotivation in India. But, Chapagain (2017) stressed on weak management practices adopted by Nepalese banking institutions. Therefore, this result implies that poor HR policy adopted by banking institutions and weak management practices prevailed are the major reasons behind poor employee motivation and low level of performance. Therefore, HR. policy should not be affected by bureaucratic system, and policy should be implemented strictly to enhance employee performance. Management should be proactive in their approaches.

4.2.7 Employees expectations from Managers towards Employee motivation

Employees are encouraged and motivated towards job by most of actions that managers take. Therefore, how managers have built their perception to motivate their employees play important role to influence employees level of motivation. Employees may expect good salary for employee motivation, some employees may focus on participation of employees, some may think social status is necessary. Similarly providing opportunities for personal growth and recognition of good job done are required for employee motivation. Respondents were asked about what they expect from their managers for motivation. The responses are collected and summarized by using figure 4.4

Figure-4.4
Employees' Expectations from Managers for Motivation



Source: Survey, 2019

The above figure 4.4 shows the expectation of employees from their managers towards employee motivation. 19.30% respondents said that good salary is enough for their motivation, 14.70% employees' thought participative management is needed for

employee motivation, 4.70% employees thought about social status is important to motivate employees, 37.30% said opportunities for personal growth and 24.00% said recognition of good job done. Muhamad (2013) concluded that employees expect recognition and better salary from their managers. Similarly, Nduro (2012) concluded that employees in banking institutions expect their participation on decision making process on major issues relating to employee. Thus, employees may have different expectations from their managers according to their needs and desires. All employees should not be treated in the same way. An employee who is motivated by salary may not be motivated by good social status; an employee motivated by recognition for the well done job may not be motivated by enough salary. Therefore, the study shows the same thing; here most of employees are expecting opportunities for personal growth and recognition of their work done.

4.2.8 Reasons of low performance of employees

There are various factors that affect employee performance negatively even if employees are motivated to excel in their job. The major reasons that researcher considers here are lack of skills and competencies, family background, educational attainment, culture and custom, personal behavior and attitudes. The responses are collected and summarized in following table-4.5.

Table-4.5
Responses on low employee performance even if Employees are motivated

Reasons of Low Performance	Frequency	Percentage (%)
Lack of skills and competencies	56	37.30
Family background	7	4.70
Educational attainment	13	8.70
Culture and custom	26	17.30
Personal behavior & attitudes	48	32.00
Total	150	100.00

Source: Survey, 2019

The table 4-5 shows major reasons behind low performance of employees although employees are motivated to perform better. 37.30% replied this is due to lack of skills and capabilities, 4.70% employees agreed on family background as the reason, 8.7% employees said educational attainment, 17.30% employees said culture and custom whereas 32.00% said personal behavior and attitudes is the reason behind low employee performance in banking institution although employees are motivated to perform better. Thomas (2007) in his study has stressed that employee motivation is such an encouraging element to boost employee performance still there are many hindrances that negatively affect employee performance. In his study, he had found that most of the employees were motivated but poor working conditions and worst relationships with their co-workers were the main reasons for their low performance.

Therefore, management should set appropriate programs needed to employees as per their training needs. Managers should act as role model to influence the personal behavior and attitudes of employees in organizations.

4.2.9 Outputs of Employee Motivation

Employee motivation produces different positive results in every organization. Motivated employees are likely to perform better performance as compared to demotivated employees. They are loyal, committed, and positive towards organization and ultimately contribute to achieve organizational objectives. Major concerns of researcher are faster delivery of services, reduced accidents and strikes, reduced absenteeism and turnover, and higher profit and market share. Researcher has asked about how the outputs of motivation can be seen within the organization. When employees are motivated, what are the most likely outputs that occur first? Respondents have given their values to different outputs of motivation as per their expectations and likeliness of outputs they generally expect. The Equity theory of motivation tells that employees are likely to maintain equality in their jobs to be motivated. The table-4.6 shows rank of outputs of motivation.

Table -4.6
Responses towards output of Employee Motivation

Factor	1	2	3	4	5	Weighted mean	Rank
Reduction in accidents and strikes	30 20.00%	46 30.70%	40 26.70%	19 12.70%	15 10.00%	2.623	4
Reduction in employee absenteeism & turnover	55 36.70%	39 26.00%	33 22.00%	10 6.70%	13 8.70%	2.25	2
Faster service delivery	68 45.3%	44 29.30%	14 9.30%	19 12.7%	5 3.3%	1.99	1
Higher profit and market share	52 34.70%	23 15.30%	31 20.70%	20 13.30%	24 16.00%	2.61	3

Source: Survey, 2019

The table-4.6 shows rank 1 for faster service delivery; rank 2 for reduced employee absenteeism and turnover with weighted mean of 1.99 and 2.25 respectively. This implies that most motivated employees are likely to deliver faster services to customers, become less absent and remain working within organization. Similarly, rank 3 for higher profit & market share and rank 4 for reduced accidents & strikes with weighted mean of 2.61 and 2.623 respectively reflecting that motivated employees contribute to these factors of performance. Waiyaki (2017) also concluded on reduction in absenteeism and turnover of employees as major effect of motivation that is seen in an organization quickly.

4.2.10 Outputs of Employee Demotivation

Demotivation of employees brings negative effects on employee performance such as indiscipline and frustration, inefficiency, delays and discourtesy, absenteeism, poor working relationship employees. The table 4.7 shows effects of demotivation on employee performance that are most likely to occur.

Table 4.7
Effects of Demotivation on Employee performance

Factors	1	2	3	4	5	Weighted mean	Rank
Absenteeism	45 30.0%	27 18.0%	35 23.3%	23 15.3%	20 13.3%	2.64	2
Inefficiency	21 14.0%	32 21.3%	29 19.3%	31 20.7%	37 24.7%	3.21	5
Delays & discourtesy	50 33.4%	41 27.3%	24 16.0%	21 14.0%	14 9.3%	2.39	1
Indiscipline & frustration	25 16.7%	35 23.3%	23 15.3%	30 20.0%	37 24.7%	2.66	3
Poor working relationship	35 23.3%	32 21.3%	28 18.8%	29 19.3%	26 17.3%	2.86	4

Source: Survey, 2019

The table 4.7 shows outputs of employee demotivation. Here, rank 1 is given to delays & discourtesy; 2 is given to absenteeism with weighted mean of 2.39 and 2.64 respectively. This implies that demotivated employees in banking are more likely to be delay and discourtesy in their jobs while delivering services and become more absent in organization. Similarly, indiscipline and frustration, poor working relationship, and inefficiency are other outputs of demotivation of employees with ranking of 3,4 and 5 and mean of 2.66,2.86 and 3.21 respectively. Waiyaki (2017) concluded in his study that demotivated employees are likely to suffer from indiscipline and frustration. Similarly, Chapagain (2017) indiscipline and frustration was the prime output of demotivation in Nepalese commercial banks.

4.2.11 Analysis of Herzberg Hygiene – Motivation factors

A. Analysis of Herzberg hygiene factors

The table 4.8 has been developed based on Herzberg hygiene factors. Presence of these factors results reduces employees' dissatisfaction.

Table-4.8
Herzberg hygiene factors

Hygiene factors	1	2	3	4	5	Weighted mean	Rank
Company policies	40 23.3%	60 40.0%	28 18.7%	15 10.0%	7 4.7%	2.26	2
Quality of supervision	13 8.7%	74 49.3%	37 24.7%	22 14.7%	4 2.7%	2.53	6
Relationship with others	28 18.7%	59 39.3%	35 23.3%	19 12.6%	9 6.0%	2.48	5
Personal life	23 15.3%	61 40.7%	38 25.3%	17 11.3%	11 7.3%	2.55	7
Rate of pay	34 22.7%	75 50.0%	38 25.3%	1 0.7%	2 1.3%	2.08	1
Job security	28 18.7%	72 48.0%	33 22.0%	15 10.0%	2 1.3%	2.27	3
Working conditions	24 16.0%	64 42.7%	41 27.3%	19 12.7%	2 1.3%	2.41	4
Incentives	11 7.3%	56 37.3%	42 28.0%	32 21.3%	9 6.0%	2.81	8

Source: Survey, 2019

The table 4.8 shows that rate of pay is most effective hygiene factor for employee motivation then followed by company policies, job security, working conditions, relationship with peers and so on. Chapagain (2017) had emphasized on working conditions and relationship with others as effective hygiene factors for employee motivation. But, Jibowo (2007) concluded Pay as major hygiene factor of motivation.

B. Analysis of Herzberg motivational Factors

The table 4.9 has been developed on the basis of ranking given by respondents on Herzberg motivational factors. These factors help to motivate employees.

Table-4.9
Herzberg Motivational factors

Motivational factors	1	2	3	4	5	Weighted mean	Rank
Achievement	31 20.7%	59 39.3%	38 25.4%	14 9.3%	8 5.3%	2.39	3
Career development	23 15.3%	75 50.0%	21 14.0%	27 18.0%	4 2.7%	2.43	5
Personal growth	28 18.7%	68 45.3%	29 19.3%	16 10.7%	9 6.0%	2.40	4
Job interest	35 23.3%	63 42.0%	28 18.7%	20 13.3%	4 2.7%	2.30	1
Recognition	30 20.0%	57 38.0%	31 20.7%	22 14.7%	10 6.7%	2.50	6
Responsibility	32 21.3%	65 43.3%	28 18.7%	22 14.7%	3 2.0%	2.33	2

Source: Survey, 2019

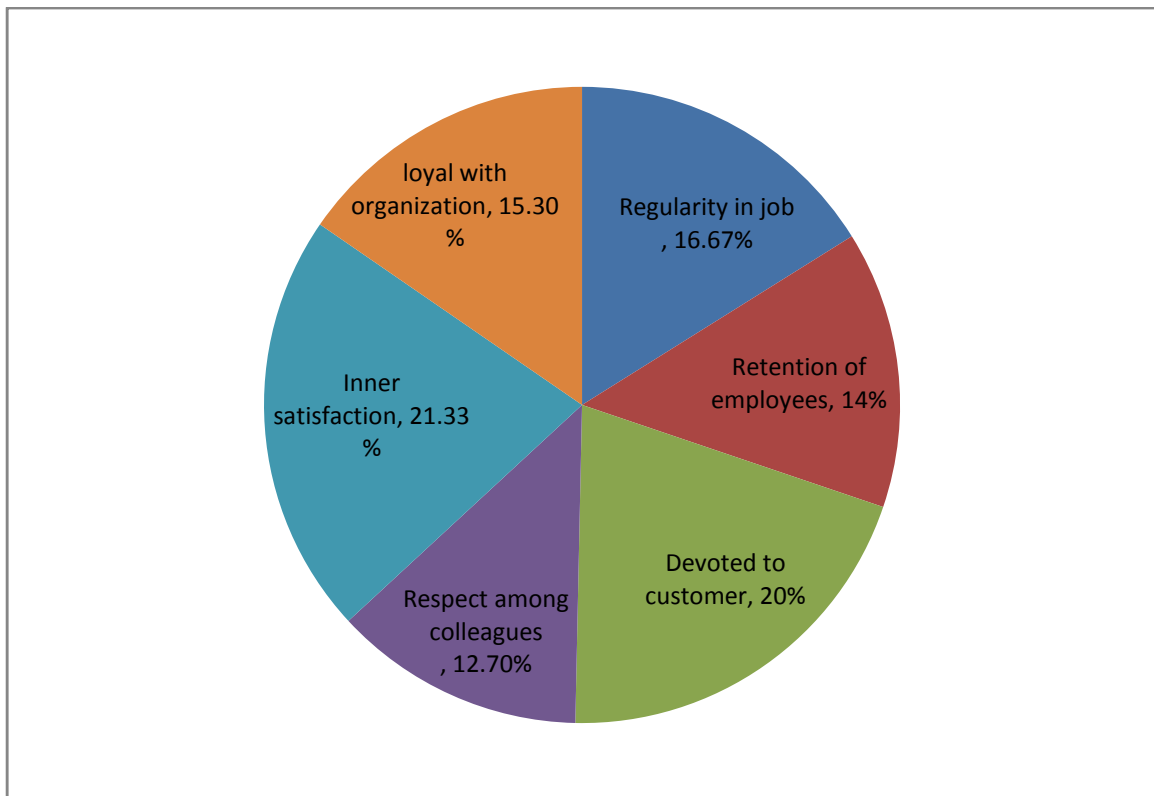
The table-4.9 shows that job interest is the most effective Herzberg motivational factor to motivate employees with rank status 1 followed by responsibility, achievement, personal growth, career development and so on with ranking of 2,3,4, and 5 respectively. Therefore, employees of Nepalese commercial banks felt that job interest is the main motivating factor that employees enjoy while doing their jobs at bank. But, Jibowo (2007) concluded recognition of job well done is the major motivator factor for motivation.

4.2.12 Responses towards Influences of motivational Package on Employee performance:

There are various impacts of motivational package on employee performance of commercial banks. Researcher asked about the influence of motivational package on

employee performance. The figure 4.5 shows about influences of motivational package on employee performance

Figure-4.5
Influences of motivational package on employee performance



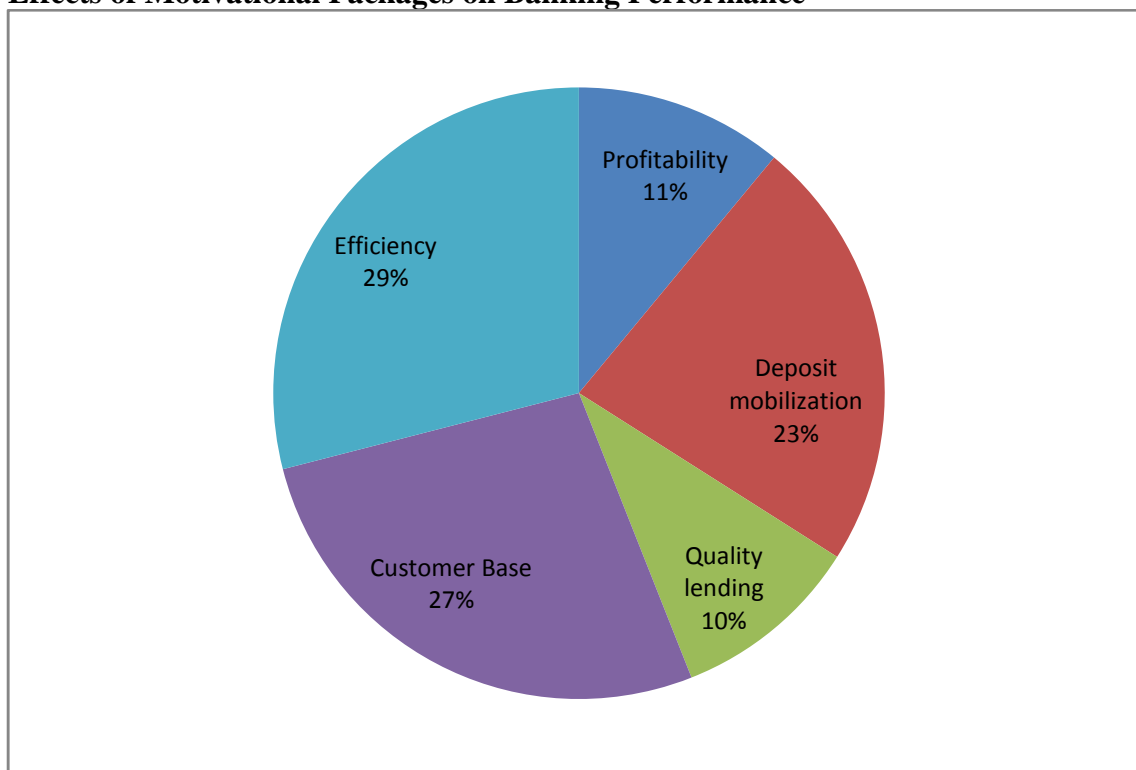
Source: Survey, 2019

From figure-4.5 ,21.33% employees replied motivational package are able to bring inner satisfaction, 20% said increased devotion with customer, 16.67% employees said employees are regularity in job, 15.30% said they are loyal with organization, 14% said motivational packages are tool for retention of employees, 12.7% said these are important for respect among colleagues.Chapagain(2017) also summarized motivation package was effective to bring regularity in their jobs. Similarly,Manzoor (2011) pointed out on increased devotion to customer. Thus in conclusion, motivational packages are important tool for inner satisfaction of employees as well as to increase employee devotion with customer for the business.

4.2.13 Effects of Motivational package on Banking performance

The motivational package positively affects banking performance of the organizations. These effects can be seen in the form of profitability, deposit mobilization, quality lending, customer base, efficiency of the banks. The figure 4.6 summarizes the responses of employees about effects of motivational package on organizational performance.

Figure-4.6
Effects of Motivational Packages on Banking Performance



Source: Survey, 2019

The Figure-4.6 shows that 29% employees said motivational packages increased efficiency of banking institutions, 27% employees argued motivational package are helpful to expand customer base of banking institution. Similarly, 23% employees insisted on increased deposit mobilization, 11% on believed on profitability and 10% agreed on quality lending. Chapagain (2017) also concluded that motivational package increased the customer base and effective deposit mobilization in banking institutions.

Whatever may be the extent, it can be concluded that motivational packages are crucial for improvement in organizational performance.

4.3 Correlation Analysis

This study has been conducted on different dimensions of employee motivation and their effect of employee performance. Researcher considerstesting relationship of seven factors of independent variable such as salary, promotion, working environment, careerdevelopment, incentives, rewards and recognition training with one dependent variable that is employee performance. The correlations are shown by table-4.10.

Table-4.10
Correlation Coefficients of Employee performance with Dimensions of Employee Motivation

	EP	SAL	PRO	WOE	CRD	TR	INC	RR
EP	1	0.602*	0.551*	0.362**	0.166*	0.264*	0.102*	0.006*
SAL	-	1	0.245**	0.137**	0.339**	0.268*	0.078*	0.360*
PRO	-	-	1	0.262**	0.109*	0.440**	0.076*	0.247*
WOE	-	-	-	1	0.105*	0.108*	0.031*	0.791*
CRD	-	-	-	-	1	0.125*	0.107*	0.212*
TR	-	-	-	-	-	1	0.209*	0.180*
INC	-	-	-	-	-	-	1	0.039*
RR	-	-	-	-	-	-	-	1

Source: Survey, 2019 and SPSS Results

*Correlation is significant at 1% level

**Correlation is significant at 5% level

The table 4.10 shows the correlation coefficients between different factors affecting motivation and employee performance. The correlation coefficient between salary and employee performance is 0.602 which implies that salary is highly positively correlated with employee performance. Similarly, correlation coefficient between promotion and employee performance is 0.551 thus promotion is also highly positively correlated with

employee performance. Other variables such as working environment, career development, training, incentives and rewards, and recognition all are positively correlated with employee performance with correlation coefficients of 0.362, 0.166, 0.264, 0.102 and 0.006 respectively and are significant. Similarly, Jehanzeb (2012) also found that trainings, working environment and salary have strongly positive relationship with employee performance.

From this analysis, it can be concluded that salary, promotion and working environment conditions are more influencing factors for employee performance. If management becomes able to set appropriate policies regarding these factors of motivation employee performance can be improved which will ultimately help to boost organizational performance.

4.4 Major findings of the study

The major findings of the study can be summarized as follows:

1. Employees' performance can be additionally increased by providing them different types of incentives. 45.33% employees think promotion as incentive, 20.00% employees prefer financial benefits, 16.67% prefer medical allowance, and 12.00% prefer awards and only 6.00% employees prefer appreciation letter. On different studies about incentives to motivate employees different types of incentive are effective to motivate employees. Some studies focused on financial incentive while other focused on awards therefore the finding of this study is contradictory with finding of previous studies.
2. Need based effective training is needed for increasing skills and capabilities of employees. 43.33% of employees chosen Job Instruction training programs, 32.00% employees said workshop/ seminar, 12.00% said simulation exercises, and 7.33% prefer coaching whereas only 5.34% replied lecture is better training to enhance their skills and abilities which are in line with findings of previous studies. Chapagain (2017) summarized his findings on training that employees

want to be trained by job instruction training which is also strongly supported by findings of this study.

3. Management needs to promote employees based on rating of performance appraisal and job experience they acquired. 48.00% of respondents said performance appraisal is the most important factor for their promotion, 30.67% said job experience is required, 9.33% said qualification is needed whereas only 6.67% and 5.33% employees said trainings and availability of vacancy are important. Most studies have focused on rating of performance appraisal as an effective basis for employee promotion. Thus finding of this study is aligned with finding of previous studies.
4. Most banking employees suffer from job stress. Many factors play important role in reducing job stress. 32.00% employees felt cooperative and pleasant working relationship among employees helps to reduce job stress, 37.33% employees felt balanced work- life relationship, 20.00% said effective time management is important, 2.67% and 8.00% argued routine work schedule and reduced conflict on job respectively.
5. Banking employees see their banking organizations differently. 41.33% employees said they have better career opportunities available within organization. Likewise, 32.00% employees found their job and life safe and secure. 18.67% employees found organizations are trustworthy and only 8.00% employees did not see their future in banking organizations.
6. Nepalese banking environment is not conducive for employee motivation due to many reasons. 37.33% employees argued poor HR. policy is one of the major reasons behind not being Nepalese banking climate conducive. 22.67% replied weak management practice, 17.33% replied it is due to poor motivational package, 12.00% and 10.67% employees said lack of supervision and problem in job placement respectively.
7. Employees expect many things from management for motivation but managers treat them differently. 19.30% respondents expect good salary from managers

formotivation, 14.70% employees' thought participative management is needed, and 4.70% employees thought about social status, 37.30% said opportunities for personal growth and 24.00% said recognition of good job done.

8. Lack of skills and competencies and employees' personal behavior and attitudes are prime factor behind low performance although employees are motivated to perform better.37.30% replied this is due to lack of skills and capabilities, 4.70% employees agreed on family background as the reason, 8.7% employees said educational attainment, 17.30% employees said culture and custom whereas 32.00% said personal behavior and attitudes is the reason behind low employee performance in banking institution although employees are motivated to perform better.
9. Motivated employees are likely to delivery of services faster to customers and they are regular in their job whereas demotivated employees are reasons for delays and discourtesy in their job performance.Manzoor (2011) pointed out on increased devotion to customer and demotivated employees are undisciplined.
10. The most effective hygiene factors in Nepalese commercial banks are pay, company policies and job security whereas the most effective motivational factors are job interest and job responsibilities for employees in Nepalese commercial banks but Jibowo (2007) has explained recognition of well job done as a most effective motivational factor.
11. The motivational package adopted by commercial banks have brought inner satisfaction of employees and increased devotion to customers whereasChapagain (2017) also concluded that motivational package increased the customer base and effective deposit mobilization.Thus,these packages are effective to increase organizational efficiency, build customer base and mobilize deposit properly.
12. Correlation coefficients of Salary and promotion with employee performance are 0.60 and 0.551. Thus these factors are most influencing factors of motivation which are highly positively correlated with employee performance. These findings are consistent with previous research findings although coefficients are

different in values and factors but contradict in terms of factors. One study highlighted on working environment has highly positive relationship with employee performance while other focuses on trainings. However, there was positive relationship between these all factors of motivation and employee performance.

CHAPTER-V

CONCLUSION

This chapter includes brief summary of the entire study followed by conclusions of the study. It also involves implications of the study along with recommendations for motivating employees working in Nepalese commercial banks in order to increase their performance. Finally, this chapter ends with the short paragraph on the scope for future research.

5.1 Summary

Most Nepalese commercial banks have appointed fresh employees from market and they have joined their jobs more interestingly but most important thing is not to acquire them but to retain and develop them through use of appropriate motivational tools and techniques. This study investigated the major factors affecting employee motivation in commercial banks in Nepal along with their effects on employees' performance. This study was conducted taking 150 samples from different 10 commercial banks operating in Kathmandu and far-western region of Nepal. On this context, different national and international articles, dissertations, reports and other available literatures have been reviewed in order to identify the major factors affecting employees' motivations. Major factors such as salary, promotion, working environment, career development opportunities, incentives, rewards and recognitions, and trainings act as independent factors influencing motivation which are directly related with employee performance. The main objectives of this study were: to identify motivational factors influencing employees' performance in Nepalese commercial banks; to examine effects of these motivational factors on employees' performance; to assess the relationship between motivation and employee employees' performance.

This study was based on primary data collected using questionnaire prepared and distributed among respondents chosen conveniently from different clusters of job position of employees. The descriptive and explanatory research designs have been used for analysis. Different statistical tools were used to summarize, interpret and analyze the

collected data such as tables, charts frequency, percentage, mean, weighted mean etc. correlation analysis was applied to check the significant relationship between factors affecting motivation and employees' performance. The SPSS (Statistical Package for the Social Sciences) software was used to calculate entire data analysis and test the relationships.

From this study, it was found that promotion and financial benefits are major incentives for employee performance in commercial banks of Nepal. Employees need effective needs based training methods to enhance their skills and competencies for better performance therefore most of employees are interested in job instruction training and workshop/seminar. Promotion is major factor for employee motivation nearly 75% employees want management to promote them based on their performance appraisal ratings and job experience. Although most of respondents said there are various career development opportunities and safe and secure future in Nepalese banking institutions, employees are expecting opportunities for personal growth and recognitions of their job done from management of banking institutions. Furthermore, Nepalese banking environment is not conducive for employee motivation due to poor HR. policies and weak management practices. There is situation of low employee performance even if they are motivated to perform better because of lack of skills and competencies and personal behavior and attitudes of employees. Employees are living assets of any type of organization so they need to be motivated. Motivated employees are likely to deliver faster services and less likely to be absent in their job otherwise they become delay and discourtesy with customers in dealings.

The motivational packages adopted by commercial banks are effective for enhancing organizational efficiency, increasing customer base and mobilizing deposit properly because of employee devotion to customer and their inner satisfaction. Finally, correlation analysis reflected coefficient of 0.602 and 0.551 for salary and promotion which means salary and promotion are highly positively correlated with employee performance of commercial banks in Nepal.

5.2 Conclusion

In conclusion, employees are reasons behind the success of any organization. Organizational objectives cannot be achieved without improving employee performance this in turn can't be possible without employee motivation. In general employee performance is directly related with employee motivation that can be used as a strategic tool to attract new customers and retaining existing customers.

For the motivation, management needs to stimulate employees through incentives important to them, understand what they need for better performance. Promotion and performance appraisal should be done fairly without any discrimination. Since, most of employees are unable to perform better due to lack of skills and competencies and personal behavior and attitudes even if they are motivated, appropriate training programs like job instruction trainings, seminars or workshops should be planned so that they can enhance their skills and competencies and change the behavior and attitudes. Cooperative and pleasant working environment and balanced work life relationship are two most important considerations for reduction in employees job stress in Nepalese commercial banks.

There has been positive relationship between different factors of motivation and employee performance indicating that employees' performance can be enhanced by proper management of these factors affecting motivation. However, salary, promotion and working environment play crucial role in increasing employee performance of Nepalese commercial banks. Nepalese banking environment has not become conducive due to poor HR. policies and weak management practices still employees are looking for personal growth and recognition of their jobs. Hence, employees are if motivated can better satisfy their customers as well by delivering services faster and rarely absent in their job which ultimately contribute to boost organizational efficiency, build customer loyalty and increase market share of the organization. Thus, motivated employees are more likely to deal with customers with utmost care and respect remembering their importance for their jobs and organizational success as well.

5.3 Implications

In view of the findings of the study and guidance from the literature reviewed, it is apparent that employee motivation is most crucial factor to enhance their performance. As commercial banks are service-oriented businesses, they need to focus on offering customer oriented services in order to compete with global business competitors. For this motivated employees are ultimate solution. In this regard, the current study makes the following implications:

1. Promotion and financial benefits are major incentives for employees motivation in Nepalese commercial bank .Therefore, this study suggests management of different commercial banks to promote their employees based on performance appraisal and job experiences not based on nearest and dearest relationship.
2. Another important thing that most commercial banks need to consider is designing the training programs for their employees. Employees' needs for training should be identified first then on the basis of deficiency of skills and competencies, employees need to be provided appropriate type of training programs. There should be need based training programs for enhancing employees' skills and capabilities.
3. Although employees are motivated to perform better still there is low performance. The major reasons are due to lack of skills and competencies and personal behavior and attitudes of the employees. For this managers need to act as role model to change the behavior and attitudes of employees.
4. There should be friendly and congenial working relationship among employees, cooperative and mutual understanding among them must be put in paramount focus. For this banks should foster the team working culture within organization and branches.
5. Management should consider about the work life balance of employees and banks should frame appropriate policies for vulnerable group considering their economic and social status.

6. Employees expect different things from management for their motivation. Sometimes, small things may motivate and encourage employees better. Treating employees with their utmost needs helps to produce synergy effects in organization. Therefore, managers need to focus on interaction and better communication with employees for understanding their needs.
7. Since salary, promotion and working environment are the major factors influencing employees performance in Nepalese commercial banks, management needs to formulate policies and take decisions relating to these variables with regular employee participation and consultation.

5.4 Scope for Future Research

Motivation is the topic that has been frequently studied in management. It has so many branches for study. Due to emerging nature of the subject matter of employee motivation and employee performance in Nepalese commercial banks, many studies can be undertaken. Therefore, researchers can choose mass of issues on this topic. Moreover, a more comprehensive investigation of employee motivation can be conducted on other categories of Nepalese banking institutions as well. Likewise, there is a scope to make comparative study of employee performance of different banks with respect to employee motivation along with study of level of customer satisfaction and employee satisfaction between commercial banks and development banks. Future researchers can conduct their studies on particular factor of motivation and its impacts on employee performance such as impacts of rewards and recognitions on employee performance, impacts of trainings on employee performance and so on.

Thus, motivation is the wide field of study for research, the importance of this subject matter has further increased in Nepalese context due to its emerging issues in Nepalese business environment.

CHAPTER- IV

RESULT

4.1 Background

Data presentation and analysis deal with the organizing, summarizing, interpreting, and analyzing the collected raw data into useful information so that researcher can draw inferences about the population (Pant, 2015). In this chapter, researcher has presented collected data using table, bar diagrams, charts, and frequency distribution tables to tabulate, organize and summarized them. In addition, percentage, mean, weighted average, correlation coefficient have been calculated to interpret collected data and obtain relationship among different variables involved.

Researcher has collected information using primary sources of data collection from 150 respondent employees of 10 commercial banks operating in Kathmandu and far-western region of the country by the help of questionnaire. The demographic as well as other data collected from 150 respondents has been used to describe and measure the motivation and performance of these employees. The questionnaire survey has been conducted to collect required data. A set of questionnaire having different sections was prepared and distributed to employees of selected commercial banks from Kathmandu and far western region of Nepal. This section therefore, reports the results of questionnaire survey conducted among individual employees working at Kathmandu and far western region of different selected commercial banks.

4.2. Demographic Statistics

Demographic statistics of respondents includes gender, working experience, educational qualification, position of these respondents. The demographic characteristics relating to gender, working experience, educational qualification and position of employees etc. have been taken into account. The gender of male and female, working experience of employees has been classified into different four sections of 1-5 years, 5-10 years 10-15

years and above 15 years. Similarly, educational qualification has been categorized in to three groups of intermediate level, bachelor's level, and masters and above.

Table-4.1
Respondents Demographic Profile

Characteristics	Categories	Frequency	Percentage
Gender	Male	108	72.00
	Female	42	28.00
	Total	150	100.00
Work Experience	1-5 Years	75	50.00
	5-10 years	48	32.00
	10-15 years	20	13.33
	Above 15 years	7	4.67
	Total	150	100.00
Educational Qualification	Intermediate Level	28	18.67
	Bachelor Degree	82	54.67
	Master's Degree	40	26.66
	Total	150	100.00
Position	Assistant	78	52.00
	Officer	42	28.00
	Manager	30	20.00
	Total	150	100.00

Source: Survey, 2019

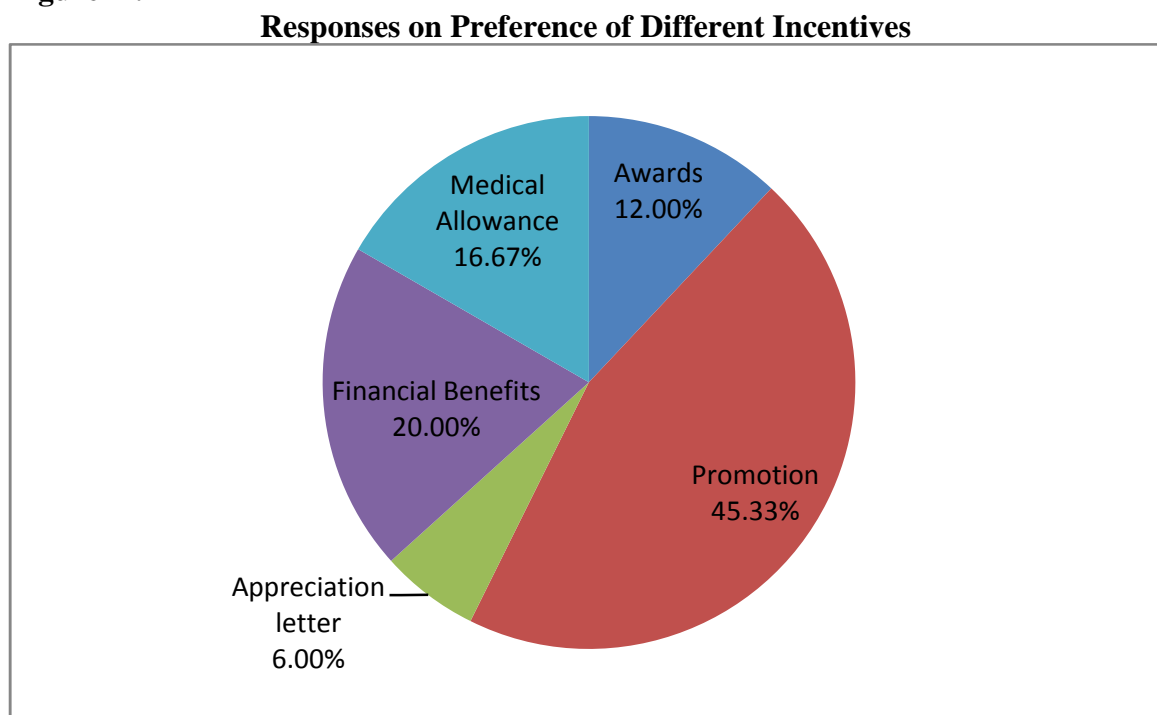
The table 4.1 shows that this study has been conducted on 108 male respondents and 42 female respondents with 72.00% and 28.00% respectively. This implies that presence of male is higher in commercial banks of far western region of Nepal. Out of 150 employees, majority of employees has been recently appointed belonging to 1-5 years' working experience in banking sector i.e.50.00% employees have 1-5 years'

working experience, 32.00% employees have 5-10 years' work experience, 13.33% employees have 10-15 years' working experience whereas only 4.67% employees have above 15 years' experience. Similarly, most of the employees have attained bachelor's degree. This study shows that 54.67% have got bachelor's degree, 26.66% have got master's degree and 18.67% have got intermediate. In terms of positions that respondents held, 52.00% of them are working at assistant level, 28.00% are working at officer level and 20.00% are managers.

4.2.1 Responses Relating to Incentives

Employees need different types of incentives to act enthusiastically with high level of energy, zeal. The incentive may be financial or non-financial in nature. The major incentives under researcher's interest are Awards, Promotion, Appreciation letter, financial benefits, and Medical Allowance. The respondents were asked about their preference on different types of incentives to indicate which one is most effective to motivate and their responses have been shown in figure 4.1.

Figure- 4.1



Source: Survey, 2019.

The figure 4.1 represents that the most important incentive for employee motivation is promotion. The result shows that many respondents prefer promotion i.e. 45.33%, 20.00% employees prefer financial benefits, 16.67% prefer medical allowance, and 12.00% prefer awards and only 6.00% employees prefer appreciation letter as incentive. Every commercial bank provides different types of incentives to motivate employees working additional to the basic salary. This study shows that most employees working in commercial banks are motivated by promotion and financial benefits. Chapagain (2017) has explained promotion and health allowance as most effective incentives to motivate employees in Nepalese commercial banks. Therefore, result of this study is slightly different.

4.2.2 Responses Relating to Training Feedback

Training is the act of increasing the skills of an employee for doing a particular job (Flippo). Training is important to increase skills, abilities, capabilities and efficiency of an employee. Therefore, management needs to design appropriate training programs so that employees' skills and abilities can be enhanced and improved which ultimately motivate employees. Respondents were asked type of training program that help to increase skills and abilities of employees. The responses have been presented by table 4.2

Table- 4.2
Responses on training programs that enhance Employees' ability or skill

Training program	Frequency	Percentage (%)
Work shop/Seminar	48	32.00
Coaching	11	7.33
Simulation Exercise	18	12.00
Job Instruction Training	65	43.33
Lectures	8	5.34
Total	150	100.00

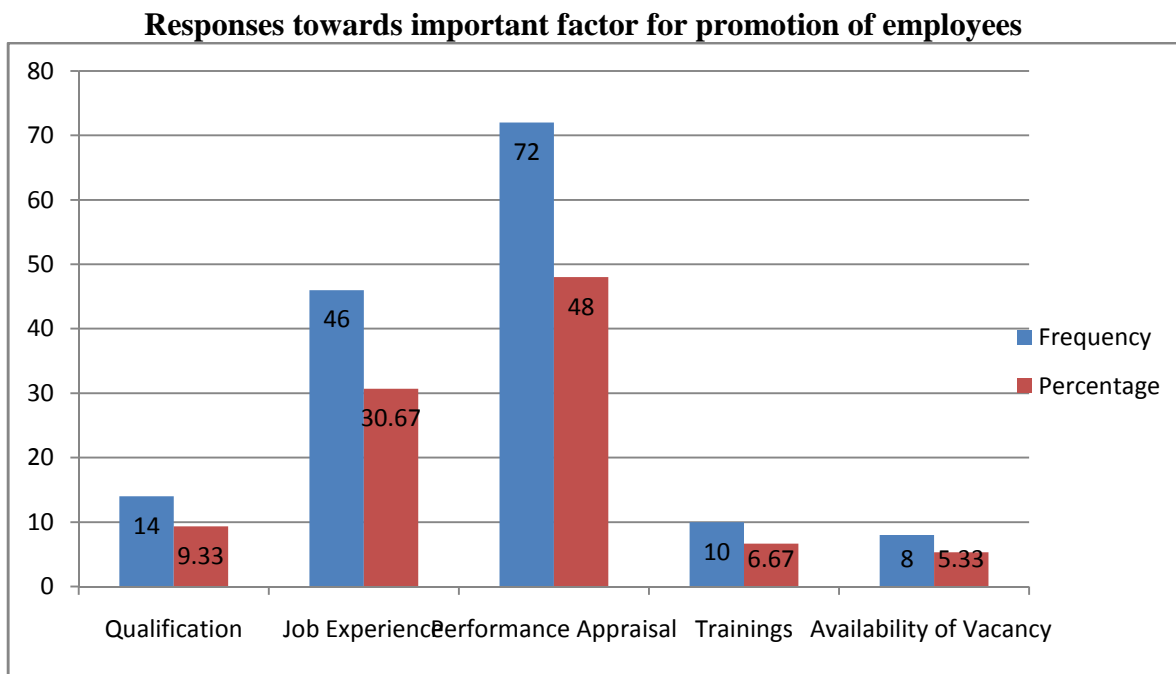
Source: Survey, 2019

Table 4.2 shows the responses of employees towards training programs that enhance their abilities and skills to perform better in their jobs. Employees' replies reflect that nearly 43.33% of employees chosen Job Instruction training programs, 32.00% employees said workshop/ seminar can enhance their skills, 12.00% said simulation exercise is best to enhance their skills and abilities, 7.33% prefer coaching whereas only 5.34% replied lecture is better training to enhance their skills and abilities. Chapagain(2017) had concluded in his study although results in terms of percentage and frequency are different emphasizing the importance of on the job training rather than the system of verbal class room training. Thus, the results of this study are in the same direction.

Results show that employees are more concentrated on training programs that are more effective, practical and easy to enhance their skills and abilities quickly. Moreover, they are not interested in "training by telling" they want to learn in step by step process so that they can build their capabilities. Thus, lecture is least preferred. Job Instruction Training and Workshop/Seminar are mostly preferred by them. Although, most of them are newly appointed but their training programs are designed on lecture basis not on practical format. Therefore, management needs to think about need based training programs to improve employees performance better.

4.2.3 Responses Relating to Promotion

Employees work for their growth, career enhancement and better future in an organization with high level of commitment and zeal. Therefore, all employees are looking for their promotion on the basis of their qualification, job experience, performance appraisal rating, trainings achieved, and availability of vacancy for them. Management should take appropriate decision on this matter otherwise employees may be dissatisfied with management and may not work properly at their working stations. Moreover, promotion should be justifiable; it should be based on appropriate basis of evaluation for promotion. The responses regarding important factor for promotion of employees are summarized by following figure 4-2.

Figure-4-2

Source: Survey, 2019

The figure- 4.2 shows that 72 employees i.e. 48.00% of respondents said performance appraisal is the most important factor for their promotion, 30.67% said job experience is required, 9.33% said qualification is needed for promotion whereas only 6.67% and 5.33% employees said trainings and availability of vacancy are important for employees' promotion respectively. Manzoor (2011) highlighted that performance appraisal helps to rectify employees weaknesses and provides appropriate guidelines for employee career development and achieve future potentialities.

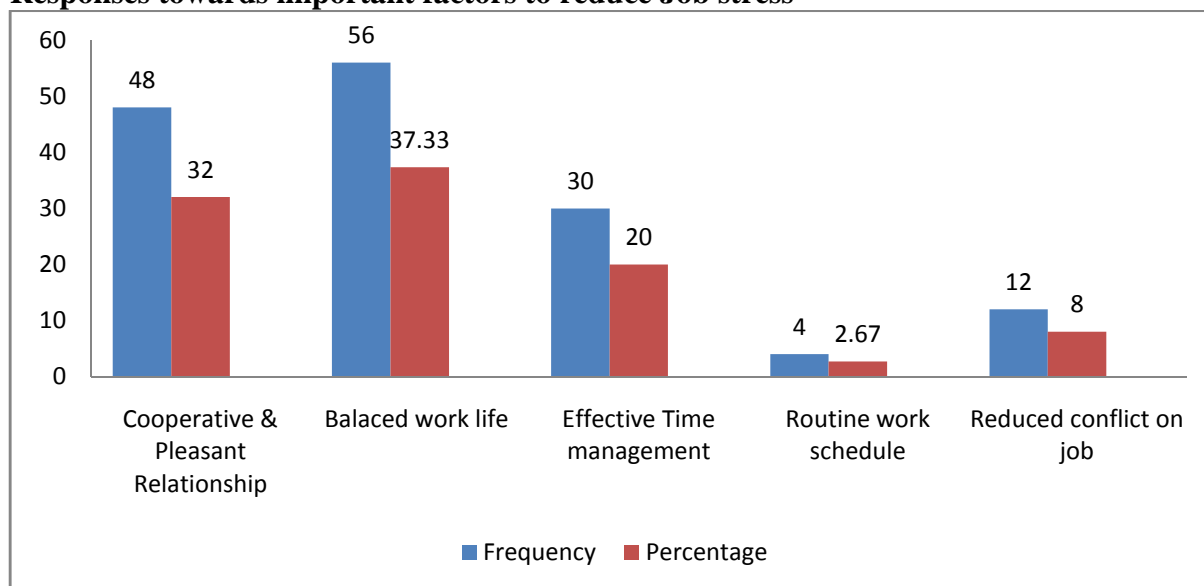
Therefore, performance appraisal is most important factor for most of employees working in commercial banks of Nepal. Employees want to be promoted based on the rating of their performance appraisal and job experience not on the basis of nearest and dearest relationship of boss. Performance appraisal helps to know where they stand, where they ought to be going, and how they are going to get there. This method is better for organization to evaluate the competent employees for the organization and further plan for the improvement. Therefore, performance appraisal is most important factor for promotion in Nepalese commercial banks. It helps to increase feelings of brotherhood,

equality, fairness and recognition of their efforts done for the organization. This ultimately further enhances the degree of motivation and level of performance of employees.

4.2.4 Factors Reducing Job Stress

Job stress is most prevailing factor of job for every employee and exists in every type of organization. Bankers are more prone to suffer from job stress because of overcrowd and work pressure, increased flow of customers and higher risk involved in job. Job stress is also one of the reasons behind low working performance. Employees on one hand need to be devoted and committed to their jobs to meet their personal goals and targets on the other they have their families, economic conditions and other organizational and group relationships that are most important causes of employees' job stress. What can be done to reduce employee job stress? The researcher major concern here is to concentrate on cooperative and pleasant relationship, balanced work life relationship, effective time management, routine work schedule, reduced conflict on job. The responses have been collected and presented in chart4-3 in terms of frequency and percentage.

Figure-4.3
Responses towards important factors to reduce Job stress



Source: Survey, 2019

This figure 4-3 shows 32.00% employees felt cooperative and pleasant working relationship among employees helps to reduce job stress, 37.33% employees felt balanced work- life relationship is important factor to reduce job stress, 20.00% said effective time management is important, 2.67% and 8.00% argued routine work schedule and reduced conflict onjob are important respectively to reduce job stress. Ayub (2011) focused on balanced work life situation of employees drastically reduce job stress to employees as most of job stressors are due to problems in family. Similarly, Chapagain (2017) highlighted on the friendly and cooperative working relationships contribute to reduce employee's stress in large extent.

From the analysis of figure 4-3, bankers are more prone to job stress when the work-life relationship becomes worst and doesn't exist cooperative and pleasant working relationship among employees working together. Therefore, management needs to consider about the balanced work-life relationship and should encourage cooperative, friendly and congenial working environment at working stations. If management is able to provide opportunity to maintain personal and professional lives of employees, employees will be more encouraged and likely to perform better (Ayub, 2011). In order to improve cooperative and pleasant working relationship among employees management needs to encourage team working environment among employees, foster competition between different branches and so on. On the other, balanced work- life relationship can be improved by considering family problems and economic status of employees.

4.2.5 Employees Responses towards the Organization

Performance of employees is affected by so many factors. One of the most important factors is how employees see their organizations. Employees having higher level of commitment and loyalty, perform better than employees who don't look their future and development in their organizations. Employees evaluate their organization in terms of trustworthiness, job security, future of the organization and better career growth etc. looking their HR policies and management systems. The employees were asked about their responses towards their organization. The responses are presented in table 4-2.

Table 4-3
Employees' Responses towards Organization

Factors	Frequency	Percentage (%)
Trustworthiness	28	18.67
Safe & Secure	48	32.00
No Future	12	8.00
Better Career opportunities	62	41.33
Total	150	100.00

Source: Survey, 2019

The table 4-3 shows that 41.33% employees said they have better career opportunities available within organization. It represents that they are sure about their better career opportunities in future. Likewise, 32.00% employees found their job and life safe and secure. 18.67% employees said their organizations are trustworthy and only 8.00% employees did not see their future in banking organizations. But, Chapagain (2017) found that most of employees feel their organizations as trustworthy. Therefore, most of employees see better career opportunities and safe and secure job and future in commercial banking organizations in Nepal. Hence, management needs to be aware of maintaining and promoting such opportunities for employees working in banking organization.

4.2.6 Responses on Nepalese Banking Climate

The banking market is growing so rapidly in Nepal. Number of branches of commercial banks has exceeded 3200 (NRB 3rd quarter review, 2075). Many local municipalities have access of commercial banks. Commercial banks are facing cut throat competition due to entry of joint venture commercial banks. Customers are looking for more easy, cheapest and convenient ways of getting services from banking institutions. Still Nepalese banking climate has not become conducive for employees motivation. The major reasons under consideration of researcher are poor HR. policy, weak management

practices, poor motivational packages, lack of supervision, and problem of right person to right job. The replies are presented in table-4.4.

Table-4.4
Reasons behind banking climate not being conducive for motivation

Factors	Frequency	Percentage (%)
Poor HR policy	56	37.33
Weak Management practices	34	22.67
Poor motivation package	26	17.33
Lack of supervision	18	12.00
Problem in job placement	16	10.67
Total	150	100.00

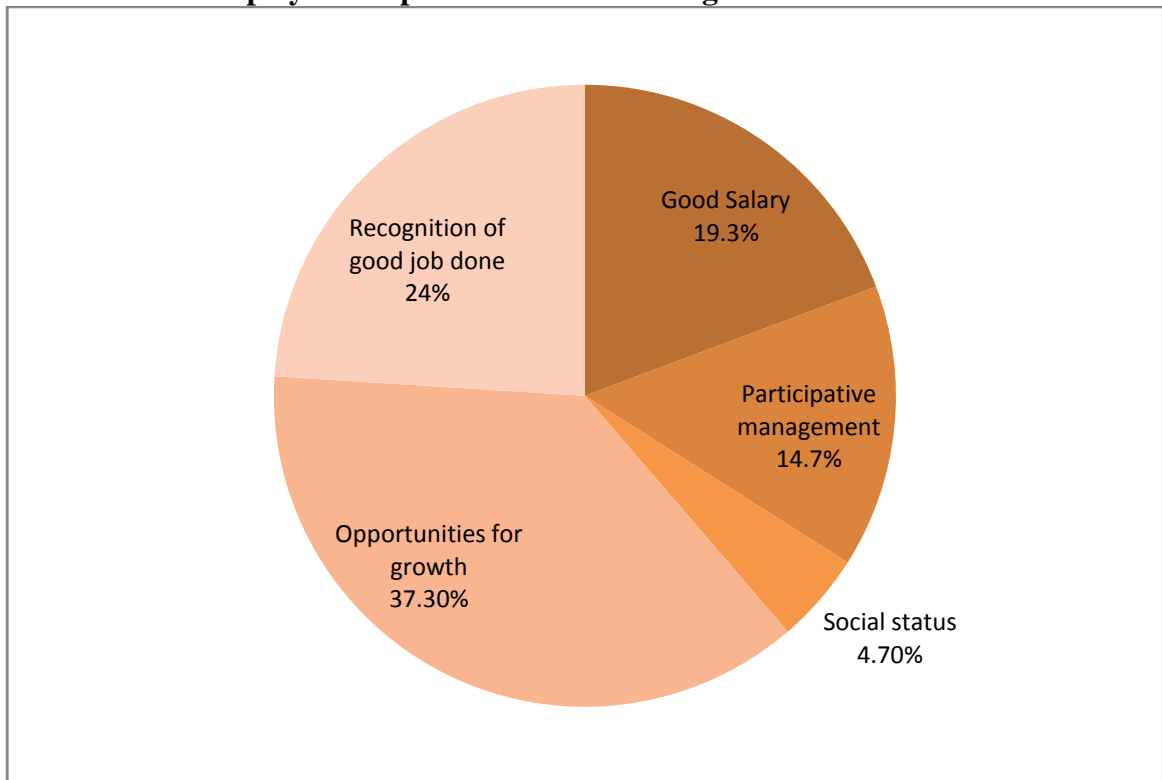
Source: Survey, 2019

Human resource policy is related with the policy regarding acquisition, development, utilization and maintenance of employees. Most of the employees' competencies are affected by the poor human resource policy. Table 4.4 shows that 37.33% employees argued poor HR. policy is one of the major reasons behind not being conducive Nepalese banking climate. 22.67% replied that weak management practice is the reason, 17.33% replied it is due to poor motivational package, 12.00% and 10.67% employees said lack of supervision and problem in job placement are the reason behind not being the Nepalese banking climate conducive for employee motivation. Chandrasekhar (2011) concluded that poor motivational package is major reason for environment of demotivation in India. But, Chapagain (2017) stressed on weak management practices adopted by Nepalese banking institutions. Therefore, this result implies that poor HR policy adopted by banking institutions and weak management practices prevailed are the major reasons behind poor employee motivation and low level of performance. Therefore, HR. policy should not be affected by bureaucratic system, and policy should be implemented strictly to enhance employee performance. Management should be proactive in their approaches.

4.2.7 Employees expectations from Managers towards Employee motivation

Employees are encouraged and motivated towards job by most of actions that managers take. Therefore, how managers have built their perception to motivate their employees play important role to influence employees level of motivation. Employees may expect good salary for employee motivation, some employees may focus on participation of employees, some may think social status is necessary. Similarly providing opportunities for personal growth and recognition of good job done are required for employee motivation. Respondents were asked about what they expect from their managers for motivation. The responses are collected and summarized by using figure 4.4

Figure-4.4
Employees' Expectations from Managers for Motivation



Source: Survey, 2019

The above figure 4.4 shows the expectation of employees from their managers towards employee motivation. 19.30% respondents said that good salary is enough for their motivation, 14.70% employees' thought participative management is needed for

employee motivation, 4.70% employees thought about social status is important to motivate employees, 37.30% said opportunities for personal growth and 24.00% said recognition of good job done. Muhamad (2013) concluded that employees expect recognition and better salary from their managers. Similarly, Nduro (2012) concluded that employees in banking institutions expect their participation on decision making process on major issues relating to employee. Thus, employees may have different expectations from their managers according to their needs and desires. All employees should not be treated in the same way. An employee who is motivated by salary may not be motivated by good social status; an employee motivated by recognition for the well done job may not be motivated by enough salary. Therefore, the study shows the same thing; here most of employees are expecting opportunities for personal growth and recognition of their work done.

4.2.8 Reasons of low performance of employees

There are various factors that affect employee performance negatively even if employees are motivated to excel in their job. The major reasons that researcher considers here are lack of skills and competencies, family background, educational attainment, culture and custom, personal behavior and attitudes. The responses are collected and summarized in following table-4.5.

Table-4.5
Responses on low employee performance even if Employees are motivated

Reasons of Low Performance	Frequency	Percentage (%)
Lack of skills and competencies	56	37.30
Family background	7	4.70
Educational attainment	13	8.70
Culture and custom	26	17.30
Personal behavior & attitudes	48	32.00
Total	150	100.00

Source: Survey, 2019

The table 4-5 shows major reasons behind low performance of employees although employees are motivated to perform better. 37.30% replied this is due to lack of skills and capabilities, 4.70% employees agreed on family background as the reason, 8.7% employees said educational attainment, 17.30% employees said culture and custom whereas 32.00% said personal behavior and attitudes is the reason behind low employee performance in banking institution although employees are motivated to perform better. Thomas (2007) in his study has stressed that employee motivation is such an encouraging element to boost employee performance still there are many hindrances that negatively affect employee performance. In his study, he had found that most of the employees were motivated but poor working conditions and worst relationships with their co-workers were the main reasons for their low performance.

Therefore, management should set appropriate programs needed to employees as per their training needs. Managers should act as role model to influence the personal behavior and attitudes of employees in organizations.

4.2.9 Outputs of Employee Motivation

Employee motivation produces different positive results in every organization. Motivated employees are likely to perform better performance as compared to demotivated employees. They are loyal, committed, and positive towards organization and ultimately contribute to achieve organizational objectives. Major concerns of researcher are faster delivery of services, reduced accidents and strikes, reduced absenteeism and turnover, and higher profit and market share. Researcher has asked about how the outputs of motivation can be seen within the organization. When employees are motivated, what are the most likely outputs that occur first? Respondents have given their values to different outputs of motivation as per their expectations and likeliness of outputs they generally expect. The Equity theory of motivation tells that employees are likely to maintain equality in their jobs to be motivated. The table-4.6 shows rank of outputs of motivation.

Table -4.6
Responses towards output of Employee Motivation

Factor	1	2	3	4	5	Weighted mean	Rank
Reduction in accidents and strikes	30 20.00%	46 30.70%	40 26.70%	19 12.70%	15 10.00%	2.623	4
Reduction in employee absenteeism & turnover	55 36.70%	39 26.00%	33 22.00%	10 6.70%	13 8.70%	2.25	2
Faster service delivery	68 45.3%	44 29.30%	14 9.30%	19 12.7%	5 3.3%	1.99	1
Higher profit and market share	52 34.70%	23 15.30%	31 20.70%	20 13.30%	24 16.00%	2.61	3

Source: Survey, 2019

The table-4.6 shows rank 1 for faster service delivery; rank 2 for reduced employee absenteeism and turnover with weighted mean of 1.99 and 2.25 respectively. This implies that most motivated employees are likely to deliver faster services to customers, become less absent and remain working within organization. Similarly, rank 3 for higher profit & market share and rank 4 for reduced accidents & strikes with weighted mean of 2.61 and 2.623 respectively reflecting that motivated employees contribute to these factors of performance. Waiyaki (2017) also concluded on reduction in absenteeism and turnover of employees as major effect of motivation that is seen in an organization quickly.

4.2.10 Outputs of Employee Demotivation

Demotivation of employees brings negative effects on employee performance such as indiscipline and frustration, inefficiency, delays and discourtesy, absenteeism, poor working relationship employees. The table 4.7 shows effects of demotivation on employee performance that are most likely to occur.

Table 4.7
Effects of Demotivation on Employee performance

Factors	1	2	3	4	5	Weighted mean	Rank
Absenteeism	45 30.0%	27 18.0%	35 23.3%	23 15.3%	20 13.3%	2.64	2
Inefficiency	21 14.0%	32 21.3%	29 19.3%	31 20.7%	37 24.7%	3.21	5
Delays & discourtesy	50 33.4%	41 27.3%	24 16.0%	21 14.0%	14 9.3%	2.39	1
Indiscipline & frustration	25 16.7%	35 23.3%	23 15.3%	30 20.0%	37 24.7%	2.66	3
Poor working relationship	35 23.3%	32 21.3%	28 18.8%	29 19.3%	26 17.3%	2.86	4

Source: Survey, 2019

The table 4.7 shows outputs of employee demotivation. Here, rank 1 is given to delays & discourtesy; 2 is given to absenteeism with weighted mean of 2.39 and 2.64 respectively. This implies that demotivated employees in banking are more likely to be delay and discourtesy in their jobs while delivering services and become more absent in organization. Similarly, indiscipline and frustration, poor working relationship, and inefficiency are other outputs of demotivation of employees with ranking of 3,4 and 5 and mean of 2.66,2.86 and 3.21 respectively. Waiyaki (2017) concluded in his study that demotivated employees are likely to suffer from indiscipline and frustration. Similarly, Chapagain (2017) indiscipline and frustration was the prime output of demotivation in Nepalese commercial banks.

4.2.11 Analysis of Herzberg Hygiene – Motivation factors

A. Analysis of Herzberg hygiene factors

The table 4.8 has been developed based on Herzberg hygiene factors. Presence of these factors results reduces employees' dissatisfaction.

Table-4.8
Herzberg hygiene factors

Hygiene factors	1	2	3	4	5	Weighted mean	Rank
Company policies	40 23.3%	60 40.0%	28 18.7%	15 10.0%	7 4.7%	2.26	2
Quality of supervision	13 8.7%	74 49.3%	37 24.7%	22 14.7%	4 2.7%	2.53	6
Relationship with others	28 18.7%	59 39.3%	35 23.3%	19 12.6%	9 6.0%	2.48	5
Personal life	23 15.3%	61 40.7%	38 25.3%	17 11.3%	11 7.3%	2.55	7
Rate of pay	34 22.7%	75 50.0%	38 25.3%	1 0.7%	2 1.3%	2.08	1
Job security	28 18.7%	72 48.0%	33 22.0%	15 10.0%	2 1.3%	2.27	3
Working conditions	24 16.0%	64 42.7%	41 27.3%	19 12.7%	2 1.3%	2.41	4
Incentives	11 7.3%	56 37.3%	42 28.0%	32 21.3%	9 6.0%	2.81	8

Source: Survey, 2019

The table 4.8 shows that rate of pay is most effective hygiene factor for employee motivation then followed by company policies, job security, working conditions, relationship with peers and so on. Chapagain (2017) had emphasized on working conditions and relationship with others as effective hygiene factors for employee motivation. But, Jibowo (2007) concluded Pay as major hygiene factor of motivation.

B. Analysis of Herzberg motivational Factors

The table 4.9 has been developed on the basis of ranking given by respondents on Herzberg motivational factors. These factors help to motivate employees.

Table-4.9
Herzberg Motivational factors

Motivational factors	1	2	3	4	5	Weighted mean	Rank
Achievement	31 20.7%	59 39.3%	38 25.4%	14 9.3%	8 5.3%	2.39	3
Career development	23 15.3%	75 50.0%	21 14.0%	27 18.0%	4 2.7%	2.43	5
Personal growth	28 18.7%	68 45.3%	29 19.3%	16 10.7%	9 6.0%	2.40	4
Job interest	35 23.3%	63 42.0%	28 18.7%	20 13.3%	4 2.7%	2.30	1
Recognition	30 20.0%	57 38.0%	31 20.7%	22 14.7%	10 6.7%	2.50	6
Responsibility	32 21.3%	65 43.3%	28 18.7%	22 14.7%	3 2.0%	2.33	2

Source: Survey, 2019

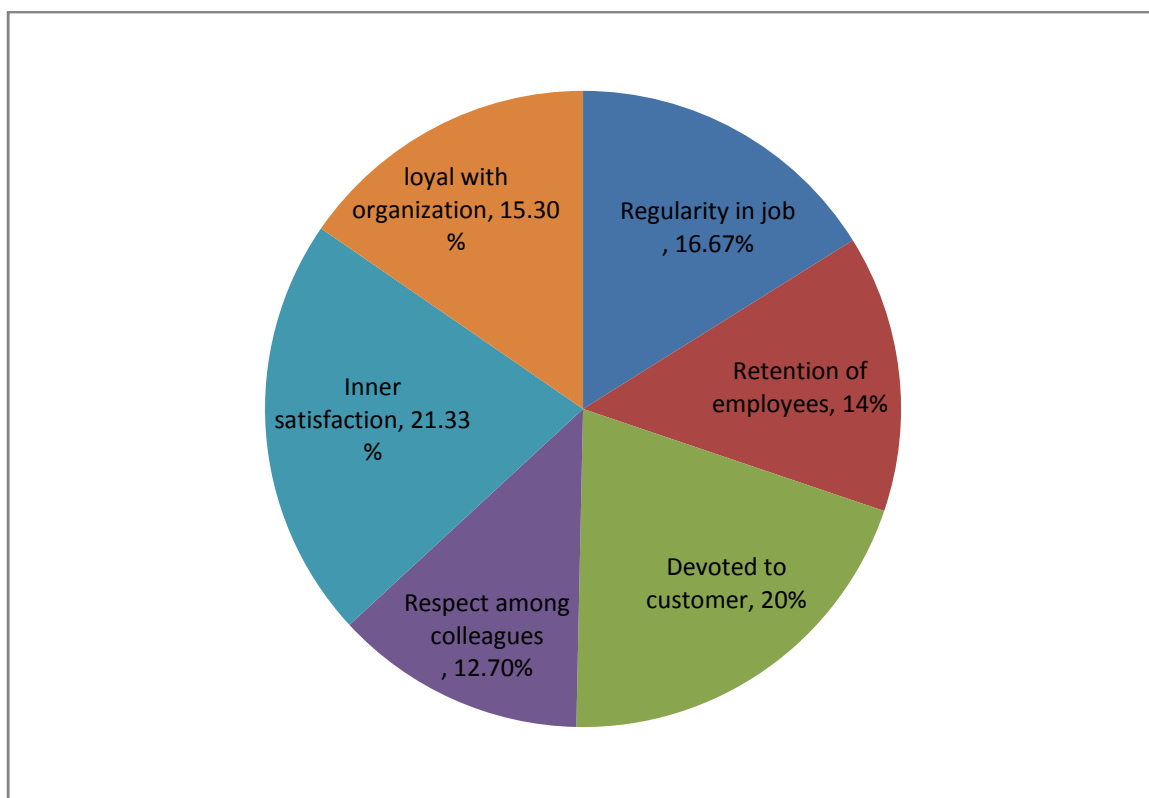
The table-4.9 shows that job interest is the most effective Herzberg motivational factor to motivate employees with rank status 1 followed by responsibility, achievement, personal growth, career development and so on with ranking of 2,3,4, and 5 respectively. Therefore, employees of Nepalese commercial banks felt that job interest is the main motivating factor that employees enjoy while doing their jobs at bank. But, Jibowo (2007) concluded recognition of job well done is the major motivator factor for motivation.

4.2.12 Responses towards Influences of motivational Package on Employee performance:

There are various impacts of motivational package on employee performance of commercial banks. Researcher asked about the influence of motivational package on

employee performance. The figure 4.5 shows about influences of motivational package on employee performance

Figure-4.5
Influences of motivational package on employee performance



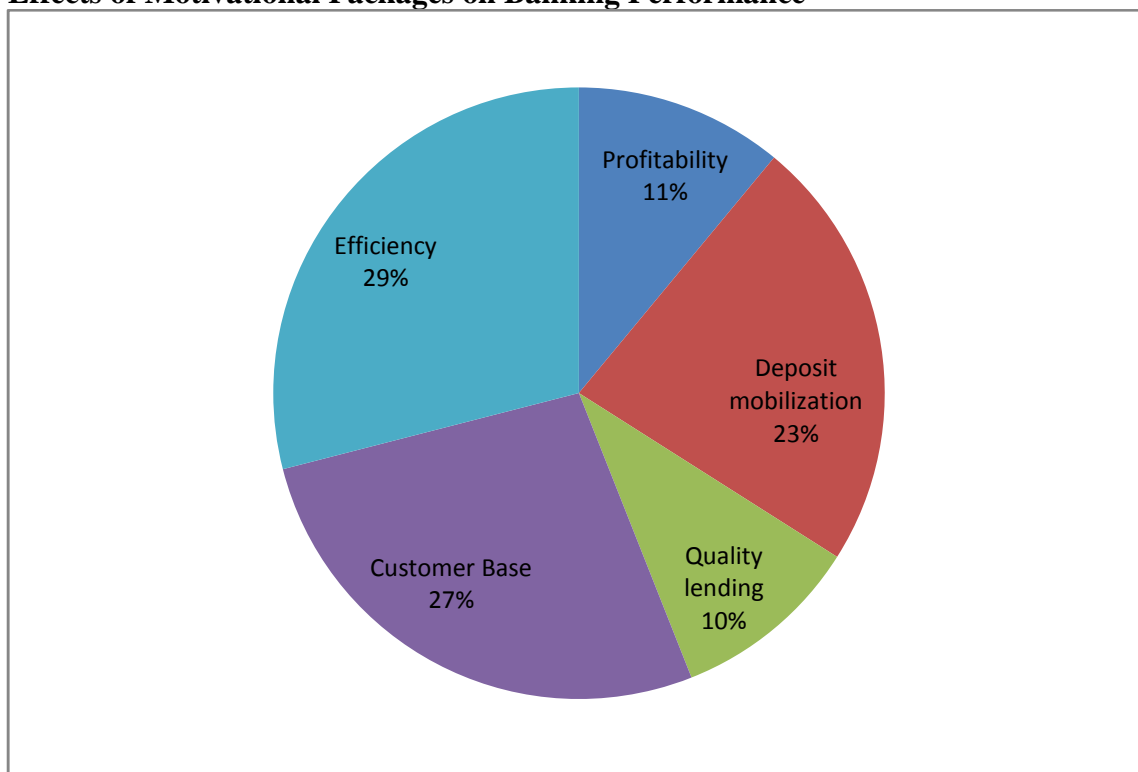
Source: Survey, 2019

From figure-4.5 ,21.33% employees replied motivational package are able to bring inner satisfaction, 20% said increased devotion with customer, 16.67% employees said employees are regularity in job, 15.30% said they are loyal with organization, 14% said motivational packages are tool for retention of employees, 12.7% said these are important for respect among colleagues.Chapagain(2017) also summarized motivation package was effective to bring regularity in their jobs. Similarly,Manzoor (2011) pointed out on increased devotion to customer. Thus in conclusion, motivational packages are important tool for inner satisfaction of employees as well as to increase employee devotion with customer for the business.

4.2.13 Effects of Motivational package on Banking performance

The motivational package positively affects banking performance of the organizations. These effects can be seen in the form of profitability, deposit mobilization, quality lending, customer base, efficiency of the banks. The figure 4.6 summarizes the responses of employees about effects of motivational package on organizational performance.

Figure-4.6
Effects of Motivational Packages on Banking Performance



Source: Survey, 2019

The Figure-4.6 shows that 29% employees said motivational packages increased efficiency of banking institutions, 27% employees argued motivational package are helpful to expand customer base of banking institution. Similarly, 23% employees insisted on increased deposit mobilization, 11% on believed on profitability and 10% agreed on quality lending. Chapagain (2017) also concluded that motivational package increased the customer base and effective deposit mobilization in banking institutions.

Whatever may be the extent, it can be concluded that motivational packages are crucial for improvement in organizational performance.

4.3 Correlation Analysis

This study has been conducted on different dimensions of employee motivation and their effect of employee performance. Researcher considerstesting relationship of seven factors of independent variable such as salary, promotion, working environment, careerdevelopment, incentives, rewards and recognition training with one dependent variable that is employee performance. The correlations are shown by table-4.10.

Table-4.10
Correlation Coefficients of Employee performance with Dimensions of Employee Motivation

	EP	SAL	PRO	WOE	CRD	TR	INC	RR
EP	1	0.602*	0.551*	0.362**	0.166*	0.264*	0.102*	0.006*
SAL	-	1	0.245**	0.137**	0.339**	0.268*	0.078*	0.360*
PRO	-	-	1	0.262**	0.109*	0.440**	0.076*	0.247*
WOE	-	-	-	1	0.105*	0.108*	0.031*	0.791*
CRD	-	-	-	-	1	0.125*	0.107*	0.212*
TR	-	-	-	-	-	1	0.209*	0.180*
INC	-	-	-	-	-	-	1	0.039*
RR	-	-	-	-	-	-	-	1

Source: Survey, 2019 and SPSS Results

*Correlation is significant at 1% level

**Correlation is significant at 5% level

The table 4.10 shows the correlation coefficients between different factors affecting motivation and employee performance. The correlation coefficient between salary and employee performance is 0.602 which implies that salary is highly positively correlated with employee performance. Similarly, correlation coefficient between promotion and employee performance is 0.551 thus promotion is also highly positively correlated with

employee performance. Other variables such as working environment, career development, training, incentives and rewards, and recognition all are positively correlated with employee performance with correlation coefficients of 0.362, 0.166, 0.264, 0.102 and 0.006 respectively and are significant. Similarly, Jehanzeb (2012) also found that trainings, working environment and salary have strongly positive relationship with employee performance.

From this analysis, it can be concluded that salary, promotion and working environment conditions are more influencing factors for employee performance. If management becomes able to set appropriate policies regarding these factors of motivation employee performance can be improved which will ultimately help to boost organizational performance.

4.4 Major findings of the study

The major findings of the study can be summarized as follows:

13. Employees' performance can be additionally increased by providing them different types of incentives. 45.33% employees think promotion as incentive, 20.00% employees prefer financial benefits, 16.67% prefer medical allowance, and 12.00% prefer awards and only 6.00% employees prefer appreciation letter. On different studies about incentives to motivate employees different types of incentive are effective to motivate employees. Some studies focused on financial incentive while other focused on awards therefore the finding of this study is contradictory with finding of previous studies.
14. Need based effective training is needed for increasing skills and capabilities of employees. 43.33% of employees chosen Job Instruction training programs, 32.00% employees said workshop/ seminar, 12.00% said simulation exercises, and 7.33% prefer coaching whereas only 5.34% replied lecture is better training to enhance their skills and abilities which are in line with findings of previous studies. Chapagain (2017) summarized his findings on training that employees

want to be trained by job instruction training which is also strongly supported by findings of this study.

15. Management needs to promote employees based on rating of performance appraisal and job experience they acquired. 48.00% of respondents said performance appraisal is the most important factor for their promotion, 30.67% said job experience is required, 9.33% said qualification is needed whereas only 6.67% and 5.33% employees said trainings and availability of vacancy are important. Most studies have focused on rating of performance appraisal as an effective basis for employee promotion. Thus finding of this study is aligned with finding of previous studies.
16. Most banking employees suffer from job stress. Many factors play important role in reducing job stress. 32.00% employees felt cooperative and pleasant working relationship among employees helps to reduce job stress, 37.33% employees felt balanced work- life relationship, 20.00% said effective time management is important, 2.67% and 8.00% argued routine work schedule and reduced conflict on job respectively.
17. Banking employees see their banking organizations differently. 41.33% employees said they have better career opportunities available within organization. Likewise, 32.00% employees found their job and life safe and secure. 18.67% employees found organizations are trustworthy and only 8.00% employees did not see their future in banking organizations.
18. Nepalese banking environment is not conducive for employee motivation due to many reasons. 37.33% employees argued poor HR. policy is one of the major reasons behind not being Nepalese banking climate conducive. 22.67% replied weak management practice, 17.33% replied it is due to poor motivational package, 12.00% and 10.67% employees said lack of supervision and problem in job placement respectively.
19. Employees expect many things from management for motivation but managers treat them differently. 19.30% respondents expect good salary from managers

formotivation, 14.70% employees' thought participative management is needed, and 4.70% employees thought about social status, 37.30% said opportunities for personal growth and 24.00% said recognition of good job done.

20. Lack of skills and competencies and employees' personal behavior and attitudes are prime factor behind low performance although employees are motivated to perform better. 37.30% replied this is due to lack of skills and capabilities, 4.70% employees agreed on family background as the reason, 8.7% employees said educational attainment, 17.30% employees said culture and custom whereas 32.00% said personal behavior and attitudes is the reason behind low employee performance in banking institution although employees are motivated to perform better.
21. Motivated employees are likely to delivery of services faster to customers and they are regular in their job whereas demotivated employees are reasons for delays and discourtesy in their job performance. Manzoor (2011) pointed out on increased devotion to customer and demotivated employees are undisciplined.
22. The most effective hygiene factors in Nepalese commercial banks are pay, company policies and job security whereas the most effective motivational factors are job interest and job responsibilities for employees in Nepalese commercial banks but Jibowo (2007) has explained recognition of well job done as a most effective motivational factor.
23. The motivational package adopted by commercial banks have brought inner satisfaction of employees and increased devotion to customers whereas Chapagain (2017) also concluded that motivational package increased the customer base and effective deposit mobilization. Thus, these packages are effective to increase organizational efficiency, build customer base and mobilize deposit properly.
24. Correlation coefficients of Salary and promotion with employee performance are 0.60 and 0.551. Thus these factors are most influencing factors of motivation which are highly positively correlated with employee performance. These findings are consistent with previous research findings although coefficients are

different in values and factors but contradict in terms of factors. One study highlighted on working environment has highly positive relationship with employee performance while other focuses on trainings. However, there was positive relationship between these all factors of motivation and employee performance.

CHAPTER-V

CONCLUSION

This chapter includes brief summary of the entire study followed by conclusions of the study. It also involves implications of the study along with recommendations for motivating employees working in Nepalese commercial banks in order to increase their performance. Finally, this chapter ends with the short paragraph on the scope for future research.

5.1 Summary

Most Nepalese commercial banks have appointed fresh employees from market and they have joined their jobs more interestingly but most important thing is not to acquire them but to retain and develop them through use of appropriate motivational tools and techniques. This study investigated the major factors affecting employee motivation in commercial banks in Nepal along with their effects on employees' performance. This study was conducted taking 150 samples from different 10 commercial banks operating in Kathmandu and far-western region of Nepal. On this context, different national and international articles, dissertations, reports and other available literatures have been reviewed in order to identify the major factors affecting employees' motivations. Major factors such as salary, promotion, working environment, career development opportunities, incentives, rewards and recognitions, and trainings act as independent factors influencing motivation which are directly related with employee performance. The main objectives of this study were: to identify motivational factors influencing employees' performance in Nepalese commercial banks; to examine effects of these motivational factors on employees' performance; to assess the relationship between motivation and employee employees' performance.

This study was based on primary data collected using questionnaire prepared and distributed among respondents chosen conveniently from different clusters of job position of employees. The descriptive and explanatory research designs have been used for analysis. Different statistical tools were used to summarize, interpret and analyze the collected data such as tables, charts frequency, percentage, mean, weighted mean etc.

correlation analysis was applied to check the significant relationship between factors affecting motivation and employees' performance. The SPSS (Statistical Package for the Social Sciences) software was used to calculate entire data analysis and test the relationships.

From this study, it was found that promotion and financial benefits are major incentives for employee performance in commercial banks of Nepal. Employees need effective needs based training methods to enhance their skills and competencies for better performance therefore most of employees are interested in job instruction training and workshop/seminar. Promotion is major factor for employee motivation nearly 75% employees want management to promote them based on their performance appraisal ratings and job experience. Although most of respondents said there are various career development opportunities and safe and secure future in Nepalese banking institutions, employees are expecting opportunities for personal growth and recognitions of their job done from management of banking institutions. Furthermore, Nepalese banking environment is not conducive for employee motivation due to poor HR. policies and weak management practices. There is situation of low employee performance even if they are motivated to perform better because of lack of skills and competencies and personal behavior and attitudes of employees. Employees are living assets of any type of organization so they need to be motivated. Motivated employees are likely to deliver faster services and less likely to be absent in their job otherwise they become delay and discourtesy with customers in dealings.

The motivational packages adopted by commercial banks are effective for enhancing organizational efficiency, increasing customer base and mobilizing deposit properly because of employee devotion to customer and their inner satisfaction. Finally, correlation analysis reflected coefficient of 0.602 and 0.551 for salary and promotion which means salary and promotion are highly positively correlated with employee performance of commercial banks in Nepal.

5.2 Conclusion

In conclusion, employees are reasons behind the success of any organization. Organizational objectives cannot be achieved without improving employee performance this in turn can't be possible without employee motivation. In general employee performance is directly related with employee motivation that can be used as a strategic tool to attract new customers and retaining existing customers.

For the motivation, management needs to stimulate employees through incentives important to them, understand what they need for better performance. Promotion and performance appraisal should be done fairly without any discrimination. Since, most of employees are unable to perform better due to lack of skills and competencies and personal behavior and attitudes even if they are motivated, appropriate training programs like job instruction trainings, seminars or workshops should be planned so that they can enhance their skills and competencies and change the behavior and attitudes. Cooperative and pleasant working environment and balanced work life relationship are two most important considerations for reduction in employees job stress in Nepalese commercial banks.

There has been positive relationship between different factors of motivation and employee performance indicating that employees' performance can be enhanced by proper management of these factors affecting motivation. However, salary, promotion and working environment play crucial role in increasing employee performance of Nepalese commercial banks. Nepalese banking environment has not become conducive due to poor HR. policies and weak management practices still employees are looking for personal growth and recognition of their jobs. Hence, employees are if motivated can better satisfy their customers as well by delivering services faster and rarely absent in their job which ultimately contribute to boost organizational efficiency, build customer loyalty and increase market share of the organization. Thus, motivated employees are more likely to deal with customers with utmost care and respect remembering their importance for their jobs and organizational success as well.

5.3 Implications

In view of the findings of the study and guidance from the literature reviewed, it is apparent that employee motivation is most crucial factor to enhance their performance. As commercial banks are service-oriented businesses, they need to focus on offering customer oriented services in order to compete with global business competitors. For this motivated employees are ultimate solution. In this regard, the current study makes the following implications:

8. Promotion and financial benefits are major incentives for employees motivation in Nepalese commercial bank .Therefore, this study suggests management of different commercial banks to promote their employees based on performance appraisal and job experiences not based on nearest and dearest relationship.
9. Another important thing that most commercial banks need to consider is designing the training programs for their employees. Employees' needs for training should be identified first then on the basis of deficiency of skills and competencies, employees need to be provided appropriate type of training programs. There should be need based training programs for enhancing employees' skills and capabilities.
10. Although employees are motivated to perform better still there is low performance. The major reasons are due to lack of skills and competencies and personal behavior and attitudes of the employees. For this managers need to act as role model to change the behavior and attitudes of employees.
11. There should be friendly and congenial working relationship among employees, cooperative and mutual understanding among them must be put in paramount focus. For this banks should foster the team working culture within organization and branches.
12. Management should consider about the work life balance of employees and banks should frame appropriate policies for vulnerable group considering their economic and social status.
13. Employees expect different things from management for their motivation. Sometimes, small things may motivate and encourage employees better. Treating

employees with their utmost needs helps to produce synergy effects in organization. Therefore, managers need to focus on interaction and better communication with employees for understanding their needs.

14. Since salary, promotion and working environment are the major factors influencing employees performance in Nepalese commercial banks, management needs to formulate policies and take decisions relating to these variables with regular employee participation and consultation.

5.4 Scope for Future Research

Motivation is the topic that has been frequently studied in management. It has so many branches for study. Due to emerging nature of the subject matter of employee motivation and employee performance in Nepalese commercial banks, many studies can be undertaken. Therefore, researchers can choose mass of issues on this topic. Moreover, a more comprehensive investigation of employee motivation can be conducted on other categories of Nepalese banking institutions as well. Likewise, there is a scope to make comparative study of employee performance of different banks with respect to employee motivation along with study of level of customer satisfaction and employee satisfaction between commercial banks and development banks. Future researchers can conduct their studies on particular factor of motivation and its impacts on employee performance such as impacts of rewards and recognitions on employee performance, impacts of trainings on employee performance and so on.

Thus, motivation is the wide field of study for research, the importance of this subject matter has further increased in Nepalese context due to its emerging issues in Nepalese business environment.

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