

THE EFFECT OF PERFORMANCE MANAGEMENT SYSTEM ON EMPLOYEE
MOTIVATION IN COMMERCIAL BANKS AT DIRE DAWA CITY: A COMPARATIVE
STUDY AMONG PUBLIC AND PRIVATE COMMERCIAL BANKS



DIREDAWA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
MBA PROGRAM

A RESARCH THESIS SUBMITTED TO DEPARTMENT OF MANAGEMENT IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTER OF ARTS
DEGREE IN BUSINESS ADMINISTRATION

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DEC, 2020
DIRE-DAWA, ETHIOPIA

STATEMENT OF DECLARATION

I Endalkachew shiferaw declare that this study entitled the effect of performance management system on employee motivation in DD city commercial banks; a comparative study among public and private commercial banks is my original work. I have carried out the present study independently with the guidance and support of my research advisor Aschalew Mulugeta (Ass. Prof.). I confirm that this paper has never been submitted to any other university for any diploma or degree program and all source material used for this study have been appropriately acknowledged.

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Date: Dec, 2020

CERTIFICATE

This is to certify that this thesis, the effect of performance management system on employee motivation in DD city commercial banks; A comparative study among public and private commercial banks in DD city, undertaken by Endalkachew Shiferaw for the partial fulfillment of master of Business Administration (MBA) at Dire Dawa university is an original work and never been submitted earlier for any degree either at this university or any other university.

Research Advisor

DIREDAWA UNIVERSITY

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COLLEGE OF BUSINESS AND ECONOMICS

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AKNOWLEDGEMENT

First I would like truly say enough thanks to the almighty god and his mother saint marry for the successful accomplishment of this thesis from the start wherever I am going.

I would like to give a special recognition and appreciation to my research advisor Aschalew Mulugeta (Ass. Prof.) for his unreserved and timely support in Guiding, checking, commenting and giving constructive feedback as well as professional assistance all along my activities.

I would like to thanks Ethiopian Commercial bank, Dashen Bank and Awash bank Dire Dawa Branch employee as a respondent and manager of different branches the organization allowed me to conduct this research work and coordinate employees to fill the questionnaire.

Finally, I would like to thank my friend, family and colleagues who helped me in sharing ideas and took part in this research paper one way or another. Thank you

ABSTRACT

The general objective of the study was to examine the effect of performance management system on employee motivation in DD city commercial banks; A comparative study among public and private commercial banks. The researcher used descriptive and explanatory research design. Descriptive research was used to answer for the first two research question and explanatory research design was used to answer for the last three specific objectives. In this study the researcher used both primary and secondary data. The target population of the study was employees of both public and private commercial banks, with a total of 528 employees from these 228 employees were selected as a sample. The researcher used simple random sampling to select and distribute questionnaire and stratified sampling was used to classify the bank and employee type and used purposive sampling to select the bank from public and private commercial banks. The researcher used descriptive and inferential analysis tool. This study would be used five point likert scale to measure the PMS and used MSQ to know the level of employee motivation. The researcher used OLS model because OLS has a better diagnostic tool and the goodness fit of the data is improved by hetroscedasticity and analyzed through STATA software. The major finding of the study was the perception of employees of both public and private commercial bank were moderately favorable attitude towards performance management system, the employees of public commercial banks were relatively highly motivated by the extrinsic motivational factors and private commercial bank were relatively highly motivated by intrinsic motivational factors. In DD city commercial banks performance planning, evaluation & review and reward & compensation and career development has appositive and significant impact on employee motivation and employee input has insignificant effect on employee motivation. The researcher forwarded that the bank should give more attention about the current performance management system, the bank should keep and improve the motivational level of employees, public commercial bank should link career development with the current PMS, private commercial bank should give timely, continuous and constructive feedback to employees.

Key words; *career development ,employee input, employee motivation, evaluation and review feedback, performance management system, performance planning, reward and compensation*

ACRONYM

CBE	COMMERCIAL BANK OF ETHIOPIA
DB.....	DASHEN BANK
AB.....	AWASH BANK
HRM.....	HUMAN RESOURCE MANAGEMENT
PM.....	PERFORMANCE MANAGEMENT
PMS	PERFORMANACE MANAGEMENT SYSTEM
MSQ.....	MINNESOTA SATISFACTION QUESTIONNAIRE
OLS.....	ORDINARY LEAST SQUARE
DD.....	DIREDAWA

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Performance management is a formal and regular management of employees based on the goal and objective of the organization and documenting the goal and objective of the organization employees that fitted with the review process and motivation of employees is the foremost concern in all service organization of both private and public corporation and also a major challenge for the management of today's competitive world. The behavior, eagerness and motivation of employees play a significant role for the organization success to achieve the goal and objective (Schultz, 2003).

Employees are the main and unique resource to achieve the goal and objective of the organization in a competitive and changing environment, the organization need to acquire and retain the right number of competent employees by designing HR system and HR management practice. HR practice are the key determinant in the organization to achieve not only the goal and objective and plays a significant role in sustaining the success of the organization (Armstrong, 2009).

Motivation describes how employees behave in particular ways and typically explains whether employees manifest negative behaviors or positive behaviors founded on values, attitudes, perceptions and social influence (Weiten, 2010). High performance employees in the organization are committed, productive, willing, supportive and participative on the other hand poor performance employees does not function the behavior of motivated employees (Hiriyapa, 2010). Consistent researcher and scholar confirmed the association between performance management system and employee motivation. There is a clear association between performance management system and employee motivation. High performance employees show high performance, production, success, satisfaction and work without ordering from other, organizations need to provide continuous training and development to improve and develop the performance of employees by hiring, willing and energetic employees to create relationship of performance management system with employee motivation (Bradley, 2004). Performance

management is a decisive factor which drives the motivation of employees of the organization based on the people's performance and by creating effective policy and strategy regarding the reward and compensation system to boost the motivation of employees (Armstrong, 2009).

The study revealed that performance management is positively and significantly correlated with the motivation of employees. Previous researches support this finding which found that performance management highly affects the motivation of employees (Leila Najafi, 2011; Shaemi Barzoki Ali, 2012). Further the study found that Goal setting significantly predicted the motivation of employees. Hence involvement in setting goals leads to motivation of employees and they try their best to achieve and excel the standards set by them. This finding is also in tune with the previous study which revealed that employee participation in the performance management process leads to employee motivation (Kofi Osei Akuoko, 2012). The finding is also in tune with the conclusion of goal setting theory which states that accomplishing the goal can lead to satisfaction and further motivation (Edwin Locke, 1960). Results have also revealed that performance feedback too significantly predicted the motivation of employees. If employees receive feedback about their performance it helps them in improving the performance and strengthens the superior subordinate relationship.

Earlier researches confirm this finding that performance feedback has a significant and positive impact on motivation of employees (Froydis Vasset, Einar Marnburg and Trude Furunes, 2011; Tornow 1993; London and Smither 1995; Selvarajan and Cloninger 2009). Both the above findings are in line with the assertion that motivation and performance will improve if people have challenging but agreed upon goals and receive feedback (Armstrong (2006). However, certain previous researches contradict the findings which stated that performance management has a little effect on job motivation (Sorush, 2000).

Kamalian (2010), motivated employees aligned his or her goal with the organization and direct his or her effort in that direction. Getting the employees to reach their full potential at work under stressful condition is a tough challenge but this can be achieved by motivating them. Performance at individual level depends on high motivation, possession of necessary skill and abilities and an appropriate role and undertaking the role. (Ghayyur, 2017), whenever the company wants to high performance of employee they have to increase the level of motivation. The same significant effect of motivation on employee performance can be seen in the empirical

result of (Mugbo, 2013), according to his research work the employees can perform well when they are motivated to perform well.

Public sector and private sector bank differ each other in terms of structure, operation and efficiency. Public sector bank is largely regulated by government bodies' on the other hand private sector bank regulated by private bodies. public sector bank largely concentrated on rural, semi urban and urban areas where as private sector bank mainly focused on urban and metropolitan areas and also the work culture of public sector bank are based on socio-economic responsibilities in which profitability was secondary and on the other hand private sector bank towards profitability (Bajpai, 2004).

(Herzberg, 1975) Intrinsic elements of the job are related to the actual content of work, such as recognition, achievement and responsibility. These were referred to as 'motivational' factors and are significant elements in job satisfaction. By contrast, Herzberg described extrinsic factors as elements associated with the work environment, such as working conditions, salary, class size, staff assessment and supervisory practices, and benefits. These were referred to as Extrinsic' or 'hygiene' factors which are related to job dissatisfaction. Herzberg concluded that satisfaction and dissatisfaction are not on the same continuum. As a result, he argued that motivational factors can cause satisfaction or no satisfaction, while hygiene factors cause dissatisfaction when absent, and no dissatisfaction when present. Such theories are, of course, somewhat tenuously founded in Maslow's theory of a hierarchy of needs as applied to work situations, with lower order needs requiring satisfaction before higher-level needs emerge and determine motivation.

After having looked at both intrinsic and extrinsic motivation among the employees in banking sector. (Hussain, 2011) found that intrinsic motivation is far stronger than extrinsic motivation in private sector bank employees and extrinsic motivation is stronger in public sector bank employees when it comes to motivate employees in the long run. Currently, the banking sector in Ethiopia is undeveloped but it is the growing sector of Ethiopia.it is related to the service industry. The state-owned commercial banks account for nearly two-thirds of the banking sector assets. Such extensive state presence in the banking sector coupled with total state ownership of land and telecommunications, as well as majority government ownership in many sectors of the economy have serious ramifications for private sector development in Ethiopia (Admasu, 2014).

Therefore it is necessary to conduct a research to examine the relationship between performance management system and employee motivation at DD City commercial banks. In addition to this the researcher motivated to see the level and perception of employees of private and public banks along with the effect of PMS on motivation of employees, because motivation of employees play a significant role on employee performance and overall organizational performance. Knowing of how the performance management system influence employee motivation shows direction for the bank to make better performance management system to boost individual and organizational performance through motivating employees.

1.2 Problem statement

Commercial bank (public and private) play an important role in global economy and their employees are the best source of delivering goods and services to their customer. Quality service or excellent service provided and offered by employees can create a positive perception, long term relationship and ever lasting image in the eye of banks and also customer, so the motivation of employee without question play an important role in creating, obtaining and gaining high level of satisfaction among its customer.

Various researchers assess the problem and challenge related to performance management system and motivation in the organization especially in developing countries. Most of the researcher argued that performance management process in developing countries was not fully utilized, a study conducted by (Waal, 2007), the applicability of performance management system in developing countries focus on introducing and coping the western world which are not suited for local circumstance especially in the African continent, in addition to this the finding of the study revealed that the management team was not satisfied by the performance management process which the organization adopted the reason for this was lack of awareness and by the fact that the management had not spend much time talking about performance management system. (Zvavahera, 2013), in developing countries the performance management system was fraught with challenges due to its complexity and no adherence to its complexity and no adherence to its tenet by the management, in addition to this the finding of the study showed that in developing countries there are low level of salaries, short term reward for performance, lack of training and opportunities for employees and give little emphasis given to motivation of employees.

According to Dereje (2015) the whole process of performance planning, provision of ongoing coaching, recognition and reward were not on the right track to bring about meaningful performance improvement. As Yaseen (2016) no proper feedback regarding performance is given; as a result the motivation of employee regarding performance management system was low. The bank follows annual performance appraisal system without the participation of employee. According to Fanuel (2017), the finding of the study showed that lack of transparency and continuous feedback, inadequate training and skill of rater, an alignment of performance management and employee benefit package it does not employee as expected was a major problem in commercial bank of Ethiopia related to performance management system.

The other problem related to performance management system in the organization was in accurate implementation of performance appraisal system, poor working environment dissatisfied operational staff, used monitoring and evaluation as a tool to identify and punish performance instead of having a development nature, irregular performance review, communication problem, arises from review process, poor use of information for performance planning purpose (Saravanja, 2010). According to (Mohammed, 2013) , as cited in (Hana, 2015) performance should be accurately measured so employees will know where they can improved. Knowing where to improve should lead to training employees to develop new skill to improve. To be an accurate measure of performance, our measure must be valid and reliable, acceptable and feasible, specific, and based on the mission and objectives

Various researches have been conducted in the area of performance management. (Aditya, 2017); (Bassey, 2009), the performance system in the public and private sector have no significant difference because both banks wants to achieve goal. But the same study conducted by (Neha, 2018), there is a significant difference regarding the role of performance appraisal for public and private sector bank employee motivation. The employees working in the public and private sector bank both agree that the performance appraisal plays a crucial role in motivating and gives them satisfaction regarding the job but there is a degree of difference between public and private sector bank employees regarding performance as a motivating factor (Alemneh, 2017). Hana (2015) the study finding revealed that performance management system had a positive and significant effect on employee motivation.

Based on researcher preliminary interview in the selected bank (commercial bank of Ethiopia, Dashen bank and awash international bank), has implemented employee performance management system in order to aligning the strategic objectives of the bank to that of individual level. But the researcher observed that the current performance management system of public and private bank of Ethiopia possess a certain problem and those problem could be a possible cause of low motivation of employees. Among the problem the manager of the bank give attention to customer rather than employees, especially in the private bank (Dashen and Awash bank), employees of the bank are responsible for any mistake even taken by the customer, the bank gives less attention on motivation of employees by limiting the freedom unbalanced goals and targets were assigned for employees, unalignment of performance management system with benefit packages, there was a problem of timely and continuous feedback and the participation of employees in the performance management system also low. The above statement supported by the research work of (Aguinis, 2009) ; (Milkovich, 2004).

Generally the above empirical literature and researchers preliminary interview result showed that both the selected private and public sector bank try to implement and improve the performance management system to boost the motivation of employees but there is a problem of open communication, performance planning, ongoing feedback, evaluation, the bank does' not give enough time for the system. So the above problem affects the motivation of employees.

This study has a conceptual, methodological and geographical gap. The conceptual gap of this study focused on the effect of performance management system on employee motivation, the researcher mainly focused on major performance management factor that affect employee motivation, content theories of motivation, intrinsic and extrinsic motivation(Herzberg two factor theory),perception of employee about the performance management system of the bank. The other conceptual gap the researcher adds in this study was the relationship of demographic factor and employee motivation in the bank. The geographical gap of this study was conducted only in Dire Dawa city public (commercial bank of Ethiopia) and private commercial banks (Dashen and Awash bank).

This study tried to examine the effect of performance management system and the processes which is mainly focus on performance planning, feedback, employee input, performance evaluation and review, Career development and Reward and compensation related to employee

motivation and investigate the perception of performance management system on employee motivation and level of employee motivation and also the relationship between demographic factor and employee motivation. There has to date been no academic research on performance management and motivation among commercial banks in Ethiopia. Additionally the majority of the existing studies have been overtaken by events therefore; this study aims to bring a new perspective which captures the current practice of performance management system and its effect on motivation among commercial banks in Dire Dawa city. In addition to this the previous study more focused on performance planning, feedback, evaluation and review, but this study include performance related variable including career development and reward and compensation and employee input that cannot much assessed by the previous researcher especially in examining the effect of performance management on employee motivation among commercial banks at DD City. Still now not much scientific study had showed the level of motivation of employees and perception about the performance management system among commercial banks so this highly aspires the motivation of the researcher on conducting this study to know the level or perception of employee's motivation among commercial banks at DD City. The other gap of this study was the researcher seen the relationship between performance management system and employee motivation that cannot be assessed by previous researcher on the same study.

1.3 Research Questions

1. What is the level of employee motivation among Commercial Banks at Dire Dawa city?
2. What is the perception of employee about the PMS among Commercial Banks at DD City?
3. What is the effect of Performance planning, employee input and review and evaluation on employee motivation among commercial banks at DD City?
4. What is the effect of Career development, reward & compensation and ongoing feedback on employee motivation among commercial banks at DD City?
5. What is the relationship between employee motivation and demographic factor in Dire Dawa commercial banks?

1.4 Objective of the Study

1.4.1 General Objective

The general objective of the study is to examine the effect of performance management system on employee motivation among commercial banks in case of Dire Dawa city via comparing public and private commercial banks.

1.4.2 Specific Objectives

1. To assess the level of employee motivation among Commercial Banks at DD City.
2. To assess the perception of employees about the PMS among Commercial Banks at DD City.
3. To examine the effect of Performance planning, employee input and review and evaluation on employee motivation among commercial banks at DD City.
4. To examine the effect of Career development, reward & compensation and ongoing feedback on employee motivation among commercial banks at DD City.
5. To investigate the relationship between employee motivation and demographic factor.

1.5 Research Hypotheses

Hypothesis 1

H1: performance planning is a significant effect on employee motivation at DD City commercial banks.

Hypothesis 2

H1: Employee input is a significant effect on employee motivation at DD City commercial banks.

Hypothesis 3

H1; Evaluation and Review is a significant effect on employee motivation at DD City commercial banks.

Hypothesis 4

H1: Career Development is a significant effect on employee motivation at DD City commercial banks.

Hypothesis 5

H1; Reward and compensation is a significant effect on employee motivation at DDA commercial banks.

Hypothesis 6

H1; ongoing feedback is a significant effect on employee motivation at DDA commercial banks.

1.6 Significance of the Study

The study will have the following significance:

- It helps to assess the existing performance management system of the bank in respect to its motivational function and help to work on the system's weakness so as to make improvements.
- It will help the institution to take appropriate actions if any to strengthen its effort towards crating good performance culture and introduction new directives as needed.
- It helps the bank in solving various operational and planning problem related to performance management system
- It will enable the bank to identify the gaps that exist so as to create an effective performance management system that is in line with the Banks strategy.
- It will serve as a reference for other researchers to conduct further study on the subject matter.
- It will be used as a source of information for other researchers that are interested in the area.
- It serves for other researchers as a catalyst to conduct detailed researches on the problem
- Contribute to the existing body of knowledge by adding a literature on the effect of performance management system on employee motivation of the bank.
- It helps for the researcher to write a master thesis and to gain MA degree
- It helps for other institution to learn from this study and improve customer satisfaction by improving employees' performance.

- It helps for the government and policy maker as guidelines to make policy decision related to performance management system.

1.7 Scope of the Study

The study examines the effect of performance management system on employee motivation among commercial banks in Dire Dawa city via comparing public and private commercial banks. The study concentrates the key information provided by target employees, which provide in-depth understanding into the effect performance management system on motivation of bank employees of public and private sector. The research has both geographic and conceptual delimitations. On the geographical delimitation the case institution has found all parts of Ethiopia ,So it is difficult to conduct a research from all over the country due to the outbreak of covid 19,due to lack of peace and security especially in eastern part of Ethiopia. This study cover only under the three selected banks of Dire Dawa city (commercial bank of Ethiopia, Dashen bank and Awash bank) the remaining bank in Dire Dawa areas were not included because of the homogeneity of employees due to educational background, contents of the jobs. Apart from the geographical delimitation, the research has the following points in the conceptual delimitation: The performance management system (planning, employee input, feedback, performance review & evaluation, Career development, Reward and compensation) and motivation and Herzberg two factor theory. other element related to performance management system and motivation were not included under this study. This study also has done between December 2012 – December 2013 E.C.

1.8 Operational Definition of Terms

Motivation is often defined as an actuation within someone which stimulates the individual to try and do something up to the target level so as to meet some need or expectation (Mullins, 2007).

Performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization (Aguinis, 2009).

Performance planning; is a managerial process that ensures that the employee delivers output persistently over a period of time as per the requirement of the organization.it is essential to

involve employees in the planning process for them to understand the objective and strategy of the organization (Kohli, 2010).

Employee input; is a communication between employees and management with respect to the appraisal process as well as any other concern or suggestion that the employee may have. It will provide an opportunity to improve communication between the employees and management (Quereshi, 2007).

Evaluation and review ; is the essential work that managers do on a given performance period and that it forms a cycle that shows good and normal management process of checking ,measuring and reviewing the employees performance(Armstrong, 2014).

Career development is the lifelong process of managing learning, work, leisure, and transitions in order to move toward a personally determined and evolving preferred future (Armstrong, 2009). It is a very broad term and this study will limit itself to the definition of career development as the process through which an individual's moves and experiences through the organization are seen to be rising to higher levels or otherwise, and how he/she interprets those experiences.

Reward and compensation ; is a complex set of formal and informal incentives that connect individual motivation, behavior, performance and ultimately results to the various forms of pay or compensation received in exchange (Mahapatro, 2010) .

Feedback ; (Ghayyur, 2017), Feedback is defined as a management process for the acquisition of knowledge as to what degree of efficiency and productivity it has brought to the work related activities of the employee and what sort of results these activities have yielded. That “performance feedback will remove ambiguity” is a motivational job factor much emphasized by Hackman and Lawler, who stated that where feedback is not obtained, job satisfaction and motivation may affect negatively.

1.9 Thesis Structure

Chapter one introduces the research background, statement of problem, it also states Gap, research objective, questions and expected contributions or significance of the study. The introduction provides an outline of the core of study; it explains the introductory phase of PM system and motivation. Moving further, it leads to research setting before addressing the

expected contributions of the research. Finally; it summaries the whole discussion by elaborating the facts about the scope and limitations of potential research. Chapter two sets out a review of existing bodies of knowledge about performance management systems and motivation. This chapter is divided into two sections. The first section will provide an in-depth discussion of motivation, motivational theories and then deeply discuss the definition, objective, purpose, and process of performance management system. The second section focuses on the theoretical association or linkage of performance management system and motivation and empirical literature. Lastly this chapter shows the conceptual framework along with the major gap of the study in general. Chapter three explores the methodological considerations made for this study and the methods considered within the study and the final selection made and covers discussions on: research design, data source and type, target population, sampling design and technique, data process analysis and interpretation, data collection instrument, data quality assurance, ethical consideration and cost and time budget. So chapter three make underlying philosophical assumptions and justifications for the choice of research design, sampling design and technique; quantitative & qualitative methodological approaches and justifications for the choice of analysis statistical technique; defining the case and units of analysis; case selection; general methods of data collection. Chapter four presents an analysis of questionnaire conducted with bank employee of the selected public and private bank through descriptive and inferential analysis. This Chapter also discusses the findings compared to the literature review; through this, all research questions are examined in relation to both the primary and secondary data. Chapter five presents summary finding, conclusions and also layout recommendations and examine the limitations of the current research while suggesting directions for future studies in this area.

1.10 LIMITATION OF THE STUDY

While conducting a study the researcher was faced the following limitations;

- This study focus on the effect of PMS on employee motivation a comparative study among public and private commercial bank, so there is lack of prior research studies on the research topic and shortage of enough data.
- Some respondents had not given appropriate information for the study
- Some respondent were not voluntary to fill the questionnaire on time.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION

This chapter presents the literature review of the study. It is concentrated on defining the basic concept of employee's motivation, intrinsic and extrinsic motivation (Herzberg two factor theory), measurements of employee motivation, basic concept of performance management system, purpose and objective of performance management system, process of performance management system, theoretical association of performance management system and employee motivation and the researcher stated empirical finding from the previous study and seeing from different journal, research and empirical literature. The researcher finally set the conceptual framework along with the major gap of the study. An attempt was made to discuss performance, the effect of performance management system on motivation and finally set the conceptual framework along with the major gap of the study.

2.2 Motivation

(Armstrong, 2012), Defines motivation is the force that energizes, directs, and sustains behavior. It's concerned with power and direction of behavior, and also the factors that influence people to behave in certain ways.

(Mathis, 2008), observe motivation because the desire within an individual that causes that person to act so as to realize a goal. (Robbins, 2000), offered a particular work-related definition of motivation because the willingness to exert high levels of effort towards organizational goals, conditioned by the level of effort and skill to satisfy some individual need. "Motivation is that the desire to realize beyond expectations, being by internal instead of external factors, and to be involved in an exceedingly continuous striving for improvement" (Torrington, 2009).

Motivation, in the context of work, is a psychological process that results from the relation between an employee and therefore the work environment and it's characterized by a particular level of willingness. The workers are willing to extend their work effort so as to accomplish a particular need or desire that they hold (BeardWell, 2007).

Motivation is often defined as an actuation within someone which stimulates the individual to try and do something up to the target level so as to meet some need or expectation (Mullins, 2007). The issue of human behavior which varies from person to a person; as a result, different people are motivated in several ways (Kressler, 2009).

(Roy, 2001), Defined work motivation as a process of stimulating employees to the work goals through a specific path. The need for motivation at work is borne, mainly, out of its perceived impact on work performance. (Cole, 2002), enumerated factors such as employees' knowledge, skills, and nature of task, technology in use, management style and organizational climate, as being important determinants of employee performance. However, these factors working alone are not enough to bring out the best performance in a worker. For an employee to work in a particularly desirable way, and with a given amount of effort and enthusiasm, he needs to be motivated.

2.3 Motivation Theory

The researcher focused on content theory of motivation which is more linked to performance management system. Armstrong states that the approaches to motivation are underpinned by motivation theory. The most influential theories are classified as follows:

The theories of motivation seek to justify why certain employees act or do things in a certain way rather than others. For the purpose of this research, the researcher will consider on process theories of motivation only:

2.3.1 Herzberg's Two Factor Theory

These factors were used as the basis of several analyses of the responses, the most important of which, for the development of Herzberg's theory, concerned the relative frequency with which they appeared in incidents leading to satisfaction and in those leading to dissatisfaction. Achievement, recognition, the work itself, responsibility, opportunity for growth, and advancement -all things intrinsic to the job itself –were mentioned in a large proportion of the satisfying incidents, but in only a few of the dissatisfying ones. Company policy and administration, quality of supervision, salary, interpersonal relations with the supervisor, and working conditions -factors extrinsic to the work itself - appeared mostly in dissatisfying incidents (Herzberg, 1975).

Intrinsic elements of the job are related to the actual content of work, such as recognition, achievement and responsibility. These were referred to as 'motivational' factors and are significant elements in job satisfaction. By contrast, Herzberg described extrinsic factors as elements associated with the work environment, such as working conditions, salary, class size, staff assessment and supervisory practices, and benefits. These were referred to as 'hygiene' factors which are related to job dissatisfaction. Herzberg concluded that satisfaction and dissatisfaction are not on the same continuum. As a result, he argued that motivational factors can cause satisfaction or no satisfaction, while hygiene factors cause dissatisfaction when absent, and no dissatisfaction when present. Such theories are, of course, somewhat tenuously founded in Maslow's theory of a hierarchy of needs as applied to work situations, with lower order needs requiring satisfaction before higher-level needs emerge and determine motivation.

According to (Plunkett & Raymond, 1986) hygiene factors are the primary causes of unhappiness on the job. They are extrinsic to the job- that is, they do not relate directly to a person's work, to its real nature. These are part of a job's environment – it is context, not its content. When an employer fails to provide these factors in sufficient quality to its employees, job dissatisfaction will be the result. When they are provided in sufficient quality, they will not necessarily act as motivators-stimuli for growth and greater effort. They will only lead to workers to experience no job dissatisfaction. The factors include: Salary- adequate wages, salaries and fringe benefits Job security- company grievance procedures and seniority privileges. Working conditions - adequate heat, light, ventilation, and hours of work. Status – privilege, job titles, and other symbols of rank and position. Company policies – the policy of the organization and the fairness in administering those policies. Quality of technical supervision – whether or not the employee is able to receive answers for job related questions. Quality of interpersonal relationships among peers, supervisors, and subordinates –social opportunities as well as the development of comfortable operating relationships. The various ideas which appeared in the transcripts of the interviews were then subjected to a post hoc classification, from which 14 factors emerged:

- | | |
|--------------------------|--------------------------------------|
| 1. Recognition | 7. Supervision-technical |
| 2. Achievement | 8. Responsibility |
| 3. Possibility of growth | 9. Company policy and administration |

- | | |
|----------------------------|------------------------------|
| 4. Advancement | 10. Working conditions |
| 5. Salary | 11. Work itself |
| 6. Interpersonal relations | 12. Factors in personal life |
| 7. Supervision-technical | 13. Status |
| 8. Responsibility | 14. Job security |

2.4 Definition of Performance

Before defining performance, it seems pertinent to first define the term ‘human resources’ and ‘human resource management’. In common parlance, human resources means the people. However, different management experts have defined human resources differently. According to (Flippo, 1980), “Personnel management, or say, human resource management is the planning, organizing, directing and controlling of the procurement, development, compensation integration, intendance, and separation of human resources to the end that individual, organizational and social objectives are accomplished”.

According to (Rothwell, 2002), “From the national point of view human resources are Knowledge, skills, creative abilities, talents, and attitudes obtained in the population; whereas from the view-point of the individual enterprise, they represent the total of the inherent abilities, acquired knowledge and skills as exemplified in the talents and aptitude of its employees”. Therefore, human resource management is a process of making efficient and effective use of human resources so that the set goals are achieved.

HRM is: ‘The management of work and people towards desired ends.’ (Boxall, 2007) HRM is concerned with how organizations manage their workforce.

Performance can be defined as an outcome or accomplishment achieved by a person or a team (Armstrong, 2009). It is the accomplishment or outputs/outcomes of a task undertaken but also states that performance is about doing the work effectively so as to achieve the desired goals. Performance can also be perceived as a non-job specific behavior such as cooperation, dedication, enthusiasm and persistence that develop the effectiveness of the organization to enhance the working culture and climate of the organization.

2.5 Definition of Performance Management

Performance management is an integrated and systematic process of sustaining the success of organization by improving the performance of the people who work in them and also it is developing the capacity of individuals and team who contribute to the organization. It is also a strategic process in a sense that it deals with the broader issue of the organization efficiency to meet the market demands and long term goal (Armstrong, 2000).

Before designing a performance management system there needs to be a clear definition of performance management system. Performance management is a continuous process of identifying, measuring and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization (Aguinis, 2009).

Performance management is a process that enables employees to perform their roles to the best of their abilities with the aim of achieving or exceeding established targets and standards that are directly linked with the organizations objectives. It can be regarded as a strategic management technique that supports the overall business goals of the firm through linking each individuals work goals to the overall mission of the firm (Collins and Geoffery, 2009).

It focuses people on doing the right things by clarifying their goals. It is owned and driven by line management (Armstrong, 2004). Performance is essentially what an employee does or does not do. Performance of employees that affects how much they contribute to the organization could include:

- Quantity of output
- Quality of output
- Timeliness of output
- Presence at work
- Cooperativeness

Obviously other dimensions of performance might be appropriate in certain jobs, but those listed are common to most. However, they are general; each job has specific job criteria or job performance dimensions that identify the elements most important in that job (De Cenzo, 1996).

Performance management system and performance appraisal are interlinked with each other. However, performance management system is the broader one which identifies measure, manage and develop performance of the human resource in an organization whereas performance

appraisal is the sub set of performance management system in which we use it for evaluating the competence of employees (John, 2013).

Performance management can be defined as a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. Processes exist for establishing shared understanding about what is to be achieved, and for managing and developing people in a way that increases the probability that it will be achieved in the short and longer term.

2.6 Objectives of Performance Management

According to (Armsstrong, 2006) the overall aim of performance management is to establish a high performance culture in which individuals and teams take responsibility for the continuous improvement of business processes and for their own skills and contributions within a framework provided by effective leadership. Specifically, performance management is about aligning individual objectives to organizational objectives and ensuring that individuals uphold corporate core values. It provides for expectations to be defined and agreed in terms of role responsibilities and accountabilities (expected to do), skills (expected to have) and behaviors (expected to be).

The overall objective of performance management is to develop the capacity of people to meet and exceed expectations and to achieve their full potential to the benefit of themselves and the organization. Performance management provides the basis for self-development but importantly, it is also about ensuring that the support and guidance people need to develop and improve is readily available (Armstrong, 2009).

2.7 Purpose of performance management system

According to (Aguins, 2011), the information collected by a performance management system is most frequently used for salary administration, performance feedback, and the identification of employee strengths and weaknesses. In general, however, performance management systems can serve the following six purposes: strategic, administrative, informational, developmental, organizational maintenance, and documentation purposes. Let's consider each of these purposes in turn.

2.7.1 Strategic Purpose

The first purpose of performance management systems is to help top management achieve strategic business objectives. By linking the organization's goals with individual goals, the performance management system reinforces behaviors consistent with the attainment of organizational goals. Moreover, even if for some reason individual goals are not achieved, linking individual goals with organizational goals serves as a way to communicate what are the most crucial business strategic initiatives. A second strategic purpose of performance management systems is that they play an important role in the onboarding process. Onboarding refers to the processes that lead new employees to transition from being organizational outsiders to organizational insiders. Performance management serves as a catalyst for onboarding because it allows new employees to understand the types of behaviors and results that are valued and rewarded, which, in turn, lead to an understanding of the organization's culture and its values.

2.7.2 Administrative Purpose

A second function of performance management systems is to furnish valid and useful information for making administrative decisions about employees. Such administrative decisions include salary adjustments, promotions, employee retention or termination, recognition of superior individual performance, identification of poor performers, layoffs, and merit increases. Therefore, the implementation of reward systems based on information provided by the performance management system falls within the administrative purpose. For example, the government in Turkey mandates performance management systems in all public organizations in that country with the aim to prevent favoritism, corruption, and bribery and to emphasize the importance of impartiality and merit in administrative decisions.

2.7.3 Informational Purpose

Performance management systems serve as an important communication device. First, they inform employees about how they are doing and provide them with information on specific areas that may need improvement. Second, related to the strategic purpose, they provide information regarding the organizations and the supervisor's expectations and what aspects of work the supervisor believes are most important.

2.7.4 Developmental Purpose

As noted earlier, feedback is an important component of a well-implemented performance management system. This feedback can be used in a developmental manner. Managers can use feedback to coach employees and improve performance on an ongoing basis. This feedback allows for the identification of strengths and weaknesses as well as the causes for performance deficiencies (which could be due to individual, group, or contextual factors). Of course, feedback is useful only to the extent that remedial action is taken and concrete steps are implemented to remedy any deficiencies. Feedback is useful only when employees are willing to receive it. Organizations should strive to create a “feedback culture” that reflects support for feedback, including feedback that is nonthreatening and is focused on behaviors and coaching to help interpret the feedback provided. Another aspect of the developmental purpose is that employees receive information about themselves that can help them individualize their career paths. Thus, the developmental purpose refers to both short-term and long-term aspects of development.

2.7.5 Organizational Maintenance Purpose

A fifth purpose of performance management systems is to provide information to be used in workforce planning. Workforce planning comprises a set of systems that allows organizations to anticipate and respond to needs emerging within and outside the organization, to determine priorities, and to allocate human resources where they can do the most good.

An important component of any workforce planning effort is the talent inventory, which is information on current resources (e.g., skills, abilities, promotional potential, and assignment histories of current employees). Performance management systems are the primary means through which accurate talent inventories can be assembled. Other organizational maintenance purposes served by performance management systems include assessing future training needs, evaluating performance achievements at the organizational level, and evaluating the effectiveness of HR interventions (e.g., whether employees perform at higher levels after participating in a training program). These activities cannot be conducted effectively in the absence of a good performance management system.

2.7.6 Documentation Purpose

Finally, performance management systems allow organizations to collect useful information that can be used for several documentation purposes. First, performance data can be used to validate newly proposed selection instruments. For example, a newly developed test of computer literacy can be administered to all administrative personnel. Scores on the test can then be paired with scores collected through the performance management system. If scores on the test and on the performance measure are correlated, then the test can be used with future applicants for the administrative positions. Second, performance management systems allow for the documentation of important administrative decisions. This information can be especially useful in the case of litigation. Several companies implement performance management systems that allow them to accomplish the multiple objectives described earlier.

2.8 Performance Management Process

Performance management processes have become prominent in recent years as means of providing a more integrated and continuous approach to the management of performance than was provided by previous isolated and often inadequate merit rating or performance appraisal schemes. Performance management is based on the principle of management by agreement or contract rather than management by command. It emphasizes development and the initiation of self-managed learning plans as well as the integration of individual and corporate objectives. It can, in fact, play a major role in providing for an integrated and coherent range of human resource management processes which are mutually supportive and contribute as a whole to improving organizational effectiveness (Armstrong, 2009).

(Pulakos, 2004), states that effective performance management systems have a well-articulated process for accomplishing evaluation activities, with defined roles and timelines for both managers and employees. Especially in organizations that use performance management as a basis for pay and other HR decisions, it is important to ensure that all employees are treated in a fair and equitable manner. Based on examination of performance management processes in several organizations, most contain some variation of the process shown below:

Performance Planning

Ongoing Feedback

Employee Input

Performance Evaluation

Performance Review

2.8.1 Performance Planning

At the beginning of the performance management cycle, it is important to review with employees their performance expectations, including both the behaviors employees are expected to exhibit and the results they are expected to achieve during the upcoming rating cycle. Behaviors are important because they reflect how an employee goes about getting the job done—how the individual supports the team, communicate, mentor others and so forth. We are all familiar with employees who may achieve exceptional results but are extremely difficult to work with, unhelpful or exhibit maladaptive behaviors at work. Because such behaviors can be extremely disruptive, behavior is important to consider in most work situations. On the other hand, an employee can be extremely helpful, considerate and interpersonally effective, yet never achieve any important results. Behavioral and results expectations should be tied to the organization's strategic direction and corporate objective.

2.8.2 Ongoing Feedback

During the performance planning process, both behavioral and results expectations should have been set. Performance in both of these areas should be discussed and feedback provided on an ongoing basis throughout the rating period. In addition to providing feedback whenever exceptional or ineffective performance is observed, providing periodic feedback about day-to-day accomplishments and contributions is also very valuable. Unfortunately, this does not happen to the extent that it should in organizations because many managers are not skilled in providing feedback. In fact, managers frequently avoid providing feedback because they do not know how to deliver it productively in ways that will minimize employee defensiveness. For the feedback process to work well, experienced practitioners have advocated that it must be a two-way communication process and a joint responsibility of managers and employees, not just the managers.

2.8.3 Employee Input

Employee input has been used effectively in many organizations. It sometimes takes the form of asking employees to provide self-ratings on performance standards, which are then compared with the manager's ratings and discussed. However, experienced practitioners have found that this type of process and discussion can lead to increased defensiveness, disagreements and bad feelings between employees and managers, if managers ultimately rate employees less effectively than they have rated themselves. An alternative way of collecting employee input is to ask employees to prepare statements of their key results or most meritorious accomplishments at the end of the rating period.

2.8.4 Performance Evaluation

As any human resource activity performance evaluation is very essential because it serves as a base to develop employees and recognize the accomplishment of employees. Due to the inherent difficulties in collecting good objective performance measures, many organizations have moved the evaluation of results to collecting information on employees' most commendable accomplishments and the impact of these contributions. It allows for results to be considered that may have objective performance measures associated with them, such as team leadership skills.

2.8.5 Performance Review

Assuming that feedback has been provided on an ongoing basis, the formal performance review session should simply be a recap of what has occurred throughout the rating period. In other words, there should be no surprises in the performance review. During this meeting, managers should discuss with employees their ratings, narratives and rationale for the evaluation given. The performance review session is also a good time to plan developmental activities with employees. Experienced practitioners have found that competency models and performance standards like those described above help managers and employees identify and address development needs. Obviously, any performance standards that are not currently being met should be identified as development areas. If all current job standards are being met, employees and managers can look to the next level's performance standards to identify requirements and developmental areas to pursue in preparation for advancement.

2.9 Career development

Career development is the process of self-knowledge, exploration, and decision-making that shapes your career. It requires successfully navigating your occupational options to choose and train for jobs that suit your personality, skills, and interests. When someone pays careful attention to their career development, they identify their own strengths and blind spots then work hard to improve their skills. It also involved learning about different roles and industries to find a match to their abilities, seeking out opportunities to advance, and maybe even changing careers altogether if they find a more suitable one (Rosenberg,2020).

Career Development is essential for the implementation of career planning. It refers to a set of programmes designed to match an individual's needs, abilities and goals with current or future opportunities in the organization. It is the process through which the action plans are implemented. Developmental activities include all of the off-the-job and on-the-job training techniques (Prajapati, 2014)

It is essential that career development be fully integrated with internal staffing activities. Career development provides a supply of talents and abilities. Individuals must be committed to and accept responsibility for their career development.

These are:

Job Performance – Career progression largely depends on the job performance; the better the performance, the higher the chances of going up the corporate ladder.

Resignations – When an individual sees career opportunities elsewhere which are not available in the existing organization, resignation may be the only alternative. When used sparingly, it results in promotion, salary increase and a new learning experience.

Mentors – Mentors can aid career development by sharing their knowledge and insights and wisdom to help junior managers.

Growth Opportunities – Individuals can expand their abilities by enrolling for training programmes, acquiring an additional degree, seeking new work assignments. When an opportunity arises in the organization, employees with the required skills would be placed in that position.

2.10 Difference between public and private sector banks

Recent SWOT analysis of private banks (Singh, 2007), revealed that new private sector banks are different from the traditional banks (public sector banks and old private sector banks) and their strength lies in the following areas:

- Most of the branches of private sector banks are fully computerized and support core banking solutions.
- Private sector banks support an efficient payment system and most of the banks are free from bureaucratic work environment.
- In contrast to their public sector counter parts, operational efficiency is maintained at their highest level, because private sector banks provide a smooth working environment to their employees.
- Private sector banks do not have bureaucratic environment and therefore, enjoy a high level of autonomy, which facilitates faster decision making.
- With higher automation to their work, private sector banks are better at innovating new customized products and services and thus are high on customer satisfaction.
- Private sector banks have more responsive organizational structure as compared to public sector banks which leads to better resolution of customer problems.

2.11 The Theoretical Linkage between PM and Motivation

(Armstrong,2009), states that effective performance management system is significant factor which drives motivation of employees strategy as People are high performing they are more motivated once they expect a particular reward are received for engaging in productive behaviors. It is, consistent with (Hartle, 1997), the power of the PM process to ascertain a shared understanding between management and employees about what's specifically the goal desired to be achieved, how it should be achieved, and what specific rewards or consequences are going to be experienced for compliance or poor performance.

Effective performance management systems are needed for the motivation of employees in our rapidly changing workplaces. Employees are the only real strategic assets that make organizations alive. To be effective, managers have to understand what motivates employees within the context of the roles they perform. Managers should play different functions but

motivating employees is arguably the foremost complex. This is often due, in part; to the very fact that what motivates employees changes constantly (Bowen, 1991).

(Bishop, 1987), suggested that, pay is directly related with productivity and reward system depends upon the dimensions of a company. Firm's reward system plays a critical role in motivating employees to perform creatively. Effective reward and recognition system may be a decent motivator but inappropriate reward and recognition program increase de-motivation of the staff. Consistent researcher also examined that (Manzini, 2014); (Wright, 2007); (Cardy, 2011); (Brun, 2008); (Montana, 2008); (Carraher, 2006) also examined that there is a positive interaction between reward and motivation.

Feedback is considered as an important tool for increasing employee morale and motivation by pointing out areas where employee did something especially good. Specifically positive feedback motivates the employee to do better, in case where the employee performance was below expectation the fair criticism from the feedback address the deficiencies and failure and hence reinforce appropriate behavior in terms of better performance (Cardy, 2011).

Participation of employee in the performance management process has resulted in successful value creation in many organizations. More involvement of employees in designing of performance appraisal tool will make them feel they are part of the organization that has been implemented, so they are part in involvement and participation will ensure employee motivation and commitment in the organization (Muriuki, 2016). Performance management has also been found to serve a useful purpose in employee motivation by providing a platform for recognition of achievements (Brun, 2008).

A positive interaction established between a manager and subordinate in an exceedingly performance feedback interview directly affects the employee's satisfaction. This can be because in establishing a two-way communication (Gravan, 1997). Between the manager and employee, there's a chance for the worker to voice his expectations, feelings, wishes or complaints. The freedom to precise himself increases an employee's motivation and develops the link with the manager (Nathan, 1991).

Participation of employee within the performance management process has resulted in successful value creation in many organizations. More involvement of employees in designing of

performance appraisal tool will make them feel they're a part of the organization that has been implemented, in order that they are part in involvement and participation will ensure employee motivation and commitment within the organization (Muriuki, 2016).

2.12 Empirical literature

According to (Bassey, 2009), conducted on the title of performance management system in public and private sector, the finding of this study showed that the performance system in the public and private sector have no significant difference because both banks wants to achieve goal whether micro or macro. They also stated that performance management is a wide spread approach for planning and maintaining improvement in the performance of employees as well as team, so as to meet the standard.

The study conducted by (Uzma, 2012) on work motivation difference between public and private sector bank, the finding of the study revealed that there is a significant difference between the motivation level of public and private sector employees by career development. The finding result showed that career development opportunity is statistically lower in public sector as compared to private sector. the finding concluded that public servant are less motivated by career development opportunities that means private sector bank employees are found comparatively more satisfied than those from public sector bank employees.

The other study conducted by (Muriuki, 2016), on the effect of performance appraisal on employee motivation, the study finding revealed that reward had a significant relationship with employee motivation.

According to (Aditya, 2017) a study conducted on performance management system on public and private sector bank in manufacturing organization, the finding of the study revealed that there exist a significant difference between the performance planning of public and private sector. The finding also revealed that there exist significant differences in performance management implementation, feedback, performance review, reward and recognition and performance improvement in manufacturing organization. But the other study by the same researcher (2017) on public and private sector bank, the finding of the study showed that performance management system has no difference in the public and private bank .the result

showed that no significance difference between private and public banks that means both type of banks follow the same practice.

The study conducted by (Sharma,2018), on the impact of performance appraisal on employee motivation, the study finding revealed that there is a significant difference with respect to reward and recognition in Indian steal industry.

The other study done by (Hana, 2015), conducted on the title of the effect of performance management system on employee motivation in the Case of Diageo-Meta Abo Brewery S.C, motivation as a dependent variable and performance management system (performance planning, performance review, feedback, employee input), all the variable included in the model were a positive significant effect on motivation of employees.

(Iype, 2019) The research on career planning and development of employees in public and private sector banks. The Finding indicated that career development had a significant difference among public and private commercial banks; the study added that private commercial bank had successful in implementing career development than public commercial bank.

(Muhammed, 2013),conducted on professional development of employees in banks of Pakistan; a comparative study on public and private sector banks; the finding of the study revealed that there was a significant difference among public and private sector banks. The finding indicated that a better implementation of career development in private sector bank had better than public sector bank.

A study conducted by (Ghayyur, 2017), on the relationship between motivation and employee performance, the finding result showed that motivation and employee performance management was a positive and significant relation. The result showed that whenever the company wants to high performance of employee they have to increase the level of motivation.

The other study done by (Neha, 2018), on the title of role of performance appraisal on motivation of bank employee, the finding of the study showed that there is a significant difference regarding the role of performance appraisal for public and private sector bank employee motivation. The employees working in the public and private sector bank both agree that the performance appraisal plays a crucial role in motivating and gives them satisfaction regarding the job but

there is a degree of difference between public and private sector bank employees regarding performance as a motivating factor.

A research conducted by (Purag, 2011), there's a significant difference in performance management system among public and private sector bank. The finding revealed that there's a closed/one way communication/feedback, promotion, training and development is partially linked to performance management system, appraisal is performed annually on the opposite hand there's a two way communication/feedback, promotion, training and development fully linked to performance management system and performance appraisal is performed biannually. The research finding revealed that there's a major difference regarding the performance management practice among private and public sector bank.

According to (Alemneh,2017), conducted on the title of performance management system on employee motivation .The finding of the study showed that there's a positive and significant relationship between motivation of employees and performance management system. Additionally the finding revealed that ongoing feedback, training, continuous open communication, rewarding performance, and fairness and participation had a significant and positive effect on motivation.

According to (Ojokuku, 2013), conducted on the title of performance appraisal system on motivation and performance of academics in Nigerian public universities, the finding of the study showed that due to direct bearing with performance appraisal outcome performance appraisal had significantly affects the motivation and performance.

The other work conducted by (Samson, 2015) entitled as “performance and employee’s motivation on Nigerian banks, a survey of selected banks. The finding of the study clearly evidenced that performance management has a significant effect on employees’ motivation. Similarly this study tries to assess the stated objectives by theoretical knowledge and provides more emphasis on employee performance and Employee motivation.

(Pamela, 2015), the work conducted on “Effect of performance management on employee motivation in Kenya commercial banks. The study also focused on the low performance factors like delay of promotion, no clear career progression, unreasonable load, long working hours and lack of appreciation from the managers. The study also indicated that monetary rewards

significantly affect the motivation of the worker within the organization. Similarly this study tries to assess the stated objectives through theoretical knowledge and provides more emphasis on employee performance and Employee motivation.

Reward and compensation

H1; Reward and compensation has a positive and significant effect on employee motivation in DD city commercial banks.

consistent researcher (Centres,1970); (Jibowo, 1977), (Brown, 2006),(Alemneh,2017);(Muriuki, 2017); (Bratton, 2007) ; (Belachew, 2019); (Gerhart, 1992); (Collins and Geoffery, 2009); (Trippet, 2009), (Armstrong 1998); (Balletine, 2003); (Hafiza, 2011), (Shafiq, 2011),concluded that reward system had a significant effect on employee motivation. In keeping with them, effective reward system can enhance the motivation of employees. This means organizations with effective reward system can motivate their employees to extend organizational effectiveness. Therefore, as a whole, there's a positive and significant relationship between reward system and employee motivation.

Career development

H1; career development has a positive and significant effect on employee motivation in DD city commercial banks.

The research finding of (Cook, 2008); (Redman, 2001); (Purag, 2011); (Quraisha and Anish 2015) also confirmed in the research, career development had a positive and significant effect on employee motivation.

Feedback

H1; Feedback has a positive and significant effect on employee motivation

A positive relationship established between a manager and subordinate in a performance feedback interview directly affects the employee's motivation. This is because creating a two-way communication (Gravan, 1997); (Hana, 2015); (Alemneh.A, 2017); (Shewit, 2017) also supported that feedback has a positive and significant effect on employee motivation. On the other hand, Wanous stated that motivation' effected deeply by performance feedback create job / organizational commitment.

Employee input

H1q; employee input has a positive and significant effect on employee motivation

(Quereshi, 2007); (Muriuki, 2017); (Aditya, 2017) and (Alemneh, 2017) also supported that employee input has a positive and significant effect on employee motivation.

Performance planning

H1; Performance planning has a positive and significant effect on employee motivation in DD city commercial banks.

Performance planning has a positive and significant effect on employee motivation. For instance (Hana, 2015); (Alemneh, 2017); (Samson, 2015), (Purag, 2011) and (Muriuki, 2017) supported that the organizations performance planning has a significant impact on employee motivation.

Evaluation and review

H1; Evaluation and review has a positive and significant effect on employee motivation in DD city commercial banks.

Evaluation and review has a positive and significant effect on employee motivation (Hana, 2015); (Muriuki, 2016); (Aditya, 2017); and (Alemneh, 2017), also supported that evaluation and review has a significant and positive impact on employee motivation. The researcher also pointed out that as evaluation and review score increase the motivation score also increase.

2.12 Gap of the study

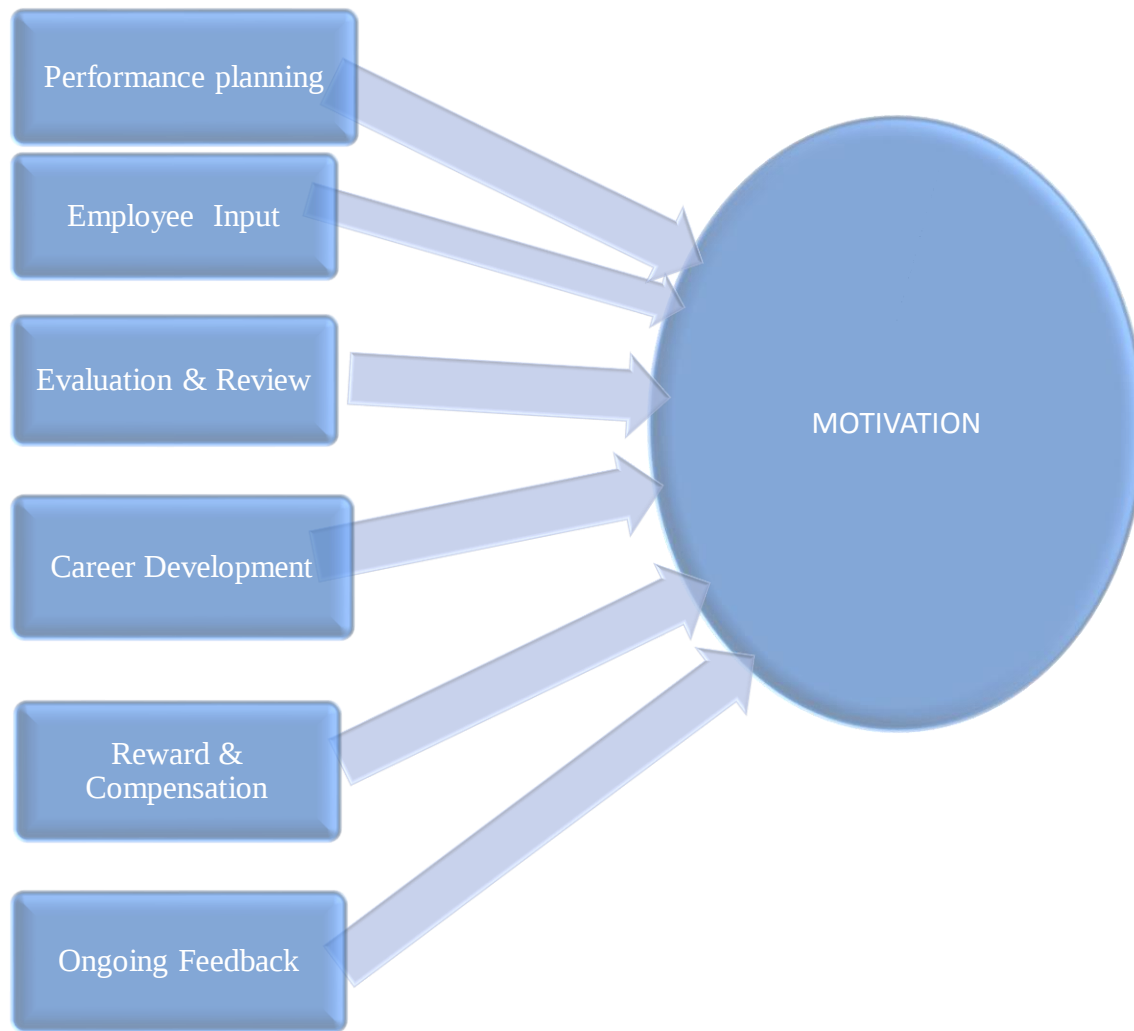
As the foregoing discussion reveals a lot of studies have been done in the area of performance management and motivation. Most of the studies have been nearly all section of the economy in the world, but there was no studies specifically done among commercial banks in Ethiopia. It is this dearth in literature that is the motivation behind this study. It is also important to state that most research in this area has been conducted in developed country and reflects the western context. Some studies on PM and motivation in Ethiopian public service and other private service organization have been carried out. There has to date been no academic research on performance management and motivation among commercial banks in Ethiopia. Additionally the majority of the existing studies have been overtaken by events therefore; this study aims to bring a new perspective which captures the current practice of performance management system and its effect on motivation among commercial banks in Dire Dawa city. In addition to this the

previous study more focused on performance planning, feedback, evaluation and review, but this study include performance related variable including career development and reward and compensation and employee input that cannot much assessed by the previous researcher especially in examining the effect of performance management on employee motivation among commercial banks at DD City. Still now not much scientific study had showed the level of motivation of employees and perception about the performance management system among commercial banks so this highly aspires the motivation of the researcher on conducting this study to know the level or perception of employee's motivation among commercial banks at DD City. The other gap of this study was the researcher seen the relationship between performance management system and employee motivation that cannot be assessed by previous researcher on the same study.

2.13 Conceptual Framework

The researcher assess various theoretical and empirical literature that can be done in different periods and in different organization and seen various books, article and other to know the association of performance management system and employee motivation to build their own conceptual framework. But the researcher read and keep the various empirical and theoretical literature only related to the topic and include six elements of performance management system that seems linkage or associated with motivation of employees, those elements are Performance planning, Ongoing feedback, Review & evaluation ,Career development, Reward & compensation.

Figure 1 conceptual framework



Source; Based on review of theoretical and empirical literature(Gravan,1997;Pulakos,2009;Alemneh,2011,Purag,2011;Hana,2015;Adiya,2017 and Iype,2019)

CHAPTER THREE

3.1 RESEARCH METHODOLOGY

In this chapter, the practical methods used in order to answer the research questions and meet the objectives of this research would be presented. The research design, the study area, study subjects, sources of data, methods of data collection, and method of data processing and analysis were presented independently as follows.

3.2 Description of the Study Area

Dire Dawa was established in 1897. the city lies in the eastern part of Ethiopia of the Dechatu River and 311 km by rail from Djibouti and 513 km from the capital city of Ethiopia Addis Abeba. The climate of Dire Dawa has a hot semi-arid climate (Koppen climate classification BSL) and the mean annual temperature of Dire Dawa is about 25.9 or 78.6 F. The average annual rainfall is about 583 millimeters or 23.0 inch. Based on 2007 census conducted by the CSA Dire Dawa had a population of 341834 of whom 171,461 were male and 170461 were female and the projected population for 1 July 2015 was 440000 for the entire chartered city and 277000 for the city proper making the latter the seventh largest city in Ethiopia.

Commercial bank of Ethiopia dates back to the establishment of the state bank of Ethiopia in 1942. Commercial bank of Ethiopia was legally established as a share company in 1963. 1973 commercial bank of Ethiopia merged with the private owned Addis Abeba bank since then it has been playing a significant role in the development of the country. Pioneer to introduce modern banking in the country, currently it has more than 1456 branches stretched across the country. The first bank in Ethiopia to introduce ATM service to local user. Currently commercial bank of Ethiopia has more than 22 million account holders and the number of mobile and internet banking user also reached more than 2.5 million as of June 30th 2019. Commercial bank of Ethiopia combines a wide capital base with more than 37894 talented and committed permanent employees and more than 22000 outsourced jobs as of June 30 2019. The bank had 18.8 million customer with a deposit of 451.80 million and a total asset of 565.50 million and registered a profit of 10.32 million birr in the year of June 30, 2018.

Awash Bank was established by 486 founding shareholders with a paid-up capital of Birr 24.2 million and started banking operations on Feb. 13, 1995. As of end of July 2019 the number of shareholders and its paid-up capital increased to over 4369 and Birr 4.4 billion, respectively.

Likewise, as of end June 2018/19, our total assets reached Birr 74.6 billion with over 430 branches found across the country, Awash Bank continues to be leading private commercial Bank in Ethiopia. **Awash Bank** is a bank that has thrived over 25 years in a rapidly evolving market and economy. Having grown from humble beginnings with visionary intent, we are the first private bank in Ethiopia to exceed a billion profit marks in the history of Ethiopian Private Banks in the financial year 2019 since inception; we have expanded through a combination of substantial organic growth and an enhanced customer service experience.

Dashen bank (DB) was established in 1995 on September 20, 1995 and started normal business activities on 1 January 1996. And named after mount Dashen, the highest mountain in Ethiopia. It is among the largest private bank in Ethiopia, it operates through a network of more than 400+ branches, 355 ATM. The total asset of the bank on June 2019 reached 56.2 billion birr the growth profit of Dashen bank increased by 12 percent reaching about 1.28 million birr, the revenue of Dashen bank reached to 5.6 billion birr. The overall customer deposit also reached 44.7 billion birr. The total number of employees of Dashen bank has reached 9733 and the number of customer reached 2.2 million

3.3 Research Design

To conduct this study the researcher used explanatory research design the researcher used explanatory research design to examine the effect of performance management system on employee motivation. The other reason that the researcher used explanatory research design was to test the hypothesis of the study by using inferential statistics of correlation, independent T-test, regression and one-way ANOVA so to do this the researcher used explanatory research design. And used post hoc turkey method after doing one way ANOVA table to know which group mean show significant difference.

3.4 Data Sources and Type

The researcher applied only quantitative research approach. The researcher used quantitative research approach because the researcher used only closed ended question and to obtain information reviewed from different sources, to test the hypothesis generated from various empirical and theoretical literature and verify or reject results from previous studies.

The researcher should keep in mind two types of data viz., primary and secondary. The primary data are those which are collected afresh and for the first time, and thus happen to be original in character. The researcher prepare questionnaire to get relevant information about performance management system and motivation of employees in commercial banks at Dire Dawa city. The researcher prepared questionnaire for the public and private commercial bank employees of the selected bank. The secondary data of this study might be compiled from many sources like Review of literature, articles and journals from previous studies. It used to validate and compare the data obtained through questionnaire to existing literature and articles.

3.5 Target Population

The target population of the study was private (Awash and Dashen bank) and public commercial bank (commercial bank of Ethiopia) employees of Dire Dawa city of both managerial and non-managerial employees of the respective bank that found at Dire Dawa city. The reason for chosen awash bank and dashin bank was those two banks is the leading private bank in Ethiopia in terms of number of customer, number of employees, deposit, total asset, socio-economic contribution for the country (Business.com, 2019). There were a total of 528 employees of both public and private commercial bank, from this 350 were from public commercial bank (commercial bank of Ethiopia) and the rest 178 were from private commercial bank (Awash and Dashen bank).

3.6 Sampling Design and Technique

The researcher used probability and non-probability sampling design, from the probability sampling design the researcher used both stratified sampling and simple random sampling. The reason for choosing stratified sampling was to include both managerial and non-managerial employees of the bank and to allow the total sample for each stratum proportionally. In addition to this stratified sampling is appropriate for selecting a sample from a population, because in this study the total population was divided in to three stratum based on type of banks, from each stratum the researcher takes sample from both job category of managerial and non-managerial employees. The researcher also used simple random sampling because to give equal chance to all member of the population and distribute questionnaire to the respondent. The researcher also used non-probability sampling, from the non-probability sampling, the researcher chosen purposive sampling to select banks from public and private bank purposefully. So based on this

the researcher select commercial bank of Ethiopia from public banks because commercial bank of Ethiopia is the largest state owned bank in Ethiopia in terms of all factor such as the number of customer, employees, total deposit, loan and advance, usage of technology, social responsibility, total profit and asset and contribution to the total economy of the country. The researcher select Awash bank and Dashen bank from private bank, because those two banks are the leading private bank in Ethiopia in terms of the number of customer, employees, total deposit, loan and advance, usage of technology, total profit and asset (Bus.com, 2019)

To determine the sample size the researchers apply Yamane sample size formula to obtain the total sample size of this study and adopting proportional allocation for each stratum.

$$n = \frac{N}{1 + N(e)^2}$$

WHERE N=total population of the study

n=sample size of the study

e=the margin of error

$$n = \frac{528}{1 + 528(0.05)^2}$$

$$n = 228$$

Adopting proportional allocation, we shall get the sample sizes as under for the different strata:

For strata with $N_1 = 350$, we have $P_1 = 350/528$ and hence $n_1 = n \cdot P_1 = 228 (350/528) = 151$

Similarly, for strata with $N_2 = 82$, we have $n_2 = n \cdot P_2 = 228 (82/528) = 35$, and for strata with

$N_3 = 96$, we have $n_3 = n \cdot P_3 = 228(96/528) = 42$. And follow the same procedure for managerial and non-managerial employees.

Table 1bank employees category based on job

	Category based on job	Number of employees	Percentage	Sample size
Commercial bank of Ethiopia	Managerial	51	9.6	22
	Non-managerial	299	56.98	129
	Total	350	66.58	151
Dashen Bank	Managerial	27	5.1	12
	Non-managerial	55	10.4	24
	Total	82	15.5	36
Awash Bank	Managerial	32	6.0	14
	Non-managerial	64	12	27
	Total	96	18	41
Total	Ground total	528	100	228

3.7 Data Collection Methods and Research Instruments

Primary data collection instrument; in order to collect the primary data from the selected bank employees, the research instrument used by the researcher for collecting primary data was closed ended questionnaires which is the most widely used collection method. The questions for the questionnaire would adopt from literatures (Elverfeldet, 2001) and (Nancy Langton, 2009) and applying Minnesota satisfaction questionnaire(MSQ) for measuring employees motivation and performance management system standardized questionnaire to measure effectiveness of commercial banks performance management system, as well as from previous research paper (Performance management system and motivation) and customized in order to suit my research topic. A questionnaire helps for the reliability of this study and to know information on attitude, opinions, feeling, behavior, fact and other information from employees of the selected bank about PMS and motivation. The questionnaire covered all the dimension of variable including performance planning, feedback, employee input, performance review and evaluation, career development and reward and compensation and employee motivation. The validity and reliability of the research result would be distributed to 228 target employees of the bank. **Secondary Data Collection instrument:** The secondary data of this study might be compiled from many sources

like Review of literature, articles and journals journal. It used to validate and compare the data obtained through questionnaire to existing literature and articles.

3.8 Data Analysis and Presentation

The researcher used descriptive and inferential analysis tool. Data analysis is the further transformation of the processed data to look for patterns and relationship between and or among data groups. Descriptive analysis would be used to reduce the data in to a summary format by tabulation (the data arranged in a table format, measure of central tendency (the mean) and dispersion (standard deviation). The researcher used inferential analysis, such as regression, correlation, independent t-test and one way anova. Regression analysis would be used to test for the effect of the independent variable of the performance management system on the dependent variable (employee motivation) in Dire Dawa commercial banks, to make decision whether the hypothesis developed by the researcher is accepted or not in the selected banks and to know the magnitude and sign of the relationship of performance management system and employee motivation.

Correlation analysis would be used to analyze the relationships between the dependent variable (employee motivation) and each of the selected independent variables and show the sign of the relationship and to identify which performance management element is highly related to employee motivation. The researcher used Independent t-test to know whether there is a significant difference among public and private commercial bank due to performance management factor. One way ANOVA would be used in this study to describe the relationship between demographic factor and employee motivation. The results would be presented in form of tables and figures with brief descriptions. After doing this the researcher apply linear regression assumption test to check whether there is a violation of the assumption of linear regression and post hoc test was used to know in which area occurred a real difference between groups. to do this the researcher used stata software for analyses the data because stata had a command line and documentation feature higher than other software feature.

3.9 Model Specification/Estimation

To estimate the effect of the explanatory variables on motivation of employees, the researcher adopted OLS because OLS has a better interpretation than other model, the computation and

estimation method is quick and easy and the fitness of data in OLS can be improved by heteroscedasticity and provides a wealth of diagnostic tool to apply across the board to all other methods (Hellevik, 2007). To capture the effect of performance planning, employee input, ongoing feedback, evaluation and review, Career development, Reward and compensation on motivation of employees which would measure by Linkert five scale and MSQ, the researcher specifies the following functional relationship:

Motivation = f (planning, employee input, ongoing feedback, evaluation and review, Career development, Reward and compensation. The purpose of this research was to examine the effect of performance management system on employee motivation of commercial banks at DD city.

Model

$$EM = \beta_0 + \beta_1 PL + \beta_2 EI + \beta_3 EVR + \beta_4 CD + \beta_5 RC + \beta_6 FB + \varepsilon$$

Where

EM = Employee Motivation, PL= Planning, FB= Feedback, EI=Employee input, EVR= Evaluation & review, CD=career development, RC=reward and compensation, and ε is the error term at time t assumed to have mean zero $E[\varepsilon_t] = 0$. β_0 is the constant value of the regression surface. $\beta_1, 2, 3, 4, 5$, and 6 are parameters to be estimate.

3.10 Data Measurement and Scaling

Table 2 data measurement and scaling

Variable	Measurement	Expected sign
Dependent variable		
Employee Motivation	MSQ	
Independent variable		
Planning	Linkert scale	+
Feedback	Linkert scale	+
Employee input	Linkert scale	+
Evaluation and review	Linkert scale	+
Reward and compensation	Linkert scale	+
Career development	Linkert scale	+

3.11 Plan for Linear Regression Assumption Diagnostic Test

After doing data analysis by using correlation, regression and one way anova test analysis the researcher test the assumption of linear regression by using different test mechanism such as multi-collinearity, normality, heteroscedasticity, specification test and other linear regression assumption test. In the classical linear regression model,

1. One of the basic assumptions is that homoscedasticity which means the probability distribution of the disturbance term remains same over all observations of X; i.e. the variance of each u_i is the same for all the values of the explanatory variable. But there is a condition that the disturbance this feature of homogeneity of variance (or constant variance) is known as homoscedasticity. It may be the case, however, that all of the disturbance terms do not have the same variance. This condition of non-constant variance or non-homogeneity of variance is known as heteroscedasticity so the researcher test whether there was a problem of heteroscedasticity by using white general test and the Cameron and Trivedi decomposition test through the command of `hettest` and `imtest` respectively.
2. The other diagnostic test the researcher tested was multi-collinearity, originally, multi-collinearity meant the existence of a “perfect” or exact, linear relationship among some or all explanatory variables of a regression model. So the researcher tested whether there was a problem of multi-collinearity by using variance inflation factor (vif).
3. CLRM assumes a normal distribution so that valid estimation of the coefficient parameters could be made, and the residuals are normally distributed. This would be check by using graphical and numerical method, through the graphical method the researcher used Kernel density, standardized probability plot (pnorm), quantile plot(qnorm) skewness and kurtosis test, Shapiro -wilk test and Shapiro-fransio test.
4. The researcher also test specification test mechanism by using `ovtest` and `link test` and finally make appropriate solution if the problem occur in the data.

3.12 Validity and Reliability

3.12.1 Reliability statistics

The reliability study was conducted using cronbach’s alpha as a measure of internal consistency. In our study, Cronbach’s alpha test is expressed as a correlation coefficient which measures the association between performance management system and employee motivation. or indicates

how well items in a set are positively correlated to one another As a measure of internal consistency, Cronbach alpha was conducted for public and private commercial banks. For the following section, the particular item for each of the section that was used to compute Cronbach alpha are outlined in the section that follow.

3.12.2 Validity

is the accuracy meaningfulness of the inferences which are based on the research result or it is the degree to which results obtained from the analysis of the data actually represents the phenomena under the study but the validity of the study depend on the ability and willingness of the respondents to provide the information requested. Issues that would be raised by the respondents would be corrected and questionnaire would be refined. In addition to this proper detection by an advisor was taken to ensure the validity of the instruments. Finally the improved version of the questionnaire would be printed, duplicated and distributed.

3.13 Ethical Consideration

All the research participant included in this study would appropriately informed about the general purpose of the study and their willingness and consent would be secured before distributing and asking interview question and during the data collection and interpretation process, the researcher convinced the participant that any confidential information they disclose would keep confidential convince them the important of the study would help to the bank and employees. In all cases names were kept confidential, the research would be used collective names like respondents would be used. The confidential would only assure and no one would fall a victim because of any adverse findings in connection with their professional duties, the research do this in order to motivate them to give their response without reservation. Each and every questionnaire that would attach to a cover letter which only explain the purpose of the survey.

CHAPTER FOUR; RESULT AND DISCUSSION

This chapter mainly deals with the presentation, analysis and interpretation of data that was gathered and analyzed from questionnaire in order to know the effect of performance management system on employee motivation among public and private commercial banks. To collect the data from employees questionnaire was prepared and distributed to public commercial bank (commercial bank of Ethiopia) and private commercial bank (Dashen bank and Awash bank) employees. as we can see from the appendix section the question used in this study were the same for both public and private commercial bank respondent.

In this study a total of 228 questionnaires were distributed. from this 151 questionnaire were distributed to the respondent of public commercial bank and 134 were returned properly and the rest 17 were not returned and 77 questionnaire were distributed for private commercial banks from this 73 were returned properly and the rest 4 were not returned properly.

Response rate

Bank type	Total questionnaire distributed	Returned	Response rate
Public commercial bank	151	134	88%
Private commercial bank	77	73	94%

To allow the respondent to choose from a predetermined set of response the questionnaire of performance management item was structured in a 5 point Linkert scale format (strongly disagree=1, disagree=2, neutral=3, agree=4 and strongly agree=5) and Minnesota satisfaction questionnaire were used for measuring the level of employee motivation as intrinsic and extrinsic motivation (highly satisfied=5, satisfied=4, undecided=3, low satisfied=2 and highly dissatisfied=1) and presented and summarized quantitatively in table using stata software.

Table 3 reliability statistics

Item	Obs	Sign	Average Interitem covariance	Alpha
Performance planning	207	+	.0349385	0.9042
Employee input	207	+	.0331403	0.9086
Evaluation and review	207	+	.0337983	0.8941
Career development	207	+	.0347239	0.9132
Reward& compensation	207	+	.0325661	0.8980
Feedback	207	+	.0375488	0.9212
Motivation	207	+	.0363257	0.8982
Test scale			.0347202	0.9179

As we see from the above table, the first variable performance planning , Cronbach alpha was computed for performance planning(7 item),the finding showed that there was a better consistency and reliability for performance planning portion of the questionnaire of DD commercial banks (a=0.9042 N=207).The second item employee input, as the Cronbach alpha was computed for (6 item) the result indicated that there was a better internal consistency and reliability for employee input portion of the questionnaire of DD commercial banks (a=0.9086, N=207) .the third item evaluation and review Cronbach alpha was computed for evaluation and review (11 item), the finding indicated that there was a better internal consistency and reliability for evaluation and review portion of the questionnaire of DD city commercial banks (a=0.8941, N=207) . Cronbach alpha also computed for career development, reward and compensation and feedback, the finding indicated that there was a better internal consistency and reliability for career development, reward and compensation and feedback with an alpha result of career development (a=0.9132), reward and compensation (a=8980) and feedback were (a=0.9212). Cronbach alpha also computed for the dependent variable (employee motivation) the result

indicated that there was a better internal consistency and reliability for the employee motivation (20 item) the result were ($\alpha=0.8982$).

The average scale reliability coefficient of the whole data in DD city commercial banks were ($\alpha=0.9179$), the Cronbach alpha result indicated that there was a better internal consistency and reliability in DD city commercial banks because the Cronbach alpha coefficient of all constructs were more than 0.8, the measurement of this study was acceptable in reliability.

Table 4 bank types

Description				
Types of bank	Frequency	percent	Valid	Cumulative
Public commercial bank	134	64.7	64.7	64.7
Private commercial bank	73	35.3	35.3	100
Total	207	100	100	

Data source; own survey; 2020

Table 6 shows the bank type, from a total of 207 respondent, 134 were from public commercial bank (CBE), while 73 were from private commercial banks (Dashen bank and Awash bank).the percentage of the above table indicated that public commercial bank accounts about 64.7% and private commercial bank accounted about 35.5%.this implied the respondent of public commercial bank was higher than private commercial bank.

4.1 Demographic Character of the Respondent

Under this study the researcher collected about the demographic characteristics (gender, age, educational status, marital status, year of service and position) of the respondent of both public and private bank employees and the table also shows whether there was a significant difference among public and private commercial bank due to demographic factor and the researcher used chi-square (X^2) test of significance and p-value.

Table 5 demographic character of the respondent

		Public bank		Private bank		X ²	P-value
		Frq	%	Frq	%		
Sex	Female	51	38.06	22	30.14	1.2993	0.254
	Male	83	61.94	51	69.86		
	Total	134	100	73	100		
Age	<25	3	2.24	3	4.11	1.321	0.724
	26-35	75	55.97	43	58.90		
	36-45	45	33.58	20	27.4		
	>45	11	8.21	7	9.6		
	Total	134	100	73	100		
Educational Status	Diploma	0	0	0	0	0.0941	0.759
	BA degree	104	77.61	58	79.45		
	Master & above	30	22.39	15	20.55		
	Total	134	100	73	100		
Experience	<1year	3	2.24	5	4.11	9.950	0.019
	1-5	46	34.33	37	50.7		
	6-10	71	53.7	24	32.9		
	>10	14	10.45	7	10		
	Total	134	100	73	100		
Marital status	Single	54	40.3	25	34.25	2.536	0.469
	Married	72	53.7	43	58.90		
	Divorced	8	5.97	4	5.48		
	Widowed	0	0.00	1	1.37		
	Total	134	100	73	100		
Position	Managerial	20	14.93	21	23.29	2.215	0.643
	Non-managerial	114	85.07	52	76.71		
	Total	134	100	73	100		

Data source; own survey 2020

Table 7, Item 1, shows the sex distribution of the respondent, from a total of 134 public commercial bank respondents, 83 were male and 51 were female. When we look the percentage male accounts about 61.2% while female accounts about 38.8%. On the other hand from a total of 73 private commercial bank respondents, 51 were male, while 22 were female. The percentage

indicate that male accounted about 69.9%, while female accounted about 30.1%.we can see from the above table in both commercial banks male respondent dominated. This implied that the ratio of male and female in the bank was far from equal. But in proportion to private commercial bank the distribution of male and female in public commercial bank was relatively better than private commercial bank. But the result indicated that there were no significant difference due to sex among public and private commercial banks because the chi-square test(1.2993) and p-value of sex 0.254 which was greater than 0.05. This result signifies that there is not enough evidence to suggest an association between gender and bank types.

Table 7 items 2, shows the age distribution of the respondent, as we see from the above table, from a total of 134 respondents of public commercial bank, only 3 was found in the age range of less than 25, 75 respondent were fall in the age range of 26-35, 45 respondent were found in the age range of 36-45 and the rest 11 were found above 35. When we look the percentage of public commercial bank those found in the age range of less than 25,26-35,36-45 and above 45 accounted about 2.24%,55.97%,33.58 and 8.21% respectively .On the other hand in private commercial bank from a total of 73 respondent , 3 respondent were found in the age range of less than 25 ,43 were found in the age range of 26-35 20 respondent were found in the age range of 36-45 and the rest 7 respondent were above 45 years. The age percentage of private commercial bank indicated that those found in the age of less than 25, 26-35,36-45 and above 45 accounted about 4.11%,58.90%,27.4% and 9.6% respectively. This chi-square result indicated that there were no significant difference due to age among public and private commercial banks because the chi-square test(1.321) and p-value of age (0.724) which was greater than 0.05.

Table 7 item three, shows the marital status of the respondent, as shown in the above table from a total of 134 public commercial bank respondent 54 were single, while 72 were married and the rest 8 were divorced, no respondent of public commercial bank responded widowed. When we look the percentage of public commercial bank respondent those who have single, married and divorced accounted about 40.3%, 53.7% and 5.97% respectively. From a total of 73 private commercial bank respondent 25 were single, 43 were married, 4 were divorced and only 1 were widowed. The percentage of private bank respondent those who have single, married, divorced and widowed accounted about 34.2%, 58.9%, 5.48% and 1.37% respectively. This indicated that the proportion of marital status among public and private commercial bank was not shown a

significant difference, because the chi-square test p-value significant level of marital status 0.469 which was greater than 0.05. since the p-value is greater than the chosen significance and conclude that there is no association between marital status of the respondent whether works in public or private commercial banks.

Table 7, item 4 shows educational status of the respondent, as shown in the above table from a total of 134 public commercial bank, 104 were degree holder and the rest 30 were master and above holder but diploma holder was not found in public commercial bank. When we look the percentage of public commercial bank degree holder and master and above holder accounted about 77.61% and 22.39% respectively. On the other hand out of a total of 73 private commercial bank, 58 were degree holder and the rest 15 were master and above holder. The percentage of private commercial bank indicated that degree holder and master and above holder accounted about 79.45% and 20.55% respectively. The same as public commercial bank, in private commercial bank also diploma holder was not found. This result implied that all of the employee of both public and private commercial bank staffed with well-educated employees, because the lowest status of education in both banks was degree holder. But in contrast to private commercial bank the holder of master and above was relatively higher in public commercial bank by 2%. Since the p-value is greater than our chosen significance level ($\alpha=0.759$), we conclude that there is not enough evidence to suggest an association between education and bank types.

Table 7, item 5, shows experience of the respondent, from a total of 134 public commercial bank respondent, When we look at the percentage of public commercial bank, 3 were found below 1 year, 46 have been in service year of 1-5, 71 were in the service year of 6-10 year and the rest 14 were fall in the service year of above 10 years. When we look at the percentage below 1 year, 1-5 year, 6-10 and above 10 year accounted about 2.24%, 34.33%, 53.7% and 10.45% respectively. On the other hand from a total of 73 private commercial bank, 5 were in the service year of below 1 year, 37 were in the service year of 1-5 year, while 24 were in the service year of 6-10 year and the rest 7 were in the service year of above 10 year. When we look the percentage of private bank respondent less than 1 year service, 1-5 year, 6-10 and above 10 year of service accounted about 4.11%, 50.7% 32.9% and 10% respectively. As we see from the cross tabulation table, the value of test statistic is 9.950, the corresponding p-value of the test statistic is 0.019

which is less than the chosen p-value of 0.05, since the p-value is less than our chosen significance level $\alpha=0.05$, the result indicated that there is an association between experience and bank type.

Table 7, item six, shows position of the respondent, the table shows from a total of 134 public commercial bank, 114 were non-managerial employees and the rest 20 were managerial employees the percentage of public commercial bank position indicated that non-managerial and managerial employees accounted about 85.1% and 14.9% respectively. On the other hand from a total of 73 respondents, 52 were non-managerial employees and the rest 21 were managerial employees. When we look at the percentage non-managerial and managerial employees of private bank employees accounted about 76.7% and 23.3% respectively. As we see from the cross tabulation table the value of test statistic is 2.215, the corresponding t-value of the test statistic is $p=0.643$, since the p-value is greater than our chosen significance level ($\alpha=0.05$), the researcher conclude that there is not enough evidence to suggest an association between position and bank types. Based on the results no association was found between position and bank types ($X^2(1) = 0.215$, $P=0.643$).

4.2 Employee Perception

To analyze the perception of the respondent about the performance management system of the bank, those who were strongly agreed and disagree were combined into one group of those who opposed the item. In addition respondents who were strongly agree and agree were combined in to another category of those who agree on the item. Another category was that of those employees who neither agree nor disagree the undecided with the item. Based on this, this study access the perception of employees about the performance management system and also compare the perception of employees among public and private commercial banks.

Table 6 employee perception.

ITEM	Bank type	MEAN	%	SD	D	N	A	SA
I feel that my performance is fairly measured based on agreed goals at the beginning of my assignment	Public bank	3.84	Frq	0	21	2	94	17
			%	0	15.67	1.49	70.15	12.69
	Private bank	3.89	Frq	0	10	2	52	9
			%	0	13.70	2.74	71.23	12.33
I am satisfied with the recognition I received for my accomplishment	Public bank	3.98	Frq	0	14	3	97	20
			%	0	10.45	2.24	72.39	14.93
	Private bank	4.10	Frq	0	1	3	59	10
			%	0	1.37	4.11	80.82	13.70
The pay matches my responsibilities as per evaluation result.	Public bank	4.08	Frq	0	4	4	110	16
			%	0	2.99	2.99	82.09	11.94
	Private bank	4.02	Frq	0	8	0	54	11
			%	0	10.96	0	73.97	15.07
In the bank, supervisors provide continuous, timely and constructive feedback to subordinates	Public bank	3.58	Frq	0	47	2	53	32
			%	0	35.07	1.49	39.55	23.88
	Private bank	3.56	Frq	0	28	0	27	18
			%	0	38.36	0	36.99	24.66
In the bank performance management system is used to promote employees	Public bank	3.95	Frq	2	12	6	88	26
			%	1.49	8.96	4.48	65.67	19.40
	Private bank	4.08	Frq	1	6	1	40	25
			%	1.37	8.22	1.37	54.79	34.25
Performance management process in the bank motivates me	Public bank	3.80	Frq	0	27	0	86	21
			%	0	20.15	0	64.18	15.67
	Private bank	3.85	Frq	0	15	0	44	14
			%	0	20.55	0	60.25	19.18

Data source; own survey 2020

As we see in table 8, item 1, regarding to the question on the performance is fairly measured based on agreed goal at the beginning of my assignment, the percentage of those who disagree, the item in public commercial bank ranges from 0 percent to 15.67 percent, while the percentage

of those that were not sure were 1.49 percent and the percentage of those who agree on the item ranges from 70.15% percent to 12.69 percent. This shows that the percentage of those who agree on the item were higher than the percentage of those the percentage of those who opposed and undecided in public commercial bank. On the other hand in private commercial bank, the percentage of those who disagree on the item in private commercial bank ranges from 0 percent to 13.70 percent. While the percentage of those who were not sure were 2.74 percent and the percentage of those who agree on the item ranges from 71.23 percent to 12.33 percent. This result shows that the percentage of those who agree on the item accounted about more than two third of the total percentage

As we compare the mean of public and private commercial bank, the result shows that the mean of public commercial bank were (3.84) and private commercial bank were (3.89), as we see from the table above, the mean score result implied that the perception of private commercial bank employees relatively higher than those of public sector bank counterparts. The reason is that in private commercial bank mostly performance is mostly measured based on merit, while in public commercial bank performance is mostly measured by experience or age, so it can be said that poor performance employees had gain high performance than good performance employees through age of experience, this creates bias on evaluation process. Jayalaxmi Samal (2015) also stated that private sector bank perceived greater fairness and satisfaction with the performance management system compared to public sector bank counterparts.

Table 8,item 2, Regarding to the satisfaction of employees with the recognition I received for may accomplishment in public commercial bank the percentage of those who disagree on the item ranges from 0 percent to 10.45 percent, while the percentage of those who were undecided were 2.24 percent and the percentage of those who agree ranges from 72.39 percent to 14.93 percent .this implied that the percentage of those who agree on the item were absolutely higher than those who disagree on the item and undecided. On the other hand in private commercial bank, the percentage of those who disagree on the item ranges from 0 percent to 1.37 percent, while the percentage of those who were undecided were 4.11 percent and the percentage of those who agree on the item were 80.82 percent to 13.70 percent, this result shows that the percentage of those who agree on the item were absolutely higher than those who disagree on the item.

As we see the mean of public and private commercial bank, the mean of private commercial bank were 3.98, while the mean of public commercial bank were 4.10, this result implied the perception of most of the respondent of both public and private commercial bank were high about the recognition received for their accomplishment. But the level of private bank employees were higher than those of public commercial bank counterpart regarding to the accomplishment because the private commercial bank more focus on praise, advancement or promotion of employees for better performance. so it can be said that private sector bank focus on profit and productivity than public affair, so the level of motivation of private commercial bank employees regarding to the recognition and achievement had higher than those of public commercial bank employees.

Table 8, item 3, regarding the pay matches the responsibilities as per evaluation result, the percentage of public commercial bank who disagrees on the item ranges from 0.7 percent to 2.99 percent, while those who were undecided were 2.99 percent and the percentage of those who agree on the item ranges from 82.09 percent to 11.94 percent. This implied that the percentage of those who agree on the item were absolutely higher than those who disagree on the item. On the other hand on the same item in private commercial bank the percentage of those who disagree on the item ranges from 0 percent to 10.96 percent and those who were not sure were 2.4 percent. And the percentage of those who agree on the item ranges from 74 percent to 15 percent, this result also indicated that the percentage of those who agree on the item were absolutely higher than those who disagree on the item.

As we see from the table the mean of public and private commercial bank regarding to the pay matches with the responsibility, the mean of public commercial bank 4.08 were greater than the mean of private commercial bank 4.02; however in both commercial banks the perception of employees were high. so it can be said that the mean score of public commercial bank employees were higher than private commercial bank regarding to the payment. so it can be said that public sector bank paid relatively higher than those of private commercial bank employees.

Table 8, Item 4, Regarding to the perception of employees about the performance management feedback of the bank, the percentage of those who disagree on the item in public commercial bank ranges from 0 percent to 35.07 percent while the percentage of those who were undecided were 1.49 percent and the percentage of those who agree on the item ranges from 39.55 percent

to 23.88 percent, this result implied that the percentage of those who agree on the item were relatively higher than those of who disagree and undecided. On the other hand in private commercial bank the percentage of those who disagree on the item ranges from 0 percent to 38.36 percent, while those who were not sure were 0 percent, while the percentage of those who agree on the item ranges from 36.99 percent to 24.66 percent, this result implied that the percentage of those who agree on the item were also relatively higher than those who disagree and undecided.

As we compare the mean of public and private commercial bank, the mean of public commercial bank were 3.58 percent and the mean of private commercial bank were 3.56, this result indicated that the perception of employees of both public and private bank were nearly the same and not satisfied about the ongoing feedback of the bank. The reason is that the manager and supervisor of the bank had not got much attention to the timely, constructive and continuous feedback so it can be said that the bank has given low attention to the feedback of employees about the performance management system.

Table 8, item 5, Regarding to the fourth item in public commercial bank the percentage of those who disagree on the item of the performance management system is used to promote employees, the percentage of those who disagree on the item ranges from 1.49 percent to 8.96 percent, while the percentage of those who were not sure were 4.48 percent and the percentage of those who agree on the item ranges from 65.67 percent to 19.40 percent. This shows that the percentages of those who agree on the item in public commercial bank regarding to the performance management system is used to promote employees were higher than those who opposed and undecided. On the other hand in private commercial bank the percentage of those who disagree on the item ranges from 1.37 percent to 8.22 percent, while the percentage of those who were not sure were 1.37 percent and the percentage of those who agree on the item ranges from 54.79 percent to 34.25 percent. This indicated that the percentage of those who agree on the item were absolutely higher than those who disagree and undecided.

When we compare the perception of employees regarding to the performance management system used to promote employees, as we see the mean of public and private commercial bank, the mean of private commercial bank 4.08 were higher than those of public commercial bank 3.95, this result implies that the chance of promotion in public commercial bank was lower than

private commercial bank, the reason is public sector bank employees is the fact that the career growth curve is slow and rise gradually, the main criteria behind attaining a promotion in these banks largely depends up on the number of years a person spent with the bank, where as in private sector bank the career growth is faster, the talent and hard work is rewarded promptly, the main criteria receiving a promotion resides solely on merit and not age. ,however the mean indicated that the respondents perception in both private and public commercial bank regarding to the promotion of employees and performance management system was higher, but relatively the respondents perception in private commercial bank were better than the perception of public commercial bank employees.

Table 8,item 6,Regarding to the perception of employees about the motivation of respondent by the performance management system, in public commercial bank the percentage of those who disagree on the item ranges from 0 percent to 20.15 percent ,while the percentage of those who were not sure on the item were 0 percent, and the percentage of those who agree on the item ranges from 64.18 percent to 15.67 percent this result implied that the percentage of those who agree on the item were higher than those who disagree and undecided. On the other hand in private commercial bank the percentage of those who disagree on the item ranges from 0 percent to 20.55 percent, while the percentage of those who are not sure were 0 percent, and the percentage of those who agree on the item ranges from 60.25 percent to 19.18 percent, this indicated that the percentage of those who disagree and undecided.

When we compare the perception of employees about the motivation of employees related to the performance management system of the bank, the mean of public commercial bank (3.80) and the mean of private commercial bank (3.85), this result implied that the satisfaction of employees about the performance management system in private commercial bank were higher than those of public commercial bank. the reason was that the mean score of private commercial bank were higher than those of public bank employees this is because promotion, benefit, advancement and praise of private commercial bank employees were better than those of public commercial bank employees.so it can be said that career planning and benefit is the cause for the higher satisfaction of private commercial bank employees.

As we see from the above table the average mea score for the perception of employees was 3.87 for public sector bank and the mean score for private sector bank was 3.92.so it can be said that there was a difference between public and private sector bank employees regarding to the perception of employees about the performance management system of the bank.so it can be said that private sector bank employees had a better awareness than public sector bank employees .the statement was supported by (Purag, 2011) and (Samal,2015),private sector bank employees expressed more satisfied than public commercial banks with the performance management system of the bank.

4.3 Level of Employee Motivation

4.3.1 Intrinsic motivation

To analyze the intrinsic motivation of the respondents, those who were very low motivated and demotivated were combined in to one group of those who opposed the item. In addition, respondents who were very high motivated and those were motivated were combined in to another category was that of those employees who neither motivated nor demotivated were combined in to undecided with the item. Based on this, this study compares the level of motivation of public and private commercial bank .to do this the researcher categorized the level of motivation of private and public commercial bank in to intrinsic and extrinsic motivation.

Table 7 intrinsic motivation

ITEM	Types of bank	Mean	Frequency	HD	D	N	M	HM
Being able to keep busy all the time	Public bank	3.47	Frq	1	55		36	42
			%	0.75	41.04		26.87	31.34
	Private bank	3.77	Frq	0	22	0	24	27
			%	0	30.14	0	32.88	36.99
The chance to work alone on the job	Public bank	3.77	Frq	6	24	6	57	41
			%	4.48	17.91	4.48	42.54	30.60
	Private bank	3.73	Frq	1	20	2	25	25
			%	1.37	27.4	2.74	34.25	34.25
The chance to do different things from time to time	Public bank	3.57	Frq	5	38	3	52	36
			%	3.73	28.36	2.24	38.81	26.87
	Private bank	3.53	Frq	0	25	0	32	16
			%	0	34.25	0	43.84	21.92
The chance to be "somebody" in the community	Public bank	3.75	Frq	2	32	7	49	44
			%	1.49	23.88	5.22	36.57	32.84
	Private bank		Frq	0	22	0	30	21

		3.68	%	0	30.14	0	41.10	28.77
The chance to do things for other people	Public bank	3.83	Frq	5	23	2	64	40
			%	3.73	17.16	1.49	47.76	29.85
	Private bank	3.78	Frq	0	2	0	35	20
			%	0	24.66	0	47.95	27.40
The chance to tell people what to do	Public bank	3.73	Frq	4	32	0	58	40
			%	2.99	23.88	0	43.28	29.85
	Private bank	3.71	Frq	0	21	0	31	21
			%	0	28.77	0	42.47	28.77
The chance to do something that makes use of my abilities	Public bank	3.69	Frq	4	35	0	54	41
			%	2.99	26.12	0	40.30	30.60
	Private bank	3.78	Frq	0	19	0	32	22
			%	0	26.03	0	43.84	30.14
The chances for advancement on this job	Public bank	3.93	Frq	5	17	3	67	42
			%	3.73	12.69	2.24	50	31.34
	Private bank	4.19	Frq	1	24	0	32	16
			%	1.37	32.88	0	43.84	21.92
The freedom to use my own judgment	Public bank	3.65	Frq	5	33	7	48	41
			%	3.73	24.63	5.22	35.82	30.60
	Private bank	3.52	Frq	1	24	0	32	16
			%	1.37	32.88	0	43.84	21.92
The chance to try my own methods of doing the job	Public bank	3.74	Frq	8	26	1	57	42
			%	5.97	19.40	0.75	42.54	31.34
	Private bank	3.71	Frq	0	23	0	25	25
			%	0	31.51	0	34.25	34.25
The feeling of accomplishment I get from the job	Public bank	4.01	Frq	1	19	6	59	49
			%	0.75	14.18	4.48	44.03	36.57
	Private bank	4.25	Frq	0	5	1	38	29
			%	0	6.85	1.37	52.05	39.73
The praise I get for doing a good job	Public bank	4.0	Frq	3	15	2	73	41
			%	2.24	11.19	1.49	54.48	30.60
	Private bank	4.19	Frq	0	7	0	38	28
			%	0	9.59	0	52.05	38.36

Data source; own survey 2020

The study finding in table 9,item 1, shows the intrinsic motivation factor among public and private commercial banks, the first item of with being busy all the time the percentage of public commercial bank those who opposed the item ranges from 0.75 percent to 41.04 percent, while the percentage of those that were not sure 0 percent and the percentage of those who concurred

ranges from 26.87 percent to 31.4 percent, from this from this comparison we can conclude that the range of percentage of those that opposed the item and undecided are relatively lower than those who concurred the item. On the other hand in private commercial bank on the same item the percentage of those who opposed the item were 30.14 percent, while the percentage of those who were not undecided were 0 percent and the percentage of those who concurred the item ranges from 32.88 percent to 36.99 percent, this indicates that the percentage of those who concurred the item were higher than those who opposed and undecided.

When we compare the mean of public and private commercial bank, the mean of public commercial bank is 3.37, while the mean of private commercial bank is 3.77, this result shows that the respondent of private commercial bank were satisfied than those of public commercial bank respondent, or public commercial bank employees is highly stressed than private commercial bank employees because in the case area, the number of customer of public commercial bank employees were larger than those of private commercial bank employee. So this is the case that employees of public commercial bank were busy all the time than private commercial bank employees.

Table 9, item two focus on the chance to work alone on the job, in public commercial bank the percentage of those who opposed the item ranges from 4.48 percent to 17.91 percent, while the percentage of those who were not sure on the item were 4.48 percent and the percentage of those who concurred the item ranges from 42.54 percent to 30.60 percent, from this we can say that the percentage of those who opposed and undecided are lower than those who concurred the item. On the other hand in private commercial bank, the percentage of those who opposed on the item in private commercial bank ranges from 1.37 percent to 27.40 percent. While the percentage of those who were not sure were 2.74 percent and the percentage of those who concurred on the item ranges from 34.25 percent to 34.25 percent. This result shows that the percentage of those who concurred on the item was higher than those who opposed and undecided on the item on the chance to work alone on the job.

As we compare the mean of public and private commercial bank, the result shows that the mean of public commercial bank was 3.73 while the mean of private commercial bank was 3.77, from this we can say that regarding to the work alone on the job there was not shown significance difference among public and private commercial bank. In other words in both commercial banks

the respondent were moderately satisfied with the chance to work alone on the job. However compared to private commercial bank relatively the respondent of public commercial bank regarding to the work alone on the job was higher than the respondent of private commercial bank. so it can be said that the employees of both public and private commercial banks were not highly satisfied with the work alone on the job, the reason is the nature of the job needs group effort, so the work can be accomplished through a hierarchy, this limits the chance to work alone on the job.

Table 9, item three, regarding on the third item of the chance to do different things from time to time in public commercial bank the percentage of those who opposed on the item ranges from 3.73 percent to 28.36 percent, while the percentage of those who were not sure were 2.24 percent and the percentage of those who concurred on the item ranges from 38.81 percent to 26.87 percent. This shows that the percentages of those who concurred on the item in public commercial bank regarding to the chance to do different things from time to time were higher than those who opposed and undecided. On the other hand in private commercial bank the percentage of those who opposed on the item ranges from 0 percent to 34.25 percent, while the percentage of those who were not sure were 0 percent and the percentage of those who concurred on the item ranges from 43.84 percent to 21.92 percent. This indicated that the percentage of those who concurred on the item were higher than those who opposed and undecided.

When we compare the level of employees motivation regarding to the chance to work different things from time to time, as we see the mean of public and private commercial bank, the mean of public commercial bank was 3.57 while the mean of private commercial bank was 3.53, the result implied that the level of employee motivation of both public and private commercial bank were low, the reason is the nature of the work is routine type, unless if the employees change the position employees do the same type of work from day to day, so it can be said that employees creativity that work different things from time to time is rare in banking sector.

Table 9, regarding to the fourth item the level of motivation of employees about the chance to be somebody in the community, in public commercial bank the percentage of those who opposed on the item ranges from 1.49 to 23.88 percent, while the percentage of those who were not sure on the item were 5.22 percent, and the percentage of those who concurred on the item ranges from 36.57 percent to 32.84 percent. This result implied that the percentage of those who concurred on

the item were absolutely higher than those who opposed and undecided. On the other hand in private commercial bank on the same item the percentage of those who opposed on the item was 30.14 percent, while the percentage of those who are not sure were 0 percent, and the percentage of those who concurred on the item ranges from 41.10 percent to 28.77 percent, this indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided.

When we compare the level of motivation of employees about the chance to be somebody in the community, the mean of public commercial bank (3.75) and the mean of private commercial bank (3.68), this result implied that the motivation of employees about the chance to be somebody in the community in both public and private commercial bank were higher .however the level of motivation of employees in public commercial bank were higher than those of private commercial bank. The reason for this is that public commercial bank employees often make a choice to deliver a worthwhile service to society, they are motivated by a strong desire to serve the public interest, by sense of service to the community that not more found among their private sector counterparts and by an urge to promote the public interest because public sector employees show a stronger service ethic than private sector employees.so the research has consistently found that private sector employees and managers value economic rewards more highly than do public sector employees and manager (Cacioppe, 1984); (Crewson, 1997); (Houston, 2000).

Table 9, Regarding to the fifth item the level of motivation of employees about the chance to do things for other people, in public commercial bank the percentage of those who opposed on the item ranges from 3.73 to 17.16 percent, while the percentage of those who were not sure on the item were 1.49 percent, and the percentage of those who concurred on the item ranges from 47.76 percent to 29.85 percent. This result implied that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided. On the other hand in private commercial bank on the same item the percentage of those who opposed on the item was 24.66% percent, while the percentage of those who are not sure were 0 percent, and the percentage of those who concurred on the item ranges from 47.95 percent to 27.40 percent, this indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided.

When we compare the level of motivation of employees about the chance to do things for other people, the mean of public commercial bank (3.83) and the mean of private commercial bank (3.78), this result implied that the motivation of employees about the chance to do things for other people in both public and private commercial bank were higher .however the level of motivation of employees in public commercial bank were higher than those of private commercial bank. The levels of employee motivation of public and private commercial banks were not highly satisfied with the chance to do things for other people. The reason was that it is difficult to manage and maintain based on their customer character and have a reputation at their disks all the day.

Table 9, item six, Regarding to the level of motivation about the chance for advancement on the job, the percentage of those who opposed the item in public commercial bank ranges from 3.75 percent to 12.69 percent. While the percentage of those who were not sure on the item were 2.24 percent and the percentage of those who concurred on the item ranges from 50 percent to 31.34 percent, this result implied that the percentage of those who concurred on the item were relatively higher than those of who opposed and undecided. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item ranges from 0 percent to 10.96 percent, while those who were not sure were 0 percent, while the percentage of those who concurred on the item ranges from 47.95 percent to 41.10 percent, this result implied that the percentage of those who concurred on the item were also absolutely higher than those who opposed and undecided.

As we compare the mean of public and private commercial bank, the mean of public commercial bank were 3.93 percent and the mean of private commercial bank were 4.19, this result indicated that the motivation level of employees in both public and private commercial bank regarding to the chance for advancement on the job is high. This result also implied that the level of motivation of private commercial bank regarding to the advancement of employees on the job were higher than those of public commercial bank. the reason is public sector bank employees is the fact that the career growth curve is slow and rise gradually, the main criteria behind attaining a promotion in these banks largely depends up on the number of years a person spent with the bank, where as in private sector bank the career growth is faster, the talent and hard work is rewarded promptly, the main criteria receiving a promotion resides solely on merit and not age.

(Selvaraj, 2009) And (Chinnadurai, 2014) found those private sector banks are more successful than public sector bank in implementing career development.

Table 9, item seven, regarding to the level of motivation about the freedom to use my own judgment, in public commercial bank the percentage of those who opposed on the item ranges from 3.73 percent to 12.69 percent, while the percentage of those who were undecided were 2.24 percent and the percentage of those who concurred ranges from 50 percent to 31.34 percent .this implied that the percentage of those who concurred on the item were higher than those who opposed and undecided. On the other hand on the same item in private commercial bank, the percentage of those who opposed on the item ranges from 1.37 percent to 32.88 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred on the item were 43.84 percent to 21.92 percent, this result shows that the percentage of those who concurred on the item were higher than those who opposed and undecided on the item.

As we see the mean of public and private commercial bank, the mean of private commercial bank were 3.65, while the mean of private commercial bank were 3.52, this result implied the level of motivation of employees regarding to the freedom to use my own judgment, most of the respondent of both public and private commercial bank were moderately satisfied .it can be said that the level of employees motivation in both public and private commercial banks were not highly satisfied by the freedom to use their own judgment, the reason for this is the nature of work and working condition of banking sector, the job needs group effort not individual effort and the work needs greater concentration and worked all the weak.so it can be said that the nature of work does not allow more freedom to use their own judgment, especially in developing countries including Ethiopia the manager of the bank does not give attention to the freedom to use their own judgment.

Table 9,item eight, Regarding to the chance to try my own method of doing a job, the percentage of public commercial bank who opposed on the item ranges from 5.97 percent to 19.40 percent, while those who were undecided were 0.75 percent and the percentage of those who concurred on the item ranges from 42.54 percent to 31.34 percent. This implied that the percentage of those who concurred on the item were moderately higher than those who opposed and undecided on the item. On the other hand on the same item in private commercial bank the percentage of those

who disagree on the item ranges from 0 percent to 31.51 percent and those who were not sure were 0 percent. And the percentage of those who concurred on the item ranges from 34.25 percent to 34.25 percent, this result also indicated that the percentage of those who concurred on the item were moderately higher than those who opposed and undecided on the item.

As we see from the table the mean of public and private commercial bank regarding to the chance to try my own method of doing a job, the mean of public commercial bank was 3.74 while the mean of private commercial bank were 3.71. the level of motivation of employees of public and private commercial banks were not highly motivated by the chance to try their own method, the reason is that the nature of work and environment does not allow individual creativity and innovation of new method. In addition to this ,as we see from the table above the motivation level of employees of public commercial bank regarding to the chance to try my own method of doing a job were higher than those of private commercial bank, the reason is that public sector employees had a higher freedom and job security than private sector employees.

Table 9,item nine, regarding to the level of motivation of employees about the chance to tell people what to do, the percentage of those who opposed the item in public commercial bank ranges from 2.99 percent to 23.88 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred the item ranges from 43.28 percent to 29.85 percent .this implied that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided. On the other hand in private commercial bank, the percentage of those who opposed on the item ranges from 0 percent to 28.77 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred on the item were 42.47 percent to 28.77 percent, this result shows that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item.

As we see the mean of public and private commercial bank, the mean of public commercial bank were 3.73, while the mean of private commercial bank were 3.71, this result implied that the level of motivation of employees regarding to the chance to tell people what to do, the mean result of both public and private commercial bank were the same, this result also indicated that the employees of both public and private commercial bank were moderately satisfied with the chance to tell people what to do. The level of motivation of employee about the chance to tell

people what to do in public and private commercial bank employees were the same, so it can be said that we know that the nature of banking job is providing service to customer, so the nature of customer is different, so it can be said that because of the similarity of work the level of public and private sector bank employees regarding the chance to do things for other people were the same.

Table 9, item 10, regarding the level of motivation of employees on the chance to do something that use of my abilities, the percentage of public commercial bank who opposed on the item ranges from 2.99 percent to 26.12 percent, while those who were undecided were 0 percent and the percentage of those who concurred on the item ranges from 40.30 percent to 30.60 percent. This implied that the percentage of those who concurred on the item were higher than those who opposed and undecided on the item. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item ranges from 0 percent to 26.03 percent and those who were not sure were 0 percent, And the percentage of those who concurred on the item ranges from 43.84 percent to 30.14 percent, this result also indicated that the percentage of those who concurred on the item were higher than those who opposed and undecided on the item.

As we see from the table the mean of public and private commercial bank regarding to the chance to do something that use of my abilities, the mean of public commercial bank were 3.69 while the mean of private commercial bank were 3.78; however in both commercial banks the motivation level of employees were moderately high. But relatively level of motivation private commercial bank of employees regarding to the chance to do something that use of my abilities were higher than those of public commercial bank employees. The levels of employee motivation of public and private commercial banks were not highly satisfied with the chance to do things for other people. The reason was that it is difficult to manage and maintain based on their customer character and have a reputation at their disks all the day.

Table 9,item 11,Regarding to the level of employee motivation about the feeling of accomplishment I get from the job ,the percentage of those who opposed the item in public commercial bank ranges from 0.75 percent to 4.18 percent, while the percentage of those who were not sure on the item were 4.48 percent and the percentage of those who concurred on the item ranges from 44.03 percent to 36.57 percent, this result implied that the percentage of those

who concurred the item were higher than those who opposed and undecided. On the other hand in private commercial bank, the percentage of those who opposed on the item ranges from 0 percent to 6.85 percent, while the percentage of those who were undecided were 1.37 percent and the percentage of those who concurred on the item ranges from 52.05 percent to 39.73 percent, this result shows that the percentage of those who concurred on the item were higher than those who opposed and undecided on the item.

As we see the mean of public and private commercial bank, the mean of public commercial bank were 4.01, while the mean of private commercial bank were 4.25, this result implied the level of motivation of employees regarding to the feeling of accomplishment I get from the job, Most of the respondent of both public and private commercial bank was highly motivated with the feeling of accomplishment. But relatively the levels of motivation of employees of private commercial bank were highly motivated than public commercial bank employees.

Table 9, item 12, regarding the level of motivation of employees about the praise I get for doing a good job, the percentage of those who opposed the item in public commercial bank ranges from 0.7 percent to 11.2 percent, while those who were not sure on the item were 1.5 percent and those who concurred the item ranges from 59.5 percent to 26.9 percent, this result shows that the percentage of those who concurred on the item were higher than those who opposed and undecided. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item ranges from 2.24 percent to 11.19 percent and those who were not sure were 1.49 percent, and the percentage of those who concurred on the item ranges from 54.48 percent to 30.60 percent, this result also indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item.

As we see from the table the mean of public and private commercial bank, regarding to the praise I get for doing a good job, the mean of public commercial bank were 4.0 while the mean of private commercial bank were 4.19; however in both commercial banks the level of employee's motivation were highly motivated. but relatively the level of employee motivation regarding to the praise I get for doing a good job in private commercial bank were higher than those of public commercial bank. The level of private bank employees were higher than those of public commercial bank counterpart regarding to the praise and accomplishment because the private

commercial bank more focus on praise, advancement or promotion and reward employees for better performance. so it can be said that private sector bank focus on profit and productivity than public affair, so the level of motivation of private commercial bank employees regarding to the praise and achievement had highly motivated than those of public commercial bank employees.

From the above table it was found that the average mean of intrinsic motivation factor was 3.82 for private commercial banks and the average mean score for public commercial bank employees regarding to the intrinsic motivational factor was 3.76. So it can be said that there was a difference between public and private sector bank employees regarding to the intrinsic motivational factor. The finding of the study is consistent with (Husain, 2011); (Chinnadurai, 2014) and (Saravanja, 2010). So it can be said that private sector bank employees had higher intrinsic motivation than public sector bank employees.

4.3.2 Extrinsic motivation

To analyze the extrinsic motivation of the respondents, those who were very low motivated and demotivated were combined in to one group of those who opposed the item. In addition, respondents who were very high motivated and those were motivated were combined in to another category was that of those employees who neither motivated nor demotivated were combined in to undecided with the item. Based on this, this study compares the level of motivation of public and private commercial bank .to do this the researcher categorized the level of motivation of private and public commercial bank in to intrinsic and extrinsic motivation.

Table 8 extrinsic motivation

ITEM		MEAN	Percentage	HM	D	N	M	HM
The way my boss handles his/her workers	Public bank	3.88	Frequency	5	23	3	55	48
			Percentage	3.73	17.16	2.24	41.04	35.82
	Private bank	3.82	Frequency	0	19	0	29	25
			Percentage	0	26.03	0	39.73	34.25
The competence of my supervisor in making decisions	Public bank	3.90	Frequency	5	25	2	49	53
			Percentage	3.73	18.66	1.49	36.57	39.55
	Private bank	3.82	Frequency percentage	0	15	0	41	17
				0	20.55	0	56.16	23.29
Being able to do things that don't go against my conscience	Public bank	3.59	Frequency	5	32	3	67	27
			Percentage	3.73	23.88	2.24	50	20.15
	Private bank	3.60	Frequency	0	22	1	34	16
			Percentage	0	30.14	1.37	46.58	21.92
The way my job provides for steady employment	Public bank	4.4	Frequency	0	6	2	58	68
			Percentage	0	4.48	1.49	43.28	50.75
	Private bank	4.03	Frequency	0	12	0	35	26
			Percentage	0	16.44	0	47.95	35.62
The way company policies are put into practice	Public bank	3.95	Frequency	1	24	0	65	44
			Percentage	0.75	17.97	0	48.51	32.84
	Private bank	3.88	Frequency	0	16	0	34	23
			Percentage	0	21.92	0	46.58	31.51
My pay and the amount of work I do	Public bank	3.91	Frequency	0	29	0	59	46
			Percentage	0	21.64	0	44.03	34.33
	Private bank	3.81	Frequency	1	17	0	32	23
			Percentage	1.37	23.29	0	43.84	32.51
The working conditions	Public bank	3.86	Frequency	4	28	1	51	50
			Percentage	2.99	20.90	0.75	38.06	37.32
	Private bank	3.84	Frequency	0	16	0	37	20
			Percentage	0	21.92	0	50.68	27.40
The way my co-workers get along with each other	Public bank	3.86	Frequency	3	21	3	72	35
			Percentage	2.24	15.67	2.24	53.73	26.12
	Private bank	3.85	Frequency	0	15	1	37	20
			Percentage	0	20.55	1.37	50.68	27.40

Data source; own survey 2020

Table 10, item 1, shows the comparison of extrinsic motivational factor among public and private commercial banks. Regarding to the level of motivation of employees about the item of the way my boss handles his/her worker,, in public commercial bank the percentage of those who opposed on the item ranges from 3.73 to 17.16 percent, while the percentage of those who were not sure on the item were 2.24 percent, and the percentage of those who concurred on the item ranges from 41.04 percent to 35.82 percent. This result implied that the percentage of those who concurred on the item were higher than those who opposed and undecided. On the other hand in private commercial bank on the same item the percentage of those who opposed on the item were 26.03 percent, while the percentage of those who are not sure were 0 percent, and the percentage of those who concurred on the item ranges from 39.73 percent to 34.25 percent, this indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided.

When we compare the level of motivation of employees about the way my boss hands his/her worker, the mean of public commercial bank was 3.88 and the mean of private commercial bank was 3.82. it can be said that the employees of both public and private sector bank employees were moderately satisfied by the way the boss handles the employees of the bank, but relatively the level of employees motivation of public commercial bank were higher than those of private sector counterparts, the reason is in public sector the manager not only focus on achieving productivity but also supports the national economy, so the manager motivates employees better than those of private sector counterparts.

Table 10, item two, regarding to the level of motivation about the competence of my superior in making decision, the percentage of those who opposed the item in public commercial bank ranges from 3.73% to 18.66 percent. While the percentage of those who were not sure on the item were 1.49 percent and the percentage of those who concurred on the item ranges from 36.57 percent to 39.55 percent, this result implied that the percentage of those who concurred on the item were higher than those of who opposed and undecided. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item were 20.55 percent, while those who were not sure were 0 percent, while the percentage of those who concurred on the item ranges from 56.16 percent to 23.29 percent, this result implied that the

percentage of those who concurred on the item were also absolutely higher than those who opposed and undecided.

As we compare the mean of public and private commercial bank regarding to the competence of superior in making decision, the mean of public commercial bank were 3.90 percent and the mean of private commercial bank were 3.82, this result indicated that the motivation level of employees in both public and private commercial bank regarding to the competency of superior in making decision was high. This result also implied that the level of motivation of public commercial bank regarding to the competence of superior in making decision was higher than those of private commercial bank employees. The reason for the higher motivation of employees in public commercial bank were first, public sector competency reflects public environment were goals need to be specifically defined and implemented in a timely manner related to not only making profit and surviving in a competitive environment. Second solving the more complex and difficult problem .Third serving the public good. So it can be said that the supervisor of public sector employees were more competent than private sector employees in making decision. (Darling, 2016) Also supported the above statement.

Table 10,item three, regarding to the level of motivation about being able to do things against my conscience, in public commercial bank the percentage of those who opposed on the item ranges from 3.73 percent to 23.88 percent, while the percentage of those who were undecided were 2.24 percent and the percentage of those who concurred ranges from 50 percent to 20.15 percent .this implied that the percentage of those who concurred the item were moderately higher than those who opposed and undecided. On the other hand on the same item in private commercial bank, the percentage of those who opposed on the item were 30.14 percent, while the percentage of those who were undecided were 1.37 percent and the percentage of those who concurred on the item were ranges from 46.58 percent to 21.92 percent, this result shows that the percentage of those who concurred on the item were moderately higher than those who opposed and undecided on the item. As we see the mean of public and private commercial bank, the mean of public commercial bank were 3.59, while the mean of private commercial bank were 3.60, this result implied the level of motivation of employees regarding to being able to do things against my conscience, most of the respondent of both public and private commercial bank were moderately

satisfied. But relatively the levels of motivation of employees in private commercial bank were relatively satisfied than public commercial bank.

Table 10,item four, regarding to the level of motivation of employees about the my job provides for steady employment, the percentage of public commercial bank who opposed on the item were 4.48 percent, while those who were undecided were 1.49 percent and the percentage of those who concurred on the item ranges from 43.28 percent to 50.75 percent. This implied that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item ranges from 0 percent to 16.44 percent and those who were not sure were 0 percent. And the percentage of those who concurred on the item ranges from 47.95 percent to 35.62 percent, this result also indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item. As we see from the table above the mean of public and private commercial bank regarding to the chance to the job provides for steady employment, the mean of public commercial bank was 4.40 while the mean of private commercial bank were 4.03. When we compare the mean of public and private commercial bank, as we see from the table above the motivation level of employees of public commercial bank regarding to my job provides for steady employment were relatively higher than those of private commercial bank. However in both commercial banks the motivation levels of employees were highly satisfied with the job provides for steady employment. This result implied that job security plays an important role to increase the level of employee motivation in both public and private commercial banks.in case of public sector bank, the matter of job security is always higher and this is also the case for individuals with poor performance. But this may not be the case in private sector banks as the job is highly competitive, only better employees receive bigger pay package and job security.

Table 10,item five, regarding to the level of motivation of employees about the way company policies are put in to practice, the percentage of those who opposed the item in public commercial bank ranges from 0.75 percent to 17.91 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred the item ranges from 48.51 percent to 32.84 percent .this implied that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided. On the other hand in private

commercial bank, the percentage of those who opposed on the item were 21.92 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred on the item were 46.58 percent to 31.51 percent, this result shows that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item. As we see the mean of public and private commercial bank, the mean of public commercial bank were 3.95, while the mean of private commercial bank were 3.88, this result implied that, this result also indicated that the employees of both public and private commercial bank were satisfied with the way company policies are put in to practice, but relatively in private commercial banks the level of motivation of employees were highly satisfied than those of public sector counterparts about the implementation of company policies. The reason is private sector bank more specifically focus on making profit and surviving in a competitive market than those of public sector counterparts, the policies are practiced are implemented to achieve the goal and objective of the bank more than public sector bank.

Table 10, item six, regarding to the level of motivation about the payment, in public commercial bank the percentage of those who opposed on the item were 21.64 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred ranges from 44.03 percent to 34.33 percent .this implied that the percentage of those who concurred the item were absolutely higher than those who opposed and undecided. On the other hand on the same item in private commercial bank, the percentage of those who opposed on the item ranges from 1.37 to 23.29 percent, while the percentage of those who were undecided were 0 percent and the percentage of those who concurred on the item were ranges from 43.84 percent to 32.51 percent, this result shows that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item.

As we see the mean of public and private commercial bank, the mean of public commercial bank were 3.91, while the mean of private commercial bank were 3.81, this result implied the level of motivation of employees regarding to the payment, and most of the respondent of both public and private commercial bank were highly satisfied. But relatively the levels of motivation of employees in public commercial bank were relatively higher than private commercial bank. Consistent researcher found that private sector bank employees paid more than public sector employees, but in this study this statement is rejected because now a time especially after 2010

E.C. the payment of public sector bank in Ethiopia were relatively higher than those of private sector bank employees. So this is the case that the levels of public sector bank employees were higher than those of private sector bank counterparts.

Table 10, item seven, regarding to the level of motivation of employees about the working condition, the percentage of public commercial bank who opposed the item ranges from 2.99 to 20.90 percent, while those who were undecided were 0.75 percent and the percentage of those who concurred on the item ranges from 32.06 percent to 37.32 percent. This implied that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item. On the other hand on the same item in private commercial bank the percentage of those who opposed on the item was 21.92 percent and those who were not sure were 0 percent. And the percentage of those who concurred on the item ranges from 50.68 percent to 27.40 percent, this result also indicated that the percentage of those who concurred on the item were absolutely higher than those who opposed and undecided on the item.

As we see from the table above the mean of public and private commercial bank regarding to the chance to the job provides for steady employment, the mean of public commercial bank was 3.86 while the mean of private commercial bank were 3.84. When we compare the mean of public and private commercial bank, as we see from the table above the motivation level of employees of private commercial bank regarding to the working condition were relatively higher than those of private commercial bank. However in both commercial banks the motivation levels of employees were highly satisfied with the working condition. the mean score obtained for the private sector bank indicated that most employees experienced more than average satisfaction with the working condition of the bank than those of public sector bank employees, because the working condition in private sector bank has been growth driven, devoid bureaucracy, where employees promotion are highly contingent on performance and merit (Gupta, 2008); (Singh, 2007) supported the above statement.

Table 10,item eight, regarding to the level of motivation of employees about the relationship of employees, the percentage of those who opposed the item in public commercial bank ranges from 2.24 percent to 15.67 percent, while the percentage of those who were undecided were 2.24 percent and the percentage of those who concurred the item ranges from 53.73 percent to 26.12 percent .this implied that the percentage of those who concurred on the item were higher than

those who opposed and undecided. On the other hand in private commercial bank, the percentage of those who opposed on the item ranges from 0 percent to 20.55 percent, while the percentage of those who were undecided were 1.37 percent and the percentage of those who concurred on the item were 50.68 percent to 27.40 percent, this result shows that the percentage of those who concurred on the item were higher than those who opposed and undecided on the item. As we see the mean of public and private commercial bank, the mean of public commercial bank were 3.86, while the mean of private commercial bank were 3.85, this result implied the level of motivation of employees regarding to the relationship of employees, the mean result of private and public commercial bank were the same. , this result also indicated that the employees of both public and private commercial bank were moderately satisfied with the relationship of co-worker get along with each other employees in the bank.

After having looked at both intrinsic and extrinsic motivation among the employees in banking sector.it could be said that intrinsic motivation is far stronger than extrinsic motivation in private sector bank employees while, extrinsic motivation is stronger in public sector bank employees when it comes to motivate employees in the long run, (Darling 2016), (Gupta, 2008) and (Hussain, 2011) also supported the above statement.

4.4 Performance Management System among Public and Private Bank

Table 9 performance management among public and private sector

ITEM	Bank type	Obs	Mean	SE	SD	MD	rank	DF	SIG
Planning	Public bank	134	3.8817	.04346	0.50303	0.03810	2	205	0.596
	Private bank	73	3.9198	.05552	0.47439		1		
Employee input	Public bank	134	3.71	0.03983	0.46107	-0.0138	1	205	0.845
	Private bank	73	3.69	0.06232	0.53239		2		
Evaluation and review	Public bank	134	3.91	0.04232	0.48992	0.3510	2	205	0.608
	Private bank	73	3.95	0.05038	0.43042		1		
Career development	Public bank	134	3.89	0.05906	0.86366	0.20722	2	205	0.025
	Private bank	73	4.10	0.06088	0.52014		1		
Reward and compensation	Public bank	134	3.97	0.04737	0.54835	-.15965	2	205	0.050
	Private bank	73	3.81	0.06689	0.57152		2		
Ongoing feedback	Public bank	134	3.41	0.05771	0.66809	-.03012	1	205	0.758
	Private bank	73	3.38	0.0791	0.6760		2		

Data source; own survey 2020

Table 11 shows the independent t-test of performance management system among public and private commercial bank. An independent t-test was run on a sample of 207 observation or participants to determine if there were a difference in performance management system among public and private commercial bank .From this public commercial bank were 134 participants and private commercial bank were 73 participants.

Table 11,item one, the result showed that the participants of public commercial bank given to performance planning were lower (3.88+0.043 performance planning) than private commercial bank (3.92+0.055) performance planning). The mean result implied that private commercial bank given relatively better attention to performance planning than public commercial bank but the mean result shows that both public and private commercial bank had a better performance planning; the reason is that private commercial bank focus on evaluating performance through merit than experience, so the bank always aligned goal and objective with the performance management (Gautam & Sameeksha, 2017). But this result shows the respondent of private commercial bank given to performance planning was not statistically higher performance planning score than private commercial bank because the p-value 0.596 which was greater than

0.05. This result implied that there was not significant difference among public and private commercial bank due to performance planning.

Table 11, the second performance management item was employee input, the result indicated that the participants of public commercial bank given to employee input were higher ($3.71+0.04$ employee input) than private commercial bank ($3.69+0.062$ employee input). But the mean result implied that the participation of employee in the performance management system in both public and private commercial bank were nearly the same, this indicated that there was not any difference regarding employee input. So as we see from the table above the p-value was 0.845 which was greater than 0.05. This implied that there were insignificant mean difference among public and private commercial bank due to employee input.

The third performance management system was evaluation and review, the result showed that the participants of public commercial bank given to evaluation and review were lower ($3.91+0.04$ evaluation and review) than private commercial bank participants ($3.95+0.05$ evaluation and review) (Sameeksha & Aditya, 2016). The result implied that performance evaluation and review in private commercial bank were better implemented than public commercial bank. But this result does not mean that the participants of public commercial bank given to evaluation and review were not statistically lower than private commercial bank because the p-value 0.608 which was greater than 0.05. So this result implied that there was insignificant difference between public and private commercial bank due to evaluation and review.

The fourth performance management item was career development, the result indicated that the participants of public commercial bank given to career development were lower ($3.89+0.059$ career development) than private commercial bank ($4.10+0.06$ career development). This result showed that there was a statistically higher career development score among public and private commercial bank due to career development. Career growth is faster, the talent and hard work is rewarded promptly in private commercial bank (Selvaraj, 2009; Chinnadurai, 2014). So as we see from the table above the p-value was 0.025 which was less than 0.05. The result implied that there were a significant mean difference among public and private commercial bank due to career development.

The fifth performance management system was reward and compensation, the result showed that the participants of public commercial bank given to reward and compensation were higher

(3.97+0.047 reward and compensation) than private commercial bank participants (3.81+0.066 reward and compensation).The result implied that the participants of public commercial bank given to reward and compensation were statistically higher than private commercial bank because now a times the reward and compensation system of public commercial banks were higher than those of private commercial bank. As we see from the independent T-test table the p-value 0.050 which is equal to 0.05.So this result implied that the respondent of public commercial bank given to reward and compensation was shown a statistically higher reward and compensation score than private commercial bank.

The last performance management system was ongoing feedback, the result showed that the participants of public commercial bank given to ongoing feedback were relatively higher (3.41+0.0577 ongoing feedback) than private commercial bank participants (3.38+0.079) (Sameeksha & Aditya,2016).But this result does not mean that the participants of public commercial bank given to ongoing feedback were not statistically higher than private commercial bank because the p-value 0.608 which was greater than 0.05 because the employees given to feedback in both public and private commercial bank were nearly the same. So this result implied that there was insignificant difference between public and private commercial bank due to ongoing feedback.

The independent t-test result indicated that there was a statistically significant difference among public and private commercial bank due to career development and reward and compensation. While there was insignificant difference among public and private commercial bank due to employee input, evaluation and review, performance planning and ongoing feedback. The above statement is consistent with (Mohammed 2013; Aditya, 2017 and Iype, 2019).

4.5 Correlation

Table 3.12 shows the inter correlation among the variable or represents the correlation matrix between the independent variable (performance planning, employee input, evaluation, and review, development of career, ongoing feedback and reward and compensation) and dependent variable (employee motivation) and also within the independent variable.

Table 10 correlation

	Planning	Emplinput	evaluation	development	reward	feedback	motivation
Planning	1.0000						
Emplinput	0.7418						
Evaluation	0.7250	0.6579	1.0000				
Development	0.4975	0.4551	0.7791	1.0000			
Reward	0.7010	0.6199	0.7183	0.6672	1.0000		
Feedback	0.4034	0.5652	0.5458	0.3807	0.5638	1.0000	
Motivation	0.7462	0.6725	0.8629	0.7388	0.8005	0.5776	1.0000

Data source; own survey 2020

As we see from the above table, the total observation of the data was 207, so in this data set we have no missing values, so all the correlation were based on 207 observation. As per Marczyk, Dematto and Festinger,(2005) general guidelines a correlation of less than 0.3 is weak, a correlation of 0.30-0.70 is moderate and a correlation of 0.70-0.90 is strong correlation, a correlation of above 0.9 is very strong and a correlation of 1 is perfect correlation. The first item performance planning, performance planning has a significant and positive correlation with the dependent variable (employee motivation) and all the independent variable. From the table above we can see that performance planning has a strong correlation with employee motivation (dependent variable) with a correlation result of 0.75, from the independent variable performance planning has a strong and positive correlation with employee input with a correlation coefficient of 0.74, evaluation & review (0.73) and reward & compensation (0.70), while there is a positive and moderate correlation with feedback (0.40) and career development (0.50). this result indicated that performance planning has a positive and significant correlation with employee motivation and also with the independent variable, this implied that as performance planning increase, the score of employee motivation also increase.

The second performance management item is employee input; employee input has a significant and positive correlation with the dependent variable (employee motivation) and all the independent variable. The result indicated that employee input has a positive and moderate correlation with the dependent variable employee motivation (0.67), from the independent variable employee input has a positive and strong correlation with performance planning (0.74), while employee input has a positive and moderate correlation with evaluation & review

(0.66), reward & compensation (0.62), feedback (0.56) and career development (0.45).this result implied that as employee input increase we would expect the score of employee motivation also increase.

The third performance management item is evaluation & review, evaluation and review has a significant and positive and a very strong correlation with the dependent variable (employee motivation) with a correlation coefficient of (0.86). And also the correlation table shows that evaluation and review has a strong and positive correlation with career development with a correlation coefficient of (0.78), performance planning (0.73), reward & compensation (0.72), while evaluation and review has also a moderate and positive correlation with employee input (0.66) and feedback (0.55). This result implied that as evaluation and review score increase the motivation score also increase.

The fourth performance management item is career development; career development has a significant and positive correlation with the dependent variable (employee motivation) and all the independent variable. The above table shows career development has a strong correlation with employee motivation (0.73) and also career development has strong correlation with evaluation & review (0.78),while career development has a positive and moderate correlation with reward and compensation(0.67), performance planning(0.50),employee input(0.46) and feedback(0.3807). This result showed that as career development increases the score of employee motivation score also increase.

The fifth item of performance management item is reward and compensation, reward and compensation has a significant and positive correlation with employee motivation and all the independent variable. The result indicated that reward and compensation has a very strong correlation with employee motivation (0.80) and reward and compensation has a strong correlation with evaluation & review(0.72) and performance planning (0.70),while reward and compensation has a moderate and positive correlation with career development (0.67), employee input(0.62) and ongoing feedback (0.56).this result indicated that as reward and compensation increase, we would expect that the value of employee motivation also increase.

The last item of performance management item is ongoing feedback; ongoing feedback has a significant and positive correlation with all the independent variable. From the above table we can see that ongoing feedback has a moderate and positive correlation with employee motivation

with a correlation coefficient of (0.58).ongoing feedback also a positive and moderate correlation with performance planning, reward & compensation, career development , employee input , evaluation& review and career development. This result also implied that as ongoing feedback increase we would expect the motivation score also increase.

As we see from the inter correlation matrix performance evaluation & review and reward & compensation has a very strong and positive correlation with employee motivation. Career development and performance planning has also a strong correlation with employee motivation. While employee input and feedback has a moderate correlation with employee motivation. The result implied that all the performance management factor has a positive correlation with employee motivation.

4.6 Linear Regression Assumption Test

When we choose to analyze the data using linear regression, part of the process involves checking to make sure that the data you want can actually be analyzed using linear regression .the researcher need to do this because it is only appropriate to use linear regression in the data passes the assumption that are required for linear regression to give a valid result. So the researcher performed the linear regression assumption test of normality, linearity, hetroskedasticity and multi-collinearity.

4.6.1 Test for normality

The researcher used both numerical and graphical method of testing for normality, the numerical method used in this study was Shapiro-wilk test, Shapiro-francio test and skewness and kurtosis test, while from the graphical method the researcher use standardize normal plot (pnorm), quantile plot (qnorm) and kernel density normal plot (kdensity). First see the numerical method of testing for normality. The first is the Shapiro-wilk test; the command swilk performs the Shapiro wilk test, testing either normality.

Shapiro wilk test

Null hypothesis; the data is normally distributed

In this test reject the null hypothesis if the p-value is less than 0.05 and accept the null hypothesis if the p-value is greater than 0.05.

Shapiro-Wilk W test for normal data

Table 11 shapiro-wilk test for normal data

Variable	Obs	W	V	Z	Prob>z
R	207	0.99380	0.953	-0.111	0.54435

as we see from the table above the p-value of swilk test were 0.28561, which is greater than 0.05 the result indicated that at 0.05 level of significance, the data is normally distributed because the p-value of the data were above 0.05.the decision is to accept the null hypothesis because there is not enough evidence to reject the hypothesis of the data is normally distributed.

The Shapiro -francio test for normality

Null hypothesis; the data is normally distributed

The criteria is to reject the null hypothesis if the p-value of Shapiro francio result is below 0.05 and accept the null- hypothesis if the p-value is greater than 0.05.

Shapiro-Francia W' test for normal data

Table 12 shapiro-Francia test for normal data

Variable	Obs	W'	V'	Z	Prob>z
R	207	0.99380	0.953	-0.111	0.54435

Data source; own survey 2020

As we see from the Shapiro- francio test result the p-value were 0.24307,this result indicated that the p-value of the bank were greater than 0.05.the result signifies that the data is normally distributed because the null hypothesis is accepted (Shapiro & Francia,1972).

Skewness and kurtosis

Null hypothesis; the data is normally distributed

Skewness is a measure of asymmetry of a probability distribution of a random variable about its mean. Kurtosis represents the height and sharpness of the central peak relative to that of a standardized bell curve (Westfall, 2014). So the figure below shows the result obtained from after performing the skewness and kurtosis for normality in stata.

Skewness/Kurtosis tests for Normality

Table 13 skewness and kurtosis test for normal data

Variable	Obs	Pr (Skewness)	Pr (Kurtosis)	Adj-chi2(2)	Prob>chi2
R	207	0.6792	0.5272	0.58	0.7496

Data source; own survey 2020

Null hypothesis; the data follows normally distribution

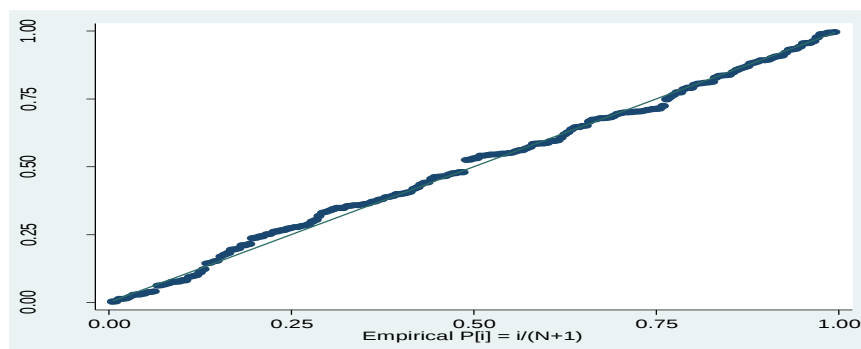
The criteria is to reject the null hypothesis if the joint chi p-value is less than 0.05 and accept the null hypothesis if the p-value is greater than 0.05 and also see separately the p-value value of skewness and kurtosis (Marchenko & Genton, 2010). As we see the probability of skewness of in the bank were 0.7411.the skewness result implied that in the bank the data follows normal distribution, because the p-value is greater than 0.05.Similarly the , pr (kurtosis) result indicated that kurtosis also asymptotically distributed as the p-value were 0.2103 which is greater than 0.05.Finally the result of chi(z) in 0.4283,which is greater than 0.05 implying its significance at 5% level, consequently the null hypothesis cannot be rejected ,therefore according to the sktest for normality the residual show normal distribution.

Graphical method of testing normality

The standardize normal plot (pnorm)

the standardize normal plot (pnorm) checks for non-normality in the middle range of residual and quantile plot (qnorm) checks for non-normality in the extreme of the data (tail), it plots quantile of residual vs. quantile of a normal distribution.as we see from the graph of a standardize normal probability plot (pnorm) checks for non-normality in the middle range of the residual.

Figure 2 standardise normal plot

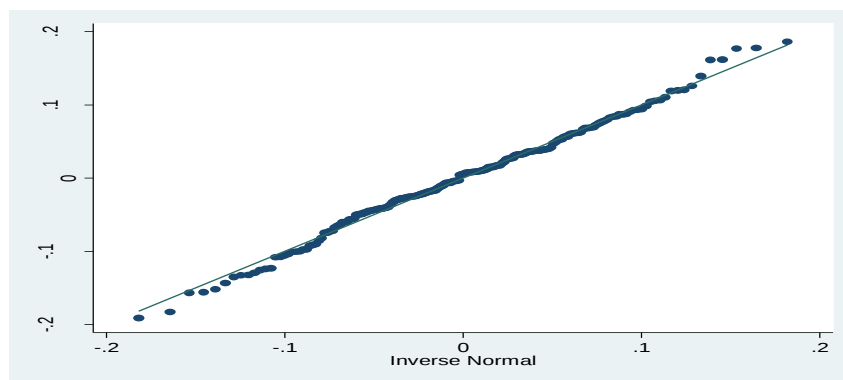


As we see from the above standardize normal plot graph, the plot were nearly fall on the line, and this indicates that the data were normally distributed because as we see the middle range of residual were fall on the line. The graph signifies that based on standardize normal plot graph the data follow normal distribution.

Quantile plot (qnorm)

Again as we see from the graph of quantile plot (qnorm) that checks normality in the extreme of the data, it plots quantile of the residual vs. quantile of the normal distribution.

Figure 3 quantile plot

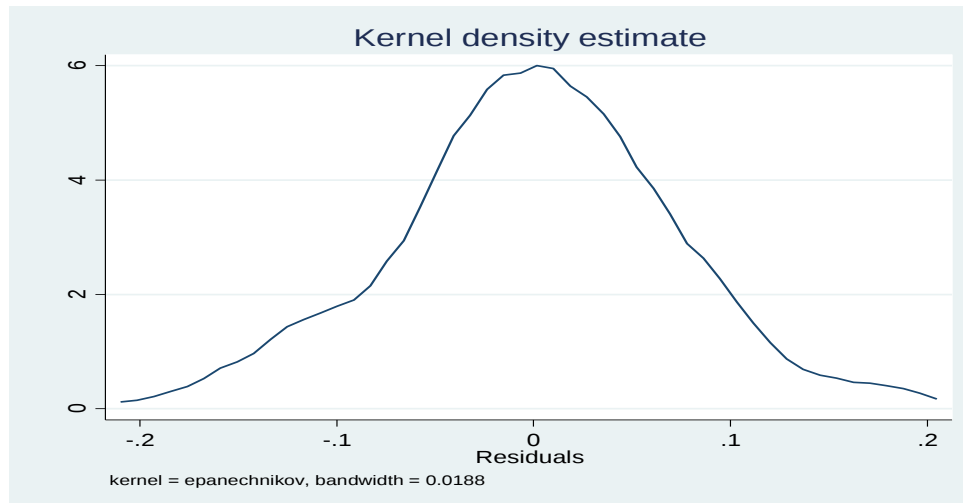


As we see the graph of quantile probability plot, the tail of the graph, the dot that seen on the tail is slightly off the line but it looks ok. The quantile plot signifies that the data it is difficult to say the data is normally distributed because as we see the extreme part of the graph, the dot is out of the line.

Kernel density estimate (kdensity)

The researcher used kernel density (kdensity) estimation technique, because kernel density technique produces a smooth estimate of the PDF and uses all sample points, location and more convincingly suggest multimodality. So the researcher used this technique to check whether the data has a smoothing problem or not and inferences about the population are made.

Figure 4 kernel density estimate



As we see from the above kernel density probability plot checking whether a normal density be overlaid on the plot, the graph showed that the kernel density probability plot seems overlaid on the normal probability plot. So the graph indicated that the data seems normally distributed.

4.6.2 Heteroscedasticity Test

Breusch-Pagan / Cook-Weisberg test for heteroscedasticity

Ho: Constant variance

Variables: fitted values of motivation

chi2 (1) = 0.81

Prob > chi2 = 0.3680

The researcher also used other test which is hettest command based on white test, as we see from the above table the p-value is 0.1625, which is greater than 0.05, the p-value is insignificant, so it is not enough evidence to reject the null hypothesis of the model has constant variance. In other words this test says that at 0.05 level of significance this model has not a problem of non-constant variance.

4.6.3 Multi-collinearity test

The researcher used variance inflation factor (VIF) command to test whether there is a multi-collinearity problem or to check whether there is a perfect linear relationship among the performance management item of performance planning, employee input, evaluation and review,

career development, reward and compensation, and ongoing feedback in Dire Dawa city commercial banks.

Table 14 multi-collinearity test

Variable	VIF	1/VIF
Evaluation	4.76	0.210293
Planning	3.57	0.280027
Reward	3.12	0.320842
Development	3.07	0.325645
Emplinput	2.77	0.361172
Feedback	1.88	0.532763
Mean VIF	3.19	

Data source; own survey 2020

as we see from the above multi-collinearity table the VIF mean result is 3.27, this result indicated that, there is not enough evidence to reject the null hypothesis because the mean of vif in this study is 3.27 which is less than the tolerance number of $vif > 10$. therefore it seems that the model has not been a problem of multi-collinearity.

4.6.4 Specification test

Table 15 link test

Source	SS	Df	MS	Number of obs	= 207
Model	4.97408321	2	2.4870416	F(2, 204)	= 499.00
Residual	1.01673726	204	.004984006	Prob > F	= 0.0000
Total	5.99082047	206	.029081653	R-squared	= 0.8303
				Adj R-squared	= 0.8286
				Root MSE	= .0706

Motivation	Coef.	Std. Err.	T	P> t	[95% Conf. Interval]
_hat	1.26435	1.284314	0.98	0.326	-1.267882 3.796581
_hatsq	-.0304973	.1481228	-0.21	0.837	-.3225453 .2615507
_cons	-.5721109	2.782081	-0.21	0.837	-6.057431 4.913209

To check whether we need more variable in our model by running a new regression by using the command of link test, as we see from the above table the value of hat-square is 0.837, which is insignificant because the value of hat-square $0.837 > 0.05$, this indicates that the test of hat-square is not significant, this is to say that the link test result showed that we failed to reject the assumption that the model is specified correctly. Therefore it seems to us we do not have a specification error in this data.

Ovtest

Ramsey RESET test using powers of the fitted values of motivation

Ho: model has no omitted variables

$$F(3, 197) = 1.68$$

$$\text{Prob} > F = 0.1725$$

The researcher also used ovtest (Ramsey reset test), to check the problem of specification error, as we see from the above table the p-value = 0.1725, which is greater than 0.05. this indicates that the above Ramsey reset test of p-value is not significant, this is to say that ovtest has failed to reject the assumption that the model is specified correctly, that mean it seems that we don't have a specification error.

4.7 Regression

The researcher used regression analysis that is almost the continuation of correlation; the researcher has been used linear regression which shows the effect of performance management system (performance planning, employee input, evaluation & review, career development, reward & compensation and feedback) on employee motivation and allows us to make statements about how well one or more independent variable predict the value of dependent variable (employee motivation).

Table 16 model summery

Source	SS	Df	MS	Number of obs	= 207
Model	4.97387226	6	.82897871	F(6, 200)	= 163.03
Residual	1.01694821	200	.005084741	Prob > F	= 0.0000
Total	5.99082047	206	.029081653	R-squared	= 0.8302
				Adj R-squared	= 0.8252
				Root MSE	= .07131

Data source; own survey 2020

As we see from the above table the r squared of this data is 0.8302, this mean approximately 83.02% of the variance of employee motivation is accounted for by the model or 83.02% of the model is explained by the independent variable included in the model. From this we can say that only 16.98% (100-83.02%) of the variance is caused by factors other than the predictors included in the model. As we see the adjusted r –squared of this data a value of 82.52%.

This data indicates that true 82.52 percent of the variance of the outcome variable is explained by the predictors, which are kept in the model. This result indicated that the difference between r-squared and adjusted r-squared is less than 1 percent (0.005), which means there is no discrepancy between the values of r-squared and adjusted r-squared. this indicates that the predictor variable are a good fit of the model because the adjusted r square tells that in this study, the adjusted r squared (0.8252) the data point fit the regression shows a percentage of the variance explained only by the independent variable (performance planning, employee input, evaluation and review, career development, reward and compensation and ongoing feedback) that actually affects the dependent variable (employee motivation).

F-TEST

The ANOVA result also shows that the overall significance of the model (F-test),the relevance of all the performance management factor (performance planning, employee input, evaluation and review, career development, reward and compensation and ongoing feedback) included in the model can be jointly tested by F-test.in this study from a total of 207 observation, the $F(6,200)=163.03$ and $\text{prob}>F=0.000$,which is less than 0.05,thus we conclude that the model is adequate at 5% level of significance, this shows that there is a significant linear relationship between independent variable (performance management factor) and employee motivation. Or in other words based on performance planning, employee input, evaluation and review, career development, reward and compensation and ongoing feedback we make valid inference about employee motivation at 99% level of significance.

Table 17 regression

Motivation	Coef.	Std. Err.	T	P>t	[95% Conf.	Interval]
Planning	.1269506	.0410502	3.09	0.002	.0460038	.2078974
Emplinput	.0152253	.0299131	0.51	0.611	-.0437602	.0742107
Evaluation	.3002259	.0493019	6.09	0.000	.2030076	.3974442
Development	.0967512	.0333524	2.90	0.004	.0309837	.1625187
Reward	.15568	.0339539	4.59	0.000	.0887264	.2226337
Feedback	.0691717	.0292098	2.37	0.019	.0115731	.1267703
Cons	1.023178	.1178123	8.68	0.000	.7908641	1.255491

Data source; own survey 2020

$$EM=0.127X1+0.015X2+0.30X3+0.097X4+0.156X5+0.069X6$$

AS we see from the above regression result the first performance management item is performance planning, we can see from the table above the beta value performance planning is 0.127, this result shows that we would expect an increase of 0.127 on employee motivation score for every one unit increase in performance planning assuming that all other variable in the model are held constant.

The second performance management item is employee input, as we see from the table above the beta value of employee input is 0.015, this result indicated that we would expect an increase of 0.015 on employee motivation score for every one unit increase on employee input, assuming that all other variable in the model are held constant.

The third item of performance management item is evaluation and review, the beta value of evaluation and review is 0.30, this shows that we would expect an increase of 0.30 on employee motivation score for every one unit increase in evaluation and review assuming that all other variable in the model are held constant.

The fourth item of performance management item is career development, the beta coefficient of career development is 0.097, this result indicated that we would expect an increase of 0.097 on employee motivation score for every one unit increase in career development, assuming that all other variable in the model are held constant.

The fifth item of performance management is reward and compensation, the beta value of reward and compensation is 0.16, this result shows that we would expect an increase of 0.16 on employee motivation score for every one unit increase in reward and compensation assuming that all other variable in the model are held constant.

The six performance management item is ongoing feedback, the beta value of ongoing feedback is 0.07, this result shows that we would expect an increase of 0.07 on employee motivation score for every one unit increase on ongoing feedback, assuming that all other variable in the model are held constant.

Ho; performance planning has a significant effect on employee motivation
Ho; employee input has a significant effect on employee motivation
Ho; evaluation & review has a significant effect on employee motivation
Ho; career development has a significant effect on employee motivation
Ho; reward & compensation has a significant effect on employee motivation
Ho; feedback has a significant effect on employee motivation

As we see from the regression result the p-value indicates that whether the performance management item (performance planning, employee input, evaluation and review, career development, reward and compensation and ongoing feedback) included in the model is significant or insignificant effect on employee motivation.

We can see from the above table the first performance management item performance planning, the p-value of performance planning is 0.002, and this indicates that the p-value of performance planning 0.002 which is less than 0.05, this result implied that performance planning has a significant effect on employee motivation, in addition to this the p-value of 0.002 indicates performance planning highly affect the dependent variable (employee motivation).

The second performance management item is employee input as we see from the table above the p-value of employee input is 0.611, this indicates that employee input has insignificant effect on employee motivation because the p-value of employee input $0.611 > 0.05$. this result also implied that the participation of employee in the performance management system has not a significant effect on employee motivation in DD city commercial banks. There is inconsistent finding

regarding to the effect of employee input on employee motivation, (Aditya, 2017); (Ghayyur, 2017) (Neha, 2018) in their research work employee motivation has a significant effect on employee motivation but the research work of (Alemneh.A, 2017) ; (Hana, 2015) the finding indicated that employee input had insignificant effect on employee motivation, from this result we understood that there is something behind for the effect of employee input on employee motivation, according to the research finding of (Alemneh.A, 2017) and (Hana, 2015), stated the cause for the insignificant effect of employee input on employee motivation. The major cause is the participation of employee in the performance management system is low, the bank did not give much attention for the participation of employee in the performance management system and employee feels not being part of the performance management process so they become discontented and not having or showing much emotion or interest which is directly affect the motivation of employee and adversely affect organizational performance. (Kalleberg, 2009; Ogbonnaya & Valizade, 2015) also stated that employee input had insignificant effect on employee motivation.

The third performance management item is evaluation and review, as we see from the above table the p-value of evaluation and review is 0.0000, this indicates that evaluation and review has a significant effect on employee motivation because the p-value of evaluation and review $0.0000 < 0.05$. This implied that the system of employee performance evaluation and review has a significant effect on the motivation of employee.

The fourth performance management item is career development, as we see from the regression table the p-value of career development is 0.004, this result indicates that career development has a significant effect on employee motivation because the significance value of career development $0.004 < 0.05$. this implied that the employees career development in the bank has a significant effect on the motivation of employee.

The fifth performance management item is reward and compensation as we see from the regression table the p-value of reward and compensation is 0.000, this result indicates that reward and compensation has a significant effect on employee motivation because the p-value of reward and compensation $0.000 < 0.05$. this result implied that the pay and benefit of the bank has a significant effect on employee motivation (Sameeksha & Aditya, 2016; Alemneh, 2017).

The last performance management item is ongoing feedback, as we see from the table above the p-value of ongoing feedback is 0.019, this result shows that ongoing feedback has a significant effect on employee motivation because the p-value of ongoing feedback $0.019 < 0.05$. this result implied that the feedback of employees in the bank has a significant effect on employee motivation. The finding of this study is consistent with (Froydis, Vasset; Einar Marnburg & Trude, Furunes, 2011).

Hypothesis	Decision
Ho; performance planning has not a significant effect on employee motivation	Rejected
Ho; employee input has not significant effect on employee motivation	Accepted
Ho; evaluation & review has not a significant effect on employee motivation	Rejected
Ho; career development has not a significant effect on employee motivation	Rejected
Ho; reward & compensation has not a significant effect on employee motivation	Rejected
Ho; feedback has not a significant effect on employee motivation	Rejected

From the above table we can say that in Dire Dawa commercial banks out of six performance management item five (performance planning, evaluation and review, career development reward and compensation and ongoing feedback) has a significant effect on employee motivation. On the other hand the rest one (employee input) has insignificant effect on employee motivation.

4.8 Analysis of variance computed from Demographic variables

One way ANOVA has been used for analysis of variance for a demographic factor and employee motivation, to find out whether the difference of each demographic factor has a significant or not. For this test the significance level of $p < 0.05$ was taken. Table 17 gives a detail about the sample mean of the relationship between demographic factor and employee motivation and F-ratio analyzing the primary data collected from questionnaire.

Table 18 relationship between demographic factor and employee motivation

		Sum of square	Df	Mean Square	F	Sig.
Gender	Between Groups	.021110253	1	.021110253	0.04	0.8329
	Within Groups	96.989131	205	.473117712		
	Total	97.0102412	206	.470923501		
Age	Between Groups	3.39431402	3	1.13143801	2.45	0.0644
	Within Groups	93.6159272	203	.461162203		
	Total	97.0102412	206	.470923501		
Experience	Between Groups	4.67020868	3	1.55673623	3.42	0.0182
	Within Groups	92.3400325	203	.454877008		
	Total	97.0102412	206	.470923501		
Education	Between Groups	.000435993	1	.000435993	0.00	0.9758
	Within Groups	97.0098052	205	.473218562		
	Total	97.0102412	206	.470923501		
Position	Between Groups	1.46119003	1	1.46119003	3.13	0.0781
	Within Groups	95.5490512	205	.466092933		
	Total	97.0102412	206	.470923501		
Marital	Between groups	.064887733	3	.021629244	0.05	0.9872
	Within groups	96.9453535	203	.477563318		
	Total	97.0102412	206	.470923501		

Data source; own survey 2020

As we see from the above table the first demographic factor was gender of the respondent, the ANOVA result shows that gender of the respondent has not significant motivational difference in the selected commercial banks of Dire Dawa district, because the significance value sex were (0.8329) which is greater than 0.05. The result indicated that gender of the respondent has no group mean difference (there was not significance motivational difference between male and female employees) in Dire Dawa city commercial banks.

The second demographic factor in the above ANOVA result was age of the respondent, as we see from the above ANOVA table the finding revealed that age of the respondent has no significant mean difference (there is no motivational difference between different age group) between groups because the p-value of age were 0.0644 which is greater than the chosen value of 0.05. However age of the respondent showed significant motivational difference between

different age groups at 10% level of significance. so post hoc turkey test was used to know which age group has showed significance difference because we tolerate up to 10% significance level.

Table 19 post-hoc test for age

				Turkey
Motivation	Contrast	Std. Err.	T	P> t
Age				
1vs 0	-.0975989	.284198	-0.34	0.986
2vs 0	-.1136364	.2895646	-0.39	0.979
3vs 0	.3612745	.322471	1.12	0.677
2vs1	-.0160375	.1043813	-0.15	0.999
3vs 1	.4588734	.1761685	2.60	0.048
3vs 2	.4749109	.1847011	2.57	0.053

Source; own survey 2020

The table entitled the pairwise comparison of means with equal variance in Dire Dawa commercial banks to identify which particular difference between pair of mean age are significant group difference from each other, looking at the p-value, we can see that there were a statistically significant difference between groups as determine by one way ANOVA ($F_{(3,203)}=2.45, p=0.0644$). a turkey post-hoc test revealed that motivation was statistically higher in the age group of above 45 years compared to in the age group of between 25-35 years ($p=0.048$). however there is not statistically significant difference between the rest groups. however there is a significant motivational difference between the age group of above 45 years and 35-45 age group at 90% (0.10) level of significance (0.053). The post hoc turkey test pointed out that at (0.1) level of significance the age group of above 45 were relatively highly motivated than the age group of 35-45. The post hoc test signifies that the significant motivational difference in age occurred between the age group of above 45 and 25-35.

As we see from the above table the third demographic factor was experience of the respondent, the anova result shows that, experience of the respondent has a significant motivational difference between groups, because the significance value of experience were (0.0182) which is less than 0.05. This result implied that experience has a significance mean difference in Dire Dawa commercial banks. The finding also revealed that there is a mean difference between groups (there is a significant motivational difference between experiences of the respondent) due

to experience. So the researcher applied turkey post-hoc test to know which group of experience show significance mean difference between groups.

Table 20 post- hoc test for experience

				Turkey
Motivation	Contrast	Std. Err.	T	P> t
Experience				
1vs 0	-.1650603	.2496799	-0.66	0.912
2vs 0	-.4284211	.2482898	-1.73	0.313
3vs 0	-.0761905	.280215	-0.27	0.993
2vs1	-.2633608	.1013342	-2.60	0.049
3vs 1	.0888697	.164746	0.54	0.949
3vs 2	.3522306	.1626315	2.17	0.136

Data source; own survey 2020

The table entitled the pairwise comparison of means with equal variance in Dire Dawa commercial banks to identify which particular difference between pair of mean experience are significant group difference from each other, looking at the p-value, we can see that there were a statistically significant difference between groups as determine by one way ANOVA ($F_{(3,203)}=3.42, p=0.0182$). A turkey post-hoc test revealed that motivation was statistically higher in the service year of between 6-10 years compared to in the service year of between 1-5 years ($p=0.049$), however there was not significant difference between below 1 year and 1-5 service year ($p=0.912$), between below 1 year service and 6-10 years ($p=0.313$), below 1 year service and above 10 year service ($p=0.993$) and also there is not statistically significant difference between the rest groups. The post hoc test signifies that the significant difference in experience occurred between the service year of between 1-5 service year and 6-10 service years. The reason for the high motivation of employees in the service year of 6-10 years in my opinion is that, this service year start to accept more responsibility, reward and compensation also increase, more challenging work and start to get position in the organization.

The fourth demographic factor in the above ANOVA result was education of the respondent, as we see from the above ANOVA result, education of the respondent has not significant effect on employee motivation because the significance value of education were (0.9758) which is greater than 0.05. this result indicated that education and employee motivation has not a significant relationship. The finding also revealed that there was not mean difference (there is no significant

motivational difference between degree and master& above holder) between groups due education of the respondent.

As we see from the above table the fifth demographic factor was position of the respondent, the ANOVA result shows that, the position of the respondent has a significant effect on employee motivation, because the significance value of position were which 0.0781 is less than 0.1. This result implied that position has a significance mean difference (there is a significant motivation difference between managerial and non-managerial employees) between groups. The finding of the study pointed out that manager and supervisor are more motivated than customer service staff and worker. The finding is consistent with (Kamdron, 2015).

The last demographic factor in the above ANOVA result was marital status of the respondent, as we see from the above ANOVA result in both public and private commercial bank marital status of the respondent has not significant effect on employee motivation because the significance value of marital status in public commercial bank were 0.9872 which is greater than 0.05. This result indicated that marital status and employee motivation has not a significant relationship. The finding also revealed that there was no mean difference due to marital status of the respondent between groups.

From the ongoing one way ANOVA analysis of the relationship of motivation and demographic factor (gender, age, education, experience, position and marital status of the respondent) one can infer that only experience had a significant motivational difference between groups the post hoc turkey test indicated that whose length of service of 6-10 year are highly motivated than 1-5 year of experience. While gender, position, education and marital status of the respondent has no significant motivational difference between groups. However age of the respondent had a significant motivational difference between groups at 10% significance level, the post hoc turkey test showed that whose age of above 45 years had highly motivated than 25-35 age group. This study is consistent with (Hana, 2015); (Lim, 2007); (Tadesse & Muriuthi, 2017) & (Karabasevic 2016).

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The purpose of this study was to examine the effect of performance management system on employee motivation among public and private commercial banks in Dire Dawa city. Whether the Presence of performance management practices has affected employee motivation in public and private commercial banks and assesses the level of employee motivation and perception of employee about the performance management system. This purpose was transformed into specific objectives which were: to examine the effect of performance planning, employee input and evaluation & review on employee motivation in DD commercial banks, to examine the effect of career development, reward & compensation and feedback on employee motivation in DD commercial banks, to assess the level of employee motivation among public and private commercial banks in DD city and to assess the perception of employee about the performance management system in DD city commercial banks. And lastly seen the relationship between demographic factor and employee motivation. This has been done as presented in chapter four of this study. So the purpose of this Chapter is to round off the study with summary of major findings, Conclusion drawn from the results and possible practical recommendations on the issues raised.

5.1 Summary of Major Findings

➤ The study was carried out to identify the effects of performance management system on employees' motivation. Accordingly, the major findings were derived from data discussion, analysis and interpretations as follows.

- From a total sample of commercial banks 64.7% were public commercial bank respondent, while 35.3% were private commercial bank respondent.
- A majority number of 61.94% of public commercial bank employees were male and the rest 38.06 were accounted by female employees. While 69.86% of public and private commercial bank was accounted by male and the rest 30.4% were accounted by female employees.
- Majority 77.61% of public commercial bank employees were first degree holder, while 79.45 of private bank employees were first degree holder.

- 53.7% and 34.33% of public commercial bank employees were found in the service year of 6-10 and 1-5 respectively, while 32.9% and 32.9% were found in the service year of 6-10 and 1-5 year in private commercial bank employees.
- Majority number 53.7% of public commercial bank employees were married, 40.3% were single and the rest 5.97% were divorced. While more than half 58.90% of private commercial bank employees were married, 34.25% were single and the rest 5.48% and 1.37% were accounted by divorced and widowed.
- Majority 85.07% of public commercial bank was non-managerial employees and rest 14.03% were managerial employees, while 76.91% of public commercial bank employees were non-managerial employees and the rest 23.09% were managerial employees.
- About the perception of employees regarding to the fairness of performance management system, the satisfaction of employees with the recognition and the pay matches with the responsibility, the respondent of public commercial employee responded to a mean of 3.84, 3.98 and 4.08 respectively, while the respondent of private commercial bank responded to a mean of 3.89, 4.10, and 4.02 respectively.
- Regarding to the ongoing feedback, the banks performance management system is used to promote employees and the banks performance management process motivates me, the respondent of public commercial bank responded to a mean of 3.58, 3.95 and 3.80 respectively, while the respondent of private commercial bank responded to a mean of 3.56, 4.08 and 3.85 respectively on the same item.
- From the intrinsic motivational factor, being able to keep all the time, the chance to work alone on the job, the chance to do different things from time to time and the chance to be somebody in the community, the respondent of public commercial bank responded to a mean of 3.47, 3.77, 3.57 and 3.75 respectively, while private commercial bank employees responded to a mean of 3.77, 3.73, 3.53 and 3.68 respectively.
- The next set of question deal with the chance to do things for other people, the chance to tell people what to do, the chance to do something that makes use of my abilities, the chance for advancement on the job, the respondent of public commercial bank responded to a mean of 3.83, 3.73, 3.69 and 3.93 respectively. While the respondent of private commercial bank responded to a mean of 3.78, 3.71, 3.78 and 4.19 respectively.

- Regarding to the freedom to use my own judgment, the chance to try my own method of doing a job, the feeling of accomplishment I get from the job, the respondent of public commercial bank responded to a mean of 3.65,3.74,4.01 and 4.0 respectively, while the respondent of private commercial bank responded to a mean of 3.52,3.71,4.25 and 4.19 respectively.
- As we see from the extrinsic motivational factor regarding to the way my boss handles his/her worker, the competence of my superior in making decision, being able to do things against my conscience and the way my job provides for steady employment, the respondent of public commercial bank responded to a mean of 3.88, 3.90, 3.59 and 4.4 respectively, while the respondent of private commercial bank responded to a mean of 3.82, 3.82, 3.60 and 4.03 respectively.
- Regarding to the company policy, pay and amount of work, working condition and the way my co-worker get along with each other, the respondent of public commercial bank responded to a mean of 3.95,3.91,3.86 and 3.86 respectively, while the respondent of public commercial bank responded to a mean of 3.88,3.81,3.84 and 3.85 respectively.
- As we see from the independent t-test the finding of the study indicated that performance planning, employee input, evaluation & review and feedback has no significant difference among public and private commercial bank with a significance result of (0.596), (0.845), (0.608) and (0.758) respectively. While career development and reward & compensation had a statistically significant difference among public and private commercial banks with significance result of 0.025 and 0.050 respectively.
- The one way anova result indicated that sex, position, education and marital status has not shown significant mean difference between groups in DD commercial banks, while experience has shown a significant mean difference in DD commercial banks at 5% significance level because the significance level of experience were 0.0182, while age had shown a significant motivational difference in DD commercial banks at 10 % significance level.
- Inter correlation coefficient was computed for the purpose of examining the relationship between performance management and employee motivation, accordingly in in DD commercial banks performance planning($r=0.75$), employee input($r=0.67$), evaluation and review($r=0.86$), career development ($r=0.74$), reward & compensation ($r=0.80$) and

feedback($r=0.58$) has a positive, moderate, high and significant correlation with employee motivation.

- The coefficient of determination (R^2) result indicated that the r-squared of the model were 83.02% and the adjusted r-squared were 82.52%, the result showed that 83.02% of the model were explained by the independent variable or 83.02 of the model were explained by the performance management factor.
- The ANOVA result indicated that the F-value of the data were 163.03 ($p=0.0000$), the result indicated that the result couldn't happened by chance.
- As we see the regression result, the factor that has the greatest effect on employee motivation were evaluation and review ($b=0.30$), next reward & compensation ($b=0.156$) followed by performance planning (0.13), career development (0.1) feedback ($b=0.07$) and employee input ($b=0.015$).
- Moreover the p-value of the regression coefficient of DD commercial banks, performance planning($p=0.002$), evaluation and review($p=0.000$), reward and compensation($p=0.000$), career development(0.004) and feedback($p=0.019$), the finding of the study indicated that performance planning, evaluation & review, reward & compensation, career development and feedback has a significant effect on employee motivation because the p-value was less than 0.05. on the other hand employee input($p=0.611$) had insignificant effect on employee motivation because the p-value is greater than 0.05.

5.2 Conclusion

The main objective of the study was to examine the effect of performance management system on employee motivation among public and private commercial banks in Dire Dawa city. the study targeted a total of 228 respondent, however only 207 respondent responded and returned their questionnaire contributing 90% response rate, the data was collected using structured questionnaire, the data was analyzed in to a frequency distribution, percentage, correlation and linear regression using stata software to answer for the five specific objective; from the summary findings and based on the objective of the study the research draw the following conclusion concluded.

- The first research objective was to assess the perception of employees of public and private commercial banks; the research finding of this study indicated that the respondents perception of both public and private commercial bank were moderately satisfied by the performance management system of the bank.
- The perception of public commercial bank employees were highly satisfied by the pay matches with the responsibility and the recognition received for the accomplishment while the respondent of private commercial bank perception regarding to the performance management system of the bank related with promotion and the recognition received for their accomplishment. On the other hand the perception of employees in public commercial bank regarding to the feedback and the performance management motivates me were low, while the perception of private commercial bank regarding to the feedback were relatively low.
- The second research objective of the study was to assess the level of employee motivation among public and private commercial banks in DD city. The finding of the study revealed that the motivation levels of employees of public commercial bank were highly motivated by extrinsic while private commercial bank were highly motivated by the intrinsic motivational factor than public commercial bank employees.
- The public commercial bank employees were intrinsically highly motivated by the accomplishment, praise and advancement, while the respondent of private commercial bank were also highly motivated by the chance for advancement and praise on the job, and with the feeling of accomplishment. On the other hand the respondent of public commercial bank were relatively low motivated by busy all the time, to do different things from time to time, work alone on the job, to do different things, use of their abilities and to use their own judgment. While the respondent of private commercial bank were intrinsically low motivated by the chance to work alone, to do different things, use of their abilities and to use their own judgment and with the chance to try my own method.
- The respondents of both public and private commercial bank were extrinsically highly motivated by the competence of superior, job security, company policy and pay. On the other hand both public and private commercial bank employees were low motivated by being able to do things against my conscience, The result indicated that private

commercial bank employees were relatively highly motivated by intrinsic motivational factor than public commercial employees, while employees of public commercial bank were relatively highly motivated by extrinsic motivational factor than private commercial bank employees.

- The third specific objective of the study was the effect of performance planning, employee input and evaluation & review in DD city commercial banks. The finding of the study revealed that performance planning and evaluation & review had a significant effect on employee motivation in DD city commercial banks. This finding indicated that the banks performance planning and the employees performance evaluation and review has a great impact on employee motivation, while employee input has insignificant effect on employee motivation in DD city commercial banks. The finding of the study showed that participation of employees in the performance management system has not a significant effect on employee motivation in DD city commercial banks. So the hypothesis Developed for employee motivation is rejected by this study, the reason for the insignificant effect of employee input on employee motivation is the participation of employee in the performance management system was low, the bank did not give much attention for the participation employee.
- The fourth specific objective of the study was to examine the effect of career development, reward & compensation and feedback on employee motivation. The finding of the study indicated that in DD city commercial banks career development, reward & compensation and feedback has a significant and positive effect on employee motivation. The finding revealed that the pay and benefit of the bank in DD city commercial banks were a great impact on employee motivation. The promotion and advancement were also a great effect on employee motivation.
- The fifth specific objective of the study was the relationship between demographic factor (gender, age, education, experience, position and marital status) and employee motivation, the finding of the study revealed that from the demographic factor there had a significant relationship between experience and employee motivation. However age and employee motivation had a significant relationship in DD commercial banks at 10% significance level, while there had been no relationship observed on Gender, education ,position and marital status with employee motivation in DD city commercial banks.

5.3 Recommendation

The finding of the study revealed some potential weakness that are preventing the effectiveness of performance management system that could affect employee motivation, so the bank needs to improve the performance management system, accordingly to successfully carried out its objective of the study. Based on the result of the study the following recommendations have been drawn for the bank to improve their performance management system more effective.

The study revealed that most of the employees of both public and private commercial banks have a favorable perception towards performance management system implementation in the organization, but the employees of both public and private commercial banks have low perception towards ongoing feedback. So to increase the perception of employees towards performance management system;

- The bank should give more attention about the ongoing feedback and the current performance management system by providing timely, continuous, specific and constructive feedback to employees.
- The bank should offer praise for the job done, offer advice and feedback for future improvement, improving the performance management system, create clear performance management system and improve and develop employees.

The employees of both public and private commercial banks were moderately satisfied by the intrinsic motivational factor, but relatively private commercial bank was intrinsically highly motivated than public commercial bank employees. Motivating your employees requires more than just pay check and a heart pet of the bank. so the bank should design employee motivation strategies;

- Public commercial bank should use flexibility motivation to reverse the low motivation of employees through being busy on the work, tailor the motivation of employee to the bank Evaluate the employee work for development , Provide career help and advice ,giving freedom to employees to express freely their opinion, judgment and use of their abilities in the work, Focus on personalities

The employees of both public and private commercial banks were moderately motivated by the extrinsic motivational factor; however employees of public commercial bank employees were extrinsically highly motivated so;

- private commercial bank should keep the current extrinsic motivational factor and avoid giving work against the conscience of employees and improve the relationship of peers by prepared; Create conducive environment for the employees of the bank to boost the relationship of peers have a frank and respectful discussion with peer, Create stronger and more positive relationship with peer outside of the office and avoid giving work against the conscience of employees through open communication

It is evident that clear performance planning and evaluation and review of the organization is highly motivated the employees and significant impact on the performance of employees,

- Public commercial bank should align goal and objective with the performance management system of the bank and the bank should keep its good progress in availing employee with a clear and agreed performance planning and unbiased performance evaluation and review.
- The bank should; Encourage the participation of employees in the performance management process, begin with performance planning, build strong relationship between superior and employees, build trust in relationship

The independent T-test result indicated that career development opportunities in Public commercial bank were low so;-

- public commercial bank should Encourage continuous growth, The bank should address and correct the anomaly of the lack of opportunities in a far as career path are concerned, The prospect of career development should be improved for employees ,Employees should be treated equally and fairly with the prospect of promotion or chance of securing the job change in another department are identified, Merit based promotion should be implemented in the bank ,Self-development and initiatives that matches organizational goal be recognized and rewarded accurately, Link the performance management with career development

Private commercial bank employees were not satisfied by the feedback given by the manager and supervisor of the bank so;-

- Private commercial bank should; Give timely feedback, Give Continuous and constructive feedback to employees, give High employee engagement ,focused on effort ,give Specific feedback –avoid giving vague praise crystalize clear and to the point.

- Private commercial bank should modify the current reward and compensation system by considering the workload and long hour of working in the bank.

5.4 Area for further researcher

The study is designed to examine the effect of performance management system on employee motivation among public and private commercial banks in DD city commercial banks. So it can be further extended to examine the impact of other variable on employee motivation such as mentoring and coaching, implementation and fairness. Service sector is focused in this study while further research can be extended to other service and manufacturing sector in Ethiopia.

Other data collection tool include interview, observation and case study etc. can be used to attain data. Moreover other data analysis tools and technique can be applied to reveal sound results.as this research was mainly focused on performance management system only. There still a room to extend to other parts of the country.

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APPENDIX ONE
DIREDAWA UNIVERSITY
SCHOOL OF POST GRADUATE

GRADUATE PROGRAM IN MASTER OF BUSINESS ADMINISTRATION

Name of the researcher; Endalkachew Shiferaw

DEAR RESPONDENT

The purpose of this questionnaire is to collect primary data for conducting a study on the topic, “the effect of performance management system on employee motivation in commercial banks at Dire-Dawa city; a comparative study among public and private commercial banks” as a partial fulfillment of the Master degree in Business Administration (MBA) Program at Dire Dawa University, Kindly cooperate in filling the questionnaire as your genuine, complete, and timely responses are crucial for the success of my study. Besides, I would like to assure that the data collected using this questionnaire is purely for academic requirement and your responses will be held confidentially and anonymously. Hence, the researcher kindly requests you to respond each item carefully.

General Directions

- No need of writing your name
- Please fill the answer by putting “√” mark
- Kindly provide your response attentively and return the completed questionnaire as soon as possible
- PMS means performance management system

Thank you for participating in this questionnaire!

Section I: Background Information

1. Gender ☐ Male ☐ Female
2. Types of Bank ☐ public ☐ private
3. Educational Qualification
☐ Diploma ☐ Degree ☐ Masters and above
4. Age in years; ☐ less than 25 years ☐ 25-35 ☐ 36-45 ☐ Above 45
5. Marital status: ☐ Single ☐ Married ☐ Divorced ☐ widowed
6. Work experience (in years):

☐ Less than 1 year ☐ 1-5 ☐ 6-10 ☐ Above 10 years

7. Your current position in the bank, ☐ Managerial ☐ Non-managerial

PART II; EMPLOYEE PERCEPTION

Please indicate your response by putting “√” mark on the number that reflects your personal degree of agreement.

Scales: 1= strongly disagree 2= disagree 3= neutral 4= agree 5= strongly agree

1. EMPLOYEE PERCEPTION						
S.N.	ITEM	1	2	3	4	5
1	I feel that my performance is fairly measured based on agreed goals at the beginning of my assignment					
2	I am satisfied with the recognition I received for my accomplishment					
3	The pay matches my responsibilities as per evaluation result.					
4	In the bank supervisors provide continuous, timely and constructive feedback to subordinates					
5	In the bank performance management system is used to promote employees					
6	Performance management process in the bank motivates me.					

PART III PERFORMANCE MANAGEMENT RELATED QUESTION

Please indicate your response by putting “√” mark on the number that reflects your personal degree of agreement.

Scales: 1= strongly disagree 2= disagree 3= neutral 4= agree 5= strongly agree

1. PERFORMANCE PLANNING						
S.N.	ITEM	1	2	3	4	5
1	Performance Management planning in the bank begins by identifying the organization's objective.					
2	My organization set clear objectives and I work towards their achievement					
3	I adhere to realistic work plans and time tables established by my supervisor, department and organization					
4	I improve the quality of work through better planning, on-going discussions and fair participatory appraisal					
5	My performance expectations is usually defined in my individual work plan and job description					
6	The ministry involves employees in planning for performance.					
7	The line manager and employees jointly identify					
2. ONGOING FEEDBACK						
S.N	ITEM	1	2	3	4	5
1	I receive regular and timely performance feedback beside the annual performance review.					
2	The information provided by my supervisor during my performance feedback is accurate.					
3	The performance feedback I receive helps me to improving my job performance and to attain my goals.					
4	The feedback I get helps me to gain insight about my weakness and strength.					
5	The information provided by my line manager during my performance feedback is sufficiently detailed					
3. EMPLOYEE INPUT						
S.N	ITEM	1	2	3	4	5
1	I am highly involved in the performance management process and my opinions are valued					
2	Participation of employees in the development of performance standards leads to a better performance management system					

3	I would prefer my performance to be evaluated by an instrument developed and designed with the help of employees					
4	I am involved in decisions which affect the way I work					
5	There is a two way communication with both managers and employees for expressing their views.					
6	The PMS provide a scope for well communication the overall business and plans to the employees.					
4. REWARD AND COMPENSATION						
S.N	ITEM	1	2	3	4	5
1	My organization has a framework to reward excellent performance and/or salary increase decisions					
2	Organization compensation policy attracts and retains employees					
3	The performance is linked to employee reward and compensation					
4	The rewards offered motivates me to work hard and enhances my productivity					
5	Rewards and compensation are based on individual employees					
6	The rewards in my organization are in form of promotion, certificate of merit, leadership responsibilities and monetary rewards					
7	Rewards and compensation are awarded fairly					
5. CAREER DEVELOPMENT						
S.N	ITEM	1	2	3	4	5
1	The organization supports my development and career aspirations					
2	My supervisor coaches and mentors me to raise my level of competence					
3	I continuously seek to develop myself professionally					
4	I am involved and consulted in career planning and development by my supervisors					
6.Evaluation and Review						

S.N	ITEM	1	2	3	4	5
1	In Meta, line managers write statements about the employee's strengths, weakness & suggests for improvements during performance reviews					
2	Line managers in Meta use performance Management process to develop subordinates					
3	In Meta, performance evaluation process is transparent					
4	The performance management process results in a clear and unbiased appraisal.					
5	The performance management process results in better communication between myself and my line manager					
6	The best workers receive the highest evaluation scores					
7	The performance management process is well designed and leads to better performance and work quality					
8	My line manager possesses adequate knowledge and training to properly implement my performance evaluation					
9	My line manager utilizes the evaluation system to assess my performance objectively and without bias					
10	If I have problems with my performance evaluation I can communicate my concerns openly to my line manager.					
11	My line manager will be ethical in how he/she scores my performance.					

PART IV EMPLOYEE MOTIVATION RELATED QUESTIONNAIRE

Ask yourself: How motivated am I with this aspect of my job?

Very low. Means I am very low level of motivation with this aspect of my job.

Low. Means I am low level of motivation with this aspect of my job.

N. means I can't decide whether I am motivated or not with this aspect of my job.

High. Means I am high level of motivation with this aspect of my job.

Very high. Means I am very high level of motivation with this aspect of my job.

EMPLOYEE MOTIVATION						
S.N	Item	1	2	3	4	5
1	Being able to keep busy all the time					
2	The chance to work alone on the job					
3	The chance to do different things from time to time					
4	The chance to be "somebody" in the community					
5	The way my boss handles his/her workers					
6	The competence of my supervisor in making decisions					
7	Being able to do things that don't go against my conscience					
8	The way my job provides for steady employment					
9	The chance to do things for other people.					
10	The chance to tell people what to do					
11	The chance to do something that makes use of my abilities					
12	The way company policies are put into practice					
13	My pay and the amount of work I do					
14	The chances for advancement on this job					
15	The freedom to use my own judgment					
16	The chance to try my own methods of doing the job					
17	The working conditions					
18	The way my co-workers get along with each other					
19	The praise I get for doing a good job					
20	The feeling of accomplishment I get from the job					

APPENDIX TWO

	planning	emplan~t	evalua~n	develo~t	reward	feedback	motiva~n
planning	1.0000						
emplaninput	0.7418	1.0000					
evaluation	0.7250	0.6579	1.0000				
development	0.4975	0.4551	0.7791	1.0000			
reward	0.7010	0.6199	0.7183	0.6672	1.0000		
feedback	0.4034	0.5652	0.5458	0.3807	0.5638	1.0000	
motivation	0.7462	0.6725	0.8629	0.7388	0.8005	0.5776	1.0000

. reg motivation planning emplaninput evaluation development reward feedback

Source	SS	df	MS	Number of obs =	207
Model	4.97387226	6	.82897871	F(6, 200) =	163.03
Residual	1.01694821	200	.005084741	Prob > F =	0.0000
Total	5.99082047	206	.029081653	R-squared =	0.8302
				Adj R-squared =	0.8252
				Root MSE =	.07131

motivation	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
planning	.1269506	.0410502	3.09	0.002	.0460038	.2078974
emplaninput	.0152253	.0299131	0.51	0.611	-.0437602	.0742107
evaluation	.3002259	.0493019	6.09	0.000	.2030076	.3974442
development	.0967512	.0333524	2.90	0.004	.0309837	.1625187
reward	.15568	.0339539	4.59	0.000	.0887264	.2226337
feedback	.0691717	.0292098	2.37	0.019	.0115731	.1267703
_cons	1.023178	.1178123	8.68	0.000	.7908641	1.255491

```
. vif
```

Variable	VIF	1/VIF
evaluation	4.76	0.210293
planning	3.57	0.280027
reward	3.12	0.320842
development	3.07	0.325645
emplininput	2.77	0.361172
feedback	1.88	0.532763
Mean VIF	3.19	

```
. hettest
```

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

Ho: Constant variance

Variables: fitted values of motivation

chi2(1) = 0.81

Prob > chi2 = 0.3680

```
. linktest
```

Source	SS	df	MS	Number of obs = 207
Model	4.97408321	2	2.4870416	F(2, 204) = 499.00
Residual	1.01673726	204	.004984006	Prob > F = 0.0000
Total	5.99082047	206	.029081653	R-squared = 0.8303
				Adj R-squared = 0.8286
				Root MSE = .0706

motivation	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
_hat	1.26435	1.284314	0.98	0.326	-1.267882 3.796581
_hatsq	-.0304973	.1481228	-0.21	0.837	-.3225453 .2615507
_cons	-.5721109	2.782081	-0.21	0.837	-6.057431 4.913209

```
. ovtest
```

Ramsey RESET test using powers of the fitted values of motivation

Ho: model has no omitted variables

F(3, 197) = 1.68

Prob > F = 0.1725

```
. sktest r
```

Skewness/Kurtosis tests for Normality

Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	—— joint ——	
				adj chi2(2)	Prob>chi2
r	207	0.6792	0.5272	0.58	0.7496

```
. swilk r
```

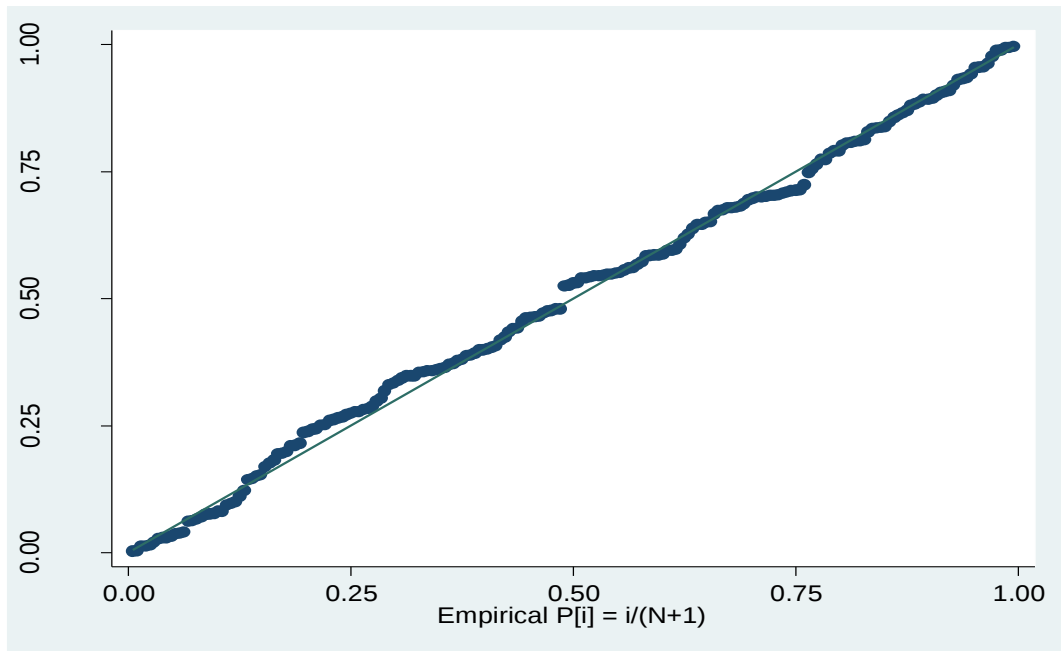
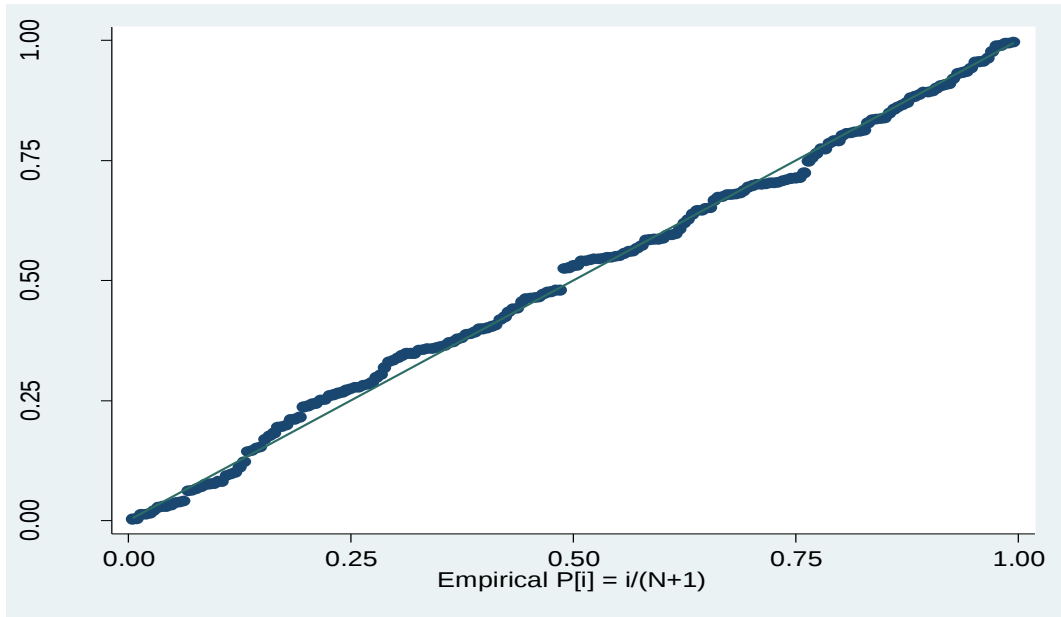
Shapiro-Wilk W test for normal data

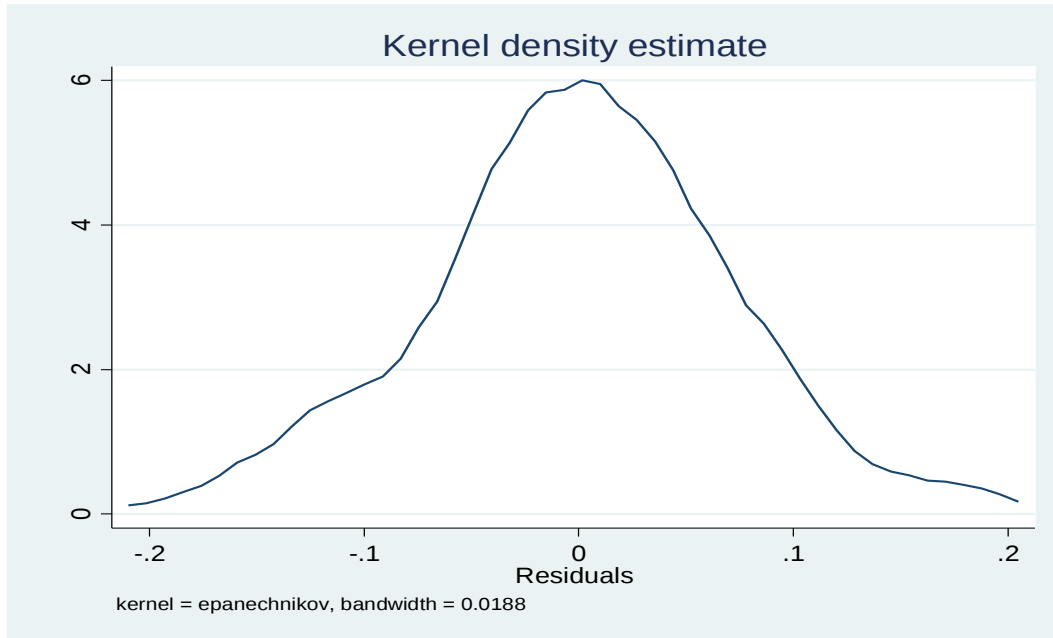
Variable	Obs	W	V	z	Prob>z
r	207	0.99380	0.953	-0.111	0.54435

```
. sfrancia r
```

Shapiro-Francia W' test for normal data

Variable	Obs	W'	V'	z	Prob>z
r	207	0.99446	0.929	-0.152	0.56047





```
. ttest planning, by(banktype)
```

Two-sample t test with equal variances

Group	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
0	73	3.919765	.0555235	.4743932	3.809081	4.030449
1	134	3.881663	.0434551	.5030294	3.795711	3.967616
combined	207	3.8951	.0342173	.4923012	3.827639	3.962561
diff		.038102	.0717398		-.1033404	.1795445

```
diff = mean(0) - mean(1)                                t = 0.5311
Ho: diff = 0                                           degrees of freedom = 205
```

```
Ha: diff < 0                Ha: diff != 0                Ha: diff > 0
Pr(T < t) = 0.7020          Pr(|T| > |t|) = 0.5959          Pr(T > t) = 0.2980
```

```
. ttest emplinput , by(banktype)
```

Two-sample t test with equal variances

Group	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
0	73	3.696347	.062312	.5323939	3.57213	3.820564
1	134	3.710199	.0398304	.4610697	3.631416	3.788982
combined	207	3.705314	.0337913	.486172	3.638693	3.771935
diff		-.013852	.0708888		-.1536165	.1259126

```
diff = mean(0) - mean(1)                                t = -0.1954
Ho: diff = 0                                           degrees of freedom = 205
```

```
Ha: diff < 0                Ha: diff != 0                Ha: diff > 0
Pr(T < t) = 0.4226          Pr(|T| > |t|) = 0.8453          Pr(T > t) = 0.5774
```

. ttest evaluation , by(banktype)

Two-sample t test with equal variances

Group	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
0	73	3.948941	.0503765	.4304167	3.848518	4.049365
1	134	3.91384	.0423225	.4899179	3.830128	3.997552
combined	207	3.926219	.0326004	.4690387	3.861945	3.990492
diff		.0351016	.068353		-.0996634	.1698666

diff = mean(0) - mean(1) t = 0.5135
Ho: diff = 0 degrees of freedom = 205

Ha: diff < 0 Ha: diff != 0 Ha: diff > 0
Pr(T < t) = 0.6959 Pr(|T| > |t|) = 0.6081 Pr(T > t) = 0.3041

. ttest development , by(banktype)

Two-sample t test with equal variances

Group	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
0	73	4.10274	.060878	.5201422	3.981382	4.224098
1	134	3.895522	.0590589	.6836562	3.778706	4.012339
combined	207	3.968599	.0442964	.6373142	3.881267	4.055931
diff		.2072173	.0918017		.0262208	.3882138

diff = mean(0) - mean(1) t = 2.2572
Ho: diff = 0 degrees of freedom = 205

Ha: diff < 0 Ha: diff != 0 Ha: diff > 0
Pr(T < t) = 0.9875 Pr(|T| > |t|) = 0.0250 Pr(T > t) = 0.0125

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	.021110253	1	.021110253	0.04	0.8329
Within groups	96.989131	205	.473117712		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(1) = 0.0583$ Prob> $\chi^2 = 0.809$

. oneway motivation age

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	3.39431402	3	1.13143801	2.45	0.0644
Within groups	93.6159272	203	.461162203		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(3) = 10.0714$ Prob> $\chi^2 = 0.018$

. oneway motivation education

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	.000435993	1	.000435993	0.00	0.9758
Within groups	97.0098052	205	.473218562		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(1) = 0.9775$ Prob> $\chi^2 = 0.323$

. oneway motivation exprience

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	4.67020868	3	1.55673623	3.42	0.0182
Within groups	92.3400325	203	.454877008		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(3) = 9.4209$ Prob> $\chi^2 = 0.024$

. oneway motivation position

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	1.46119003	1	1.46119003	3.13	0.0781
Within groups	95.5490512	205	.466092933		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(1) = 0.1294$ Prob> $\chi^2 = 0.719$

. oneway motivation marital

Analysis of Variance					
Source	SS	df	MS	F	Prob > F
Between groups	.064887733	3	.021629244	0.05	0.9872
Within groups	96.9453535	203	.477563318		
Total	97.0102412	206	.470923501		

Bartlett's test for equal variances: $\chi^2(2) = 1.2620$ Prob> $\chi^2 = 0.532$

```
. pwmean motivation, over(age) mcompare(tukey) effects
```

motivation	Contrast	Std. Err.	Tukey		Tukey	
			t	P> t	[95% Conf. Interval]	
age						
1 vs 0	-.0975989	.284198	-0.34	0.986	-.8337963	.6385985
2 vs 0	-.1136364	.2895646	-0.39	0.979	-.8637357	.6364628
3 vs 0	.3612745	.322471	1.12	0.677	-.4740667	1.196616
2 vs 1	-.0160375	.1043813	-0.15	0.999	-.2864309	.2543559
3 vs 1	.4588734	.1761685	2.60	0.048	.0025198	.915227
3 vs 2	.4749109	.1847011	2.57	0.053	-.0035459	.9533677

```
. pwmean motivation, over(experience) mcompare(tukey) effects
```

motivation	Contrast	Std. Err.	Tukey		Tukey	
			t	P> t	[95% Conf. Interval]	
exprience						
1 vs 0	-.1650603	.2496799	-0.66	0.912	-.8118407	.4817202
2 vs 0	-.4284211	.2482898	-1.73	0.313	-1.0716	.2147582
3 vs 0	-.0761905	.280215	-0.27	0.993	-.8020701	.6496891
2 vs 1	-.2633608	.1013342	-2.60	0.049	-.5258609	-.0008608
3 vs 1	.0888697	.164746	0.54	0.949	-.3378947	.5156342
3 vs 2	.3522306	.1626315	2.17	0.136	-.0690561	.7735173

. alpha planning emplinut evaluation development reward feedback motivation, detail item

Test scale = mean(unstandardized items)

Item			item-test	item-rest	average interitem	alpha
	Obs	Sign	correlation	correlation	covariance	
planning	207	+	0.8265	0.7601	.0349385	0.9042
emplinput	207	+	0.8197	0.7327	.0331403	0.9086
evaluation	207	+	0.9040	0.8666	.0337983	0.8941
development	207	+	0.7778	0.6819	.0347239	0.9132
reward	207	+	0.8740	0.8153	.0325661	0.8980
feedback	207	+	0.6941	0.5877	.0375488	0.9212
motivation	207	+	0.9188	0.8954	.0363257	0.8982
Test scale					.0347202	0.9179

Average interitem covariance: .0347202
 Number of items in the scale: 7
 Scale reliability coefficient: 0.9179

```
. tabulate gender banktype, cchi2 chi2
```

Key
<i>frequency</i> <i>chi2 contribution</i>

gender	banktype		Total
	0	1	
0	22 0.5	51 0.3	73 0.8
1	51 0.3	83 0.2	134 0.5
Total	73 0.8	134 0.5	207 1.3

Pearson chi2(1) = 1.2993 Pr = 0.254

```
. tabulate age banktype, cchi2 chi2
```

Key
<i>frequency</i> <i>chi2 contribution</i>

age	banktype		Total
	0	1	
0	3 0.4	3 0.2	6 0.6
1	43 0.0	75 0.0	118 0.1
2	20 0.4	45 0.2	65 0.6
3	7 0.1	11 0.0	18 0.1
Total	73 0.9	134 0.5	207 1.3

Pearson chi2(3) = 1.3211 Pr = 0.724

```
. tabulate education banktype, cchi2 chi2
```

Key
<i>frequency</i>
<i>chi2 contribution</i>

education	banktype		Total
	0	1	
1	52	108	160
	0.3	0.2	0.5
2	21	26	47
	1.2	0.6	1.8
Total	73	134	207
	1.5	0.8	2.4

Pearson chi2(1) = 2.3611 Pr = 0.124

```
. tabulate exprience banktype, cchi2 chi2
```

Key
<i>frequency</i>
<i>chi2 contribution</i>

exprience	banktype		Total
	0	1	
1	19	61	80
	3.0	1.6	4.6
2	41	55	96
	1.5	0.8	2.3
3	13	18	31
	0.4	0.2	0.6
Total	73	134	207
	4.9	2.7	7.6

Pearson chi2(2) = 7.5806 Pr = 0.023

```
. tabulate position banktype, cchi2 chi2
```

Key
<i>frequency</i>
<i>chi2 contribution</i>

position	banktype		Total
	0	1	
0	17	20	37
	1.2	0.7	1.8
1	56	114	170
	0.3	0.1	0.4
Total	73	134	207
	1.5	0.8	2.3

Pearson chi2(1) = 2.2511 Pr = 0.134

```
. tabulate marital banktype, cchi2 chi2
```

Key
<i>frequency</i>
<i>chi2 contribution</i>

marital	banktype		Total
	0	1	
0	25	54	79
	0.3	0.2	0.5
1	43	72	115
	0.1	0.1	0.2
2	4	8	12
	0.0	0.0	0.0
3	1	0	1
	1.2	0.6	1.8
Total	73	134	207
	1.6	0.9	2.5

Pearson chi2(3) = 2.5364 Pr = 0.469