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MASTER OF ARTS IN BUSINESS ADMINISTRATION

**DETERMINANTS OF EMPLOYEE MOTIVATION: A
CASE STUDY OF COOPERATIVE BANK OF OROMIA S.C**

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June, 2024

Addis Ababa Ethiopia

**DETERMINANTS OF EMPLOYEE MOTIVATION: A CASE STUDY OF
COOPERATIVE BANK OF OROMIA S.C**

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Milki Bulo

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ACRONYMS

CBO	Cooperative Bank of Oromia
HRM	Human Resource Management
SPSS	Statistical Package for Social Sciences
WLB	Work-life balance

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ABSTRACT

This study explores determinants of employee motivation in the Cooperative Bank of Oromia by empirically testing the variables, including salary, bonus, recognition, promotion and work-life balance. To achieve the research objectives, quantitative and explanatory research design was applied. The target population for this study was 452 employees and the sampling technique used for this study was systematic random sampling. The study was done based on primary sources of data. A self-administered survey was created to gather pertinent data from selected 212 respondents. The survey included Likert scale questions to measure the level of agreement with statements related to each motivational factor. Among these, 208 questionnaires were returned and analyzed. The collected data was examined using SPSS version 26, which employed multiple regression and descriptive statistics (frequency, percentage, mean, and standard deviation). The study's findings revealed that motivation variables have explained 64.8% of the variance in employee motivation. Additionally, the result of regression analysis indicated that recognition, salary, promotion, and bonuses have a significant positive effect on employee motivation, whereas work-life balance has a negative significant effect on employee motivation. Based on the study's findings, it is recommended that CBO emphasize the above determinant factors as they have a significant effect on employee motivation.

Keywords;- Motivation, Employee, Recognition, Salary,

CHAPTER ONE

INTRODUCTON

1.1 Background of the Study

In today's globalized and competitive world, human resource management is essential for organizations. To stay ahead of competitors, businesses should establish a positive and robust relationship with their staff and guide them towards achieving their objectives (Mekonnen Z., et al. 2022; (Bushi F. 2021). Motivation is essential to empower employees, retain them, and grow the company. This is because employee involvement is the only way for an organization to succeed (Asaari M. et al. 2019). Identifying the motivational factors that drive employees to complete their daily tasks is crucial to achieving the objective of the organization (Bui Q., 2020).

Motivation is the key to accomplishments and success in life. At the core of all human endeavors, it always exists in some form (Borah M., 2021). Motivation is the engine that propels someone to act. When someone lacks the drive or stimulation to complete a task, he/she is considered unmotivated, while someone who is inspired and driven to accomplish a goal is considered motivated. According to (Ihensekien O. et al.2023) and (Bushi F., 2021), motivation is a word derived from the word "motive," which is what prompts someone to act in a certain way or, at the very least, cultivates a desire for a particular course of action. Behaviour's "intensity" and "direction" are the two main components that makeup motivation. A positive direction involves choosing a course of action that advances an individual toward their goals. Excellent motivation has a big impact on an exceptional performance. Employee motivation is complicated since it depends on each person's needs, objectives, and core values, even it is far more challenging than task or project management (Vukajlovic D. & Ostojic B. 2020).

Motivated employees are the driving force behind any successful organization. They tend to be more productive, dedicated, and committed to their work, ultimately leading to better performance and success. Therefore, organizations must prioritize their workforce and provide them with opportunities for growth, aligning their goals with individual aspirations (Armstrong M., 2014). Motivational factors can either be absent from organization or present but not inspiring. To increase employee motivation, it's crucial to identify and prioritize the factors that

matter most to them. By valuing and nurturing their workforce, organizations can achieve greater productivity, performance, and success (Herzberg F., 2008).

According to (Ezenwakwelu C. 2017) determinants of employee motivation can be grouped as job design, autonomy, salary, working condition, responsibility and personal growth. In addition, (Bui Q. 2020) used intrinsic and extrinsic factors as determinants of employee motivation. Atmosphere in the workplace, good work team and basic salary were some of the factors (Hitka M., et al. 2019) chose as determinants of employee motivation.

Study by (Mawudeku I. & Majoreen O. 2022) in Ghana identified factors that determine Employee Motivation and Retention are remuneration, job recognition, job flexibility, communication, the relationship between superior and subordinates, leadership and training and development. The study by (Kilimo D., et al. 2016) on Kapsara Tea Factory Company Trans Nzoia County Kenya indicated job security, promotion and job growth are the motivational factors.

Studies in Ethiopia such as (Netsanet A. 2019) identified factors which have significant and insignificant relationship with motivation; such as Payment, Recognition, Benefits, Autonomy, Promotion, Working condition and Career development opportunities. (Desta B. 2019) also investigated the age, education level, salary and benefit, working condition, recognition, promotion, training and development, supervisory relationship and relationship with co-worker to be the employee motivation factors. This research focuses on exploring the factors influencing employee motivation, specifically examining the relationships between various variables such as salary, bonus, promotion, work-life balance, and recognition. The objective is to investigate how these factors affect the motivation levels of employees at the Cooperative Bank of Oromia (CBO).

1.2. Background of the Organization

CBO was founded to offer a comprehensive range of banking services and products. It was officially registered on October 29, 2004, in accordance with Article 304 of Ethiopia's commercial code and received its license from the National Bank of Ethiopia under Proclamation No. 84/1994, which governs the licensing and oversight of banking operations. Commercial

licensing was granted in October 2004, and the bank commenced its operations in March 2005. Today, it stands as one of Ethiopia's most profitable banks, boasting total assets valued at Birr 140.3 billion and a total capital of 14.8 billion Birr. With a vast network of 738+ branches, over 12 million account holders, and a workforce exceeding 11,500 employees (<https://coopbankoromia.com.et>).

1.3. Problem Statement

Employee motivation is often considered as the key to organizational success, although it remains a difficult puzzle for many organizations, including the Cooperative Bank of Oromia (CBO). Unfortunately, despite numerous empirical and theoretical studies on employee motivation, there is always a significant dichotomy between research knowledge and its implementation and utilization within identifiable organizational settings. Prior studies have identified several antecedents of motivation including pay, reward, incentives, autonomy, promotion, working conditions, job design and both intrinsic and extrinsic factors (Netsanet A. 2019; Tesfaye T. 2018; ABERA G. 2016; Ezenwakwelu C. 2017; Bui Q. 2020; Hitka M, et al). However, even if salary, bonus, promotion, recognition, and work-life balance are the main factors motivating employees at CBO, there is no other research that has analyzed these factors in a similar way. Some of the findings include; likely motivational problems in the employees which call for further probe on these aspects in relation to CBO operation within the banking sector. This research seeks to fill this gap by establishing how the aforementioned variables affect employee motivation at CBO, which will enhance the literature on motivation generally and the strategies for improving motivation in the banking industry especially.

This study aims to identify additional factors, not collectively addressed in prior research, that contribute to employee motivation within the Cooperative Bank of Oromia. These factors encompass salary, bonus, promotion, recognition and work-life balance. By exploring both the addressed and unaddressed variables associated with employee motivation, the study seeks to offer a comprehensive understanding of the factors influencing motivation within the organization. Previous studies (Netsanet A. 2019); (ABERA G. 2016) have found a significant positive correlation between payment and recognition and employee work motivation. However, conflicting results were reported by (Tefaye T. 2018), who concluded that financial factors and

recognition have lower significance on employee work motivation. This study intends to determine the impact of these variables and others on motivation among CBO employees.

In the pilot survey done with 30 employees in the Cooperative Bank of Oromia (CBO), evidence about the motivation gap regarding some fundamental factors like remunerations, promotion, recognition, bonus, and flexibility of work schedule has been identified. Thus, survey results provide rather critical vision of the estimations of the employees and their level of engagement in the organization. Regarding job satisfaction, only 45% of the participants were satisfied with their job, 55% of the respondents were neutral, and there could be specific problems with compensation and reward systems. More seriously, 35% of respondents mentioned that professional development, including promotions, are rare which means that career mobility in CBO is either vague or is not present at all. Concerning work culture at CBO, 45% of respondents strongly disagreed on the statement that the work culture was supportive. Such split of views indicates that there are issues with work-life interference and the general working environment. Additionally, since there is no consensus on whether or not CBO is an excellent workplace, this is an indication that possibly, existing bonus structures and employees' benefits might be insufficient or not well explained sufficiently.

In total, these results signify a paramount role for CBO to serve in presenting motivational needs being unmet. The result indicates that the employees' motivation level is low as a result of perceiving poor salary structures, fewer promotions, little recognition, wrong bonuses, and work-life imbalance. It, therefore, becomes necessary for CBO to address some of these to enhance employee and organizational outcomes. The Cooperative Bank of Oromia's unique structure, culture, and HR practices offer intriguing insights on employee motivation. Analyzing the bank's evaluation of how it rewards the employees, celebrating their performances, training and promoting them, and how it balances between their work and personal lives could explain a cooperative model for evaluating these motivational factors. Unlike other mainly profit-motivated organizations, Cooperative Bank being a member-owned and mission-driven organization may have different approaches to the facets of fairness, equity, and engagement. Studying this cooperative's impact on salary, bonus, recognition, promotion, and flexible work

schedules can provide insights into tackling issues related to employee motivation in mission-focused organizations.

When an employee lacks motivation, it can lead to various effects on CBO in the short, medium, and long term. In the short term, the employee might exhibit reduced effort and engagement in their work, potentially leading to conflicts with colleagues and team members. Over the medium term, this lack of motivation can spread to other team members, resulting in decreased morale and productivity across the board. In the long term, such a situation can escalate into significant challenges for the company, including missed deadlines, subpar work quality, and overall diminished performance.

1.4 Research Questions

1. What is the effect of salary on employee motivation at CBO?
2. What is the effect of bonus on employee motivation at CBO?
3. To what degree does CBO staff get motivated by promotion?
4. How does recognition affect CBO employee motivation?
5. How does work-life balance affect CBO employee motivation?

1.5. Research Objective

1.5.1. General Objective

The general objective of this study was to explore the determinants of employee motivation in Cooperative Bank of Oromia.

1.5.2 Specific Objectives

1. To assess the effect of salary on employee motivation.
2. To examine the effect of bonuses on employee motivation.
3. To evaluate the effect of promotions on employee motivation.
4. To analyze the effect of work-life balance on employee motivation.
5. To determine the effect of recognition on employee motivation.

1.6. Significance of the Study

This study delves into the fundamentals of employee motivation to equip management with the tools to fully harness its potential. By understanding the intricate interplay between intrinsic and extrinsic motivation, this research enables management to establish a harmonious framework that optimizes individual performance while aligning with organizational objectives. Through this study, not only does management contribute significant insights to the existing body of motivational literature, but it also empowers them to design a vibrant and dynamic incentive structure tailored to their workforce and objectives. Moreover, this research facilitates a deeper exploration of the subject matter, fostering a more profound understanding and expertise in employee motivation.

1.7 Scope of the Study

Various scholars have conducted studies identifying numerous factors influencing employee motivation. However, this particular study focuses on five specific factors: salary, bonus, promotion, recognition, and work-life balance. Due to constraints in time and resources, the research is delimited to Addis Ababa, specifically the Central Finfinnee District and its selected branches. The sample size includes employees working within the selected branches of the Central Finfinnee District.

1.8 Limitation of the Study

The primary limitation of this study is due to constraint in time and budget it gets a limited access to cover a wide study area and it only addressed the study on a single Bank which is the Cooperative bank of Oromia and located at the central Finfinnee District in Addis Ababa. This is somehow restricting the generalization of the results since the experience and perspective of the employees may not necessarily be representative of most banking sector in Ethiopia. Also, geographically the study confines its analyses to only one district; therefore, it is possible that it misses out on some factors or environmental issues that affect bank employees in the other districts or branches.

1.9 Definition of Key Words and Variables

Motivation is defined as a driving force“ through which people strive to achieve their goals and fulfill a need or uphold a value. The important words here are needs, values and goals and these are the building blocks of motivation that lead to actions(Mullins ,2002)

Bonus:- is something in addition to what is expected or strictly due. Webster

Promotion:- is defined as a more senior position with more authority, prestige, and pay. (Gupta, 2011)

Recognition :- is appreciation shown to individuals for their achievements, informally on a day-to day basis or through formal recognition arrangements (Armstrong M. , 2014).

Salary :- is “remuneration paid to employees who work on a monthly or annual basis.” (Asaari, M et.al, 2019)

Work life balance:- is finding a healthy balance between work responsibilities and other significant personal pursuits, such as hobbies, family obligations, community involvement, and leisure (Akter, A. et.al, 2019).

CHAPTER TWO

LITRATURE REVIEW

2.1 Theories of Motivation

There are many motivation theories that basically can be categorized as either content or process motivation theory. Content theories help to highlight on the needs and factors that motivate and encourage behavior and performance of the employees. Content theories that can be useful to an organization include Herzberg two factors theory, Maslow's hierarch of needs, McClelland's theory of needs and Alderfer's ERG. On the other hand, process theories are known as the motivation theories that basically focused on behaviors of the employees that influence by their individual needs. Well-known process theories of motivation include Equity theory, Skinner's reinforcement theory, Vroom's expectancy theory and Locke's goal-setting theory (Armstrong M. , 2014). Based on their relevance to this study only 4 theories are discussed namely Herzberg two factors theory, Vroom's Expectancy theory, and Equity theory.

2.1.1 Content Theories

2.1.1.1 Herzberg's two-factor model

Herzberg established a two-dimensional model of the variables affecting people's perspectives about their jobs. The initial idea put forth by Herzberg and his associates was that job satisfaction and; discontent could not be accurately measured on the same continuum because they were influenced by two distinct sets of circumstances (Herzberg, et. al 1960). According to the motivational-hygiene model, motivating people to work hard but enjoyably in an environment where they may grow, succeed, and show leadership and advancement within the company is what drives work motivation i.e., job satisfaction and motivation are brought about when employees' efforts are acknowledged (Dartey-Baah et al, 2011).

Hygienic factors are extrinsic factors whose absence will cause workplace dissatisfaction. Satisfaction is not affected by them. Intrinsic factors that lead to an employee's contentment are known as motivating factors. Similar to hygienic considerations, the absence of incentive components leads to poor satisfaction rather than unhappiness. High levels of satisfaction are the

outcome of effective motivators, which target and have an intrinsic impact on employees' psychological requirements (Yusoff, et. al 2013); (Bhatt et. al, 2022). The idea contends that two distinct sets of elements influence job satisfaction and discontent. As a result, measuring contentment and dissatisfaction on the same continuum is impossible (Stello, 2011).2.2.2

2.1.2 Process Theories

2.1.2.1 Expectancy theory

Victor H. Vroom created the process theory known as expectation theory in 1964. According to this, a person's motivation to create at any given moment is determined by his or her own objectives and how important he or she believes performance is to achieving these objectives. According to this belief, productivity can lead to satisfaction. Put differently, productivity serves as a tool rather than an end in itself. Therefore, employees who see high productivity as a way to achieve one or more of their goals will typically be high producers, whereas those who see low productivity as a means to achieving their goals will typically be low producers (George, & Omorho 2021).

According to expectancy theory, people prefer to behave in particular ways because they believe that their actions will lead to a particular outcome and because they find that outcome to be appealing. Expectancy theory emphasizes why people find particular outcomes appealing or unappealing since it acknowledges that there is no one universal concept that may explain human motivations. People ought to be paid for the things that they find meaningful, after all. The expected behavior is another important aspect of expectation theory. The motivation or effort level of an individual is determined by their own judgments of performance, reward, and goal outcomes (Lokman, et. al 2022). Valence, instrumentality, and anticipation are the three components of Vroom's Motivation Theory, which was created in 1964. Based on significance, attractiveness, and desire, valence is an emotional orientation toward results. Exploring how expectations are shaped by prior experiences is the focus of instrumentality. Many variables influence expectation, which is the relationship between an action's result and confidence. While related, Vroom's idea is unaffected by outside forces (Thoha, & Daniel 2020).

Only when performance and result are considered as having a clear, practical relationship and when the result is viewed as a way to meet requirements is motivation likely to occur. This elucidates the reason behind the effectiveness of extrinsic financial motivation, such as incentive or bonus schemes, which rely on a clear line of sight linking effort and reward and a reward that justifies the effort. It also clarifies why intrinsic motivation derived from the task itself can have a greater effect than extrinsic motivation; the outcomes of intrinsic motivation are more within the control of the individual, who can rely more heavily on prior experiences to determine the likelihood that their actions will result in favorable and beneficial outcomes (Armstrong M. , 2014).

2.1.2.2 Equity theory

In order to investigate justice in the workplace, equity theory was introduced in the study of organizational settings by Adams, J. Stacy. Assuming that "a major share of motivated behavior is based on the perceived situation and not necessarily on the actual set of circumstances," equity theory has always been unique even though it has origins in the work of various theorists. The equity theory is applicable to any social context involving exchanges. It is possible for one or both parties to feel that an exchange that involves two people is unfair. When someone offers their services in exchange for money, this usually happens (Gates V. J., & Reinsch N. L., 2022). According to equity theory, resources should be allocated in a way that ensures the inputs and results of an exchange process are equal. In this regard, equity ratios ought to be equal and can be thought of as ratios of inputs to outcomes or the other way around (Alexios A. & Alexandra H. 2016). An employee contrasts the inputs and outcomes ratios of their work. Employees typically view the fairness of the exchange between their employer and themselves as involving more than just economic considerations; rather, it involves a question of relative justice. When an employee sees injustice, they will act to make things right or they might do a job of lesser quality or with less productivity. Equity theory states that poor incentives lead to discontent, which in turn encourages people to act and narrows the gap between their ratio and the comparator group's ratio (Abdelghafour A. & Faisa A. 2011).

Equity theories suggest that employees want for a fair trade that balances their rewards and contributions. It entails treating individuals equally with regard to one another, considering their

emotions and views. The processes of motivation and job satisfaction can be explained by the fact that people who receive equitable treatment are both more and less driven. It might also have an effect on morale, though. There are two forms of equity: Procedural equity assesses how fair employees feel about corporate policies such as discipline, promotion, and performance reviews, while distributive equality concentrates on equitable compensation based on contribution and comparison (Armstrong M., 2006).

2.2 Determinants of employee motivation

2.2.1 Salary

Salary is the compensation given to employees which is proportionate to the skills, knowledge and their expectation. One of the important components influencing employee motivation is salary or remuneration (Kathombe M. et al, 2018). According to (Siramiati N., et. al, 2015) salary was defined as the amount of money that a company pays an employee for services done; this amount is usually paid on a regular basis (weekly, bimonthly, and monthly) and is established on an hourly basis. The decision of an individual to accept or reject a job offer is largely influenced by the salary structure and reward system of the organization (Bui Q., 2020). Employees regard their salary as a measure of their value to the company and as a baseline for compensation for their contributions to the organization (Asaari M. et, al., 2019). Low levels of motivation result from employee dissatisfaction, which happens when workers believe they are not as valuable to the company (Asaari M. et, al., 2019); (Siramiati N. et. al, 2015).

Comment by (Siramiati N., et. al, 2015) state that salary is one type of reward that can help demotivated employee become more motivated at work and encourage them to work every day. The payment systems that employee view as being fair and proportionate with their skills and expectation is called salary which is a foremost stipulation in HRM. salary must be closely linked to the performance according to high achievers. Employees who do their best want reasonable salary that satisfies their needs. An equitable salary makes them feel appreciated so they expect salary according to their efforts because they don't want to be unacknowledged for their services. Money is ranked at the top for creating motivation because employee require

money to fulfill the basic necessities of life so it motivates the employees more than any other incentive (Saira Y., et al 2014).

2.2.2 Bonus

A bonus is an extra payment made to an employee on top of their base pay or compensation (Saira Y., et al 2014). Bonus is defined by (Siramiati N.W., et. al, 2015), as another type of pay that comes directly out of fixed wages and salaries. If an employee meets or surpasses performance targets, they are entitled for a bonus, which is an additional kind of compensation used by an organization to recognize and appreciate exceptional achievement. How much the individual has exceeded the predetermined goals will decide how much bonus they receive; it may also be depending on their rank or job group (Njanja L. W. et. al., 2013). Given that bonus have a significant impact on worker productivity; the idea of bonus is very popular, especially when it comes to employing qualified personnel who can effectively accomplish the institution's objectives. The need for employees to be valued and paid for their contributions is the source of incentives' significance (Bayad J. A., & Govand, A. 2021).

Organizations frequently use it as a motivational tool to mark and reward exceptional performance or to reward particular actions or objectives. It is offered to employee when they achieve certain standards and responsibility quotas (Saira Y., et al 2014). A bonus motivates the employee to understand exactly what the organizational goals are as well as to be a productive employee and make sure the goals are met. Bonuses benefit the employee as well as the employer (Burton K. , 2012).

2.2.3 Promotion

A promotion is the advancement of a worker's status or place within a hierarchical organization. This indicates that more people are working in a field to do better jobs than they did before. A promotion entails more responsibility, increased achievement, benefits, status, and demand proficiency, in addition to an increase in pay and other benefits. A promotion is a way to give workers increased power and responsibility. Simply put, a promotion is the action of moving an individual up to a more senior position. There are multiple markers for a job promotion, including achievement, qualification, and loyalty. The most prevalent type of employee internal

mobility in a company is promotion (Asaari M. et, al., 2019). Rewards such as promotions ought to be given to staff members who successfully work to advance their knowledge or abilities. A recently hired employee might, nevertheless, find an appealing opportunity, but if he believes that length of service is the primary factor in determining promotion, his chances of getting promoted might be slim. Effort in that direction is deemed unnecessary in such a scenario since performance yields no benefits (Kathombe M., et al, 2018).

Workers who feel fairness in promotion decisions are more likely to be dedicated to the company, have a fulfilling career, perform better, and, as a result, are less likely to plan to leave the company (Kathombe M., et al, 2018). Promotional opportunities affect employee motivation considerably. The desire for promotion is generally strong among employees as it involves change in job content, pay, responsibility, independence and status among others. An average employee in a typical government organization can hope to get two or three promotions in his entire service, though chances of promotions are better in private sector (Desta B., 2019).

2.2.4 Recognition

According to (Anna M. & Larysa Y. 2018), one of the most popular and effective strategies used by businesses to raise employee engagement is recognition. Workers appreciate being acknowledged as much as being paid attention to. A straightforward "thank you" can work wonders in inspiring staff members. Alternatively, a more official recognition like "employee of the month" award can be given. An employee's status within an organization or corporation is formally stated through recognition. Opening a formal channel of communication between the firm or organization and its staff is the aim of recognition (Haitao, 2022). Recognition is expressing gratitude to staff members for their efforts toward achieving the organization's goals or carrying out their allocated duties. Employees that do exceptionally well are recognized. Rewarding employees for specific actions or habits that lead to improved performance is the aim of employee recognition programs. Ensuring a higher and longer-term return to the company, recognition is a key component of intrinsic reward.

Employees can feel deserving of gratitude when they recognize their worth and appreciation from the company. Becoming highly esteemed by peers and employers is one of the main

sources of motivation for workers. The workforce becomes more motivated over time and becomes more excited when they receive recognition. Furthermore, it enhances workers' confidence and sense of self, as well as their enthusiasm for their work (Anjum N., et al 2021). Giving employee praise and acknowledgment helps to maintain their morale and raises their degree of job satisfaction. Many employees revealed during the research process that they place a higher value on recognition than they do on the financial rewards they receive. Workers must have a strong sense that their efforts and presence are valued by the company, and this can only be achieved through acknowledgment and gratitude (Tripathi A., 2023).

2.2.5 Work life Balance (WLB)

Work-life balance is a significant issue that worries both public and private sector organizations. An employee's performance on the work is greatly influenced by his or her ability to suit his or her job and other responsibilities satisfactorily. Policies that promote work-life balance are essential to the success of any company that relies on its workforce to accomplish organizational objectives (Tamunomiebi M.D., & Oyibo C. 2020). Finding a balance between one's personal and professional lives is referred to as "work-life balance" (Wardani, et. al, 2021).

A worker will be more productive, motivated to carry out their responsibilities within the company, and suffer less stress at work if they can effectively manage their personal and professional lives. Additionally, it can improve how well employees perform in achieving company goals (Olanda A. & Swasti I. K. 2023). An acceptable degree of involvement between the many responsibilities in a person's life is known as work-life balance. A general sense of serenity or balance in life is typically associated with a well-balanced professional life (Junzhao X. 2021), and (Akter A. et. al, 2019). The study of people's capacity to juggle many demands on their lives at the same time is known as working-life harmony (Amelia M., et. al 2022).

For many people in the public and commercial sectors, work-life balance (WLB) is essentially a vital issue that deserves careful attention. It extends beyond giving one's family and duties top priority. Moreover, it impacts an individual's mental, social, psychological, and financial well-being. A person's performance in the workplace in the future is frequently influenced by how well they have reflected each of these in their production. Part of the perfect life is living a

balanced existence. Work-life balance means balancing work, whether done at work or occasionally at home, with leisure time in order to fully experience life. It actually means balancing each to achieve harmony in your physical, emotional, and spiritual health, not that you should spend half of your life working and the other half playing (Alharbi M., 2023).

2.3 Empirical Literature

According to (Asaari M. et, al. 2019), salary is the most important contributing factor to motivation. Followed by recognition and promotion which was not related to motivation among the trade agency employees. When they thought their pay was reasonable, when they had chances to advance, and when their performance was acknowledged, employees were more motivated. In the setting of government trade agencies, it was demonstrated that these variables; significantly affected the levels of staff motivation.

In the study by (Ezenwakwelu C. 2017) various factors that influence employee motivation for organizational commitment were examined. Motivation was stated as psychological process where unsatisfied needs drive goals. Managers often focus on extrinsic rewards like pay, neglecting intrinsic rewards that enhance employee commitment and job satisfaction. A study at the University of Nigeria found that job design and autonomy are key dimensions of motivation, and salary and working conditions have long-term effects on productivity. Responsibility and personal growth positively influence employee commitment.

Recent study of Employee Motivation in Ethiopia by (Netsanet A., 2019) investigates the factors influencing employees' motivation at Commercial Bank of Ethiopia, focusing on work content, working conditions, payment, benefits, promotion, recognition, autonomy, and career development. A self-administered questionnaire was designed to get pertinent data from the 266 respondents who were chosen; of these, 254 surveys have been returned and examined. Results showed that variables like payment, benefit, working conditions, recognition, and promotion positively impact employee motivation, while autonomy and career development opportunities had no significant impact.

Study of (Desta, B., 2019) investigates the factors determining employee motivation at Harare Brewery Share Company in Ethiopia. It aims to understand how demographic profiles impact

motivation and identify challenges hindering motivation. The research used quantitative and qualitative methods, with 181 responses from 205 respondents. Results showed age, education level, salary, working conditions, recognition, promotion, training, supervisory relationships, and co-worker relationships significantly influence motivation, while sex and experience did not.

2.4 Knowledge Gap

Studies have been conducted in different part of the world such as Middle East, Asian and few African countries regarding to determinants of employee. However, the continent and countries of the world are different in many aspects such as cultural, political, social and environmental aspect. The lack of specialized studies that concentrate on the distinct elements influencing employee motivation in banking establishments, specifically in relation to the Cooperative Bank of Oromia, represents a knowledge gap in this context. While some facets of employee motivation have been studied in various organizational contexts by previous researchers, little is known about the factors that influence employee motivation particularly in Cooperative Bank of Oromia. By addressing a major void in the existing literature and understanding of these drivers may provide insightful guidance for improving worker engagement and performance in the bank. This study intends to close this gap by investigating the motivating factors behind the bank.

2.5 Conceptual framework of the study

After reviewing different literature on the determinants of employee and identifying factors that motivate employee the following conceptual framework is developed in order to relate dependent variable which is employee motivation with independent variables which are salary, bonus, promotion, and recognition and performance appraisal. Furthermore, the study will identify which variable have more significant effect on employee motivation.

The hypotheses that will be tested in this study are:-

2.5.1 Salary and Employee motivation

There is a strong positive correlation between the level of salary compensation and employee motivation (Ali B. et, al., 2021). When workers are paid fairly, their motivation level is

influenced, which affects the success of the organization. Higher salary will lead to higher levels of employee motivation. For an employee to be dedicated and productive, the wage package provided by the company needs to have high levels of equity and competition (Kuranchie-Mensah, E. B., & Amponsah-Tawiah, K. 2016).

H1: Salary has a positive and significant effect on employee's motivation.

2.5.2 Bonus and employee motivation

By giving employee an extra financial incentive for their efforts and output, bonuses can inspire staff members. Employee motivation and job satisfaction may rise as a result of bonuses since they can help workers feel valued and appreciated. Furthermore, bonuses can be used as a means of motivating staff members to meet predetermined objectives, leading to increased output and performance. Bonuses have the power to inspire workers by giving them a monetary compensation for their achievements, which may boost engagement and job happiness. Workers believe that financial bonuses spur them to do better work. Bonuses were thought to have a significant impact on employees' motivation to meet goals and increase their output at work (Njanja L. W. et. al., 2013).

H2: Bonus has a positive and significant effect on employee's motivation.

2.5.3 Promotion and employee motivation

In study by (Desta B., 2019), providing employees with greater power or responsibility at work can also influence their motivation, as promotion is one of the factors that affects employee motivation. Promotion had a favorable impact on employees' motivation. Promotion is thought to have a significant impact on both work performance and motivation. This is so that an employee's ability and knowledge can grow or improve (Asaari M. et, al., 2019).

H3: Promotion has a positive and significant effect on employee's motivation.

2.5.4 Recognition and employee motivation

According to (Phillips J. O, & Mui U., 2024), employee motivation stems from recognition from both their employer and the clients they have assisted. The recognition received from supervisors

and "clients" made employee feel important and accomplished, which raised their level of job satisfaction. When their management expresses gratitude for their job, they are happy, and this is one of the things that keep them in their company. Recognition can increase employee happiness, and guidance on how to improve employee performance at work (Asaari M., et, al 2019).

H4: Recognition has a positive and significant effect on employee's motivation.

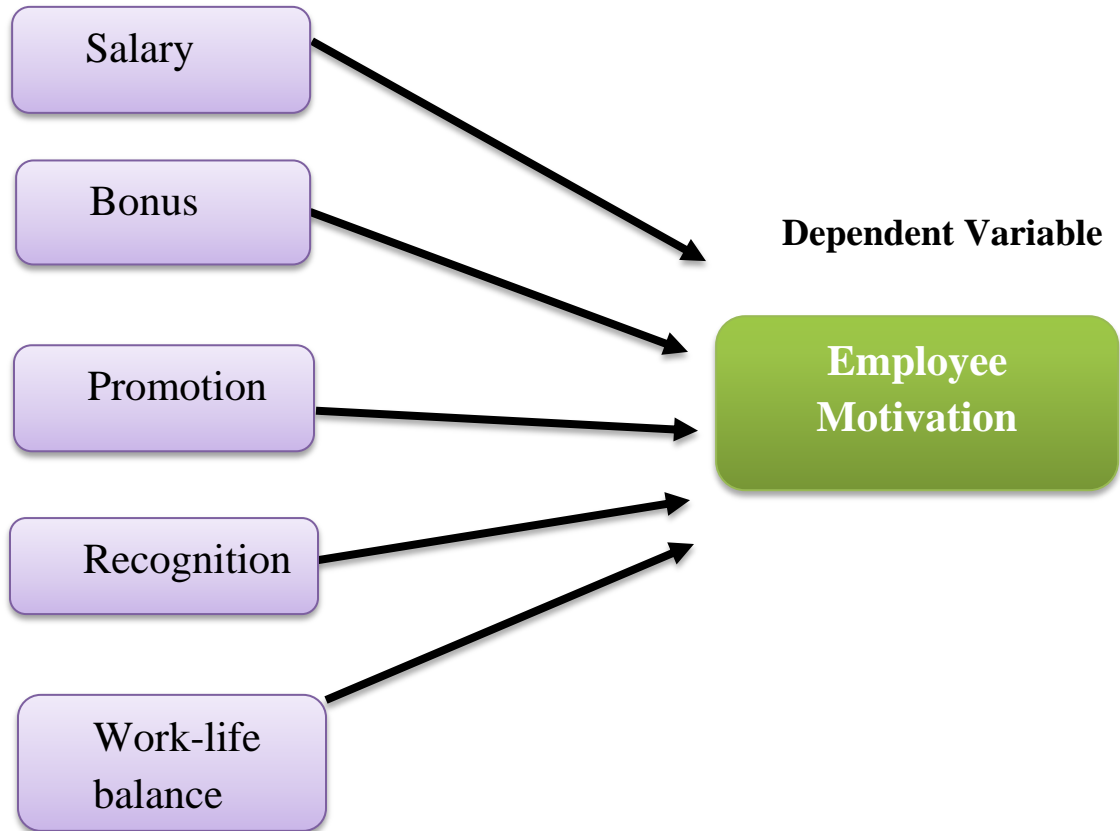
2.5.5 Work-life balance and employee motivation

Motivation is greatly impacted by work-life balance. Enhancing work-life balance enables employees to give priority to their loved ones, friends, and hobbies, which increases their commitment and drive to contribute to the success of the company (Gana F., et al, 2022). Employee motivation is significantly and favorably impacted by maintaining a balance between work and life. In order to boost employee engagement, organizations need to be able to apply more effective strategies for work-life balance management (Nurdin P.. et. al., 2021).

H5: Work-life balance has a positive and significant effect on employee's motivation.

Figure 2.1 Conceptual framework for the determinant of employee motivation

Independent Variable



Source: adapted with modification from Patel Priya Bhupendrabhai & Vaishali Pillai, 2021

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

In this chapter, the reader will receive a summary of the research design, population, sample size, sampling techniques, data sources, data collection tools and procedure, data analysis methods, the study's validity and reliability, and ethical considerations.

3.2. Research Design and Research Approach

3.2.1 Research Design

According to Kothari C. (2004), a research design is a procedure that produces settings for data collection and analysis to tie procedural economy with relevance to research purposes. The objectives, purpose, design, significance, degree of expertise in the topic under investigation, duration of data collection, kind of analysis (qualitative or quantitative), and instruments employed by the researcher to examine the data are all part of the set of rules it works.

According to Kothari C. (2004), the goal of research design is to make it easier to obtain relevant data with the least amount of time, money, and effort. This study employed an explanatory research design. Explanatory research gathers information to characterize factors determining employee motivation and pinpoint its causes. This strategy allowed the study to address a broader range of variables and offered solutions to the central queries mentioned in the problem statement.

3.2.2 Research Approach

There are two categories of research: qualitative and quantitative. Methodologies depend on the kind of data being sought. A study that incorporates the benefits of both approaches is referred to as a mixed-method study. A quantitative research approach was used in this study. Quantitative research involves using numbers extracted from a given observation to describe or explain a process that the observation can represent. This approach uses methodologies and empirical

claims, which are descriptive claims about the cases' meanings in actual language rather than claims about their ought. It also employed empirical assessments designed to ascertain the extent to which a standard or norm is met in a specific program or policy. Lastly, mathematical techniques were applied to assess the numerical data gathered (Taherdoost, H. 2022).

3.3 Target Population

The element from which a research or inference was drawn is a population (Cooper D. R, & Schindler P., 2014). All individuals who fit the specific requirements for a research study are referred to as the target population. An element is a single entity of any given population that is not decomposable further. Element depends on the nature of the population. At the same time, a population depends on the nature of the investigation. It is necessary to define the target population in terms of elements, time, and geography, demonstrating the importance of the research purpose and the study's scope in defining the target audience (Sekaran et al., 2016).

Central Finfinnee district was chosen randomly from the 5 Districts present in Addis Ababa. The target population includes 452 employees; both the managerial and non-managerial staff. This heterogeneity of workforce ranges from managers, administrative, supervisors, professionals and semiprofessionals at Central Finfinnee district branches of CBO. The researchers selected this district based on the ease of access and general feasibility and CBO management cooperation. The procedure of selecting a large sample size and at random helps in improving the generality of the target population within CBOs workforce.

3.4 Sample size

Kothari C. (2004) defined the sample size as the number of items chosen from the universe to create a sample. The optimum sample size must be manageable and appropriate. Using Taro Yamane's (1967) sample selection method with a 95% confidence interval level probability and 0.05 sampling error, a total of samples was drawn from the target population.

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

N indicates the necessary sample size, where n is the population size, and e denotes the precision level. Taro Yamane developed the formula in 1967 by applying the above formula.

$$n = \frac{452}{1 + 452(0.05)^2}$$

$$=212$$

So, from the target population of 452 employees in the Central Finfinnee District, the researcher selected 212 employees as a sample to distribute the questionnaires.

3.5 Sampling Technique

Sampling techniques are often divided into two categories: probability samples and non-probability samples. Probability samples are the best sample technique for assuring that the study's findings apply to the intended audience. By probability sampling, we imply a fair opportunity for each person in the population to be chosen for the study (Acharya et al., 2013). While probability or random sampling is the least biased approach, it can also be the most time- and energy-consuming for a given amount of sampling error. (Taherdoost H., 2016). Another name for them is random sampling. Although they need more effort, they are far more precise (Sharma G., 2017). Each member has a known (non-zero) chance of being represented in the population sample. When using probability sampling. There is a random selection process in place. Every unit in the population can have its probability objectively ascribed to it. Population definitions for these procedures must be accurate. These methods do not apply to a population that is too universally distributed (Alvi M., 2016).

This research employed a systematic random sampling. With this sampling technique, the initial sample unit is chosen at random, and the remaining sample units are chosen methodically. $R = N/n$ (the R is known as the sampling interval) if there are N units in the population and n units need to be chosen. Out of the remaining R (Sampling Interval) to the previously chosen number, the first number is chosen at random (Singh, A. S & Masuku, M. B, 2014). Therefore, with the population of 452 and sample size of 212, the interval would be every 2nd employee. CBO human resource department provided list of employees; from the list of 452 employees ever 2nd employee on the list would be taken as sample size for this study till the respondent number reaches 212.

Systematic random sampling, a technique known for its efficiency and ease of application, is a straightforward process. It requires minimal time and effort to randomly identify individual samples, a task that may seem subjective. This method, an enhancement of simple random sampling, ensures that each item in the population has a given probability of being selected. Its simplicity makes it more accessible and cost-effective, particularly when dealing with large populations. The diverse objectives and goals of a sampling policy in this method are influenced by the available resources, population attributes, and characteristics, resulting in a final sampling policy for selecting children's populations for testing and research purposes (Sharma, G., 2017).

3.6 Source of Data

There are two types of data sources: primary and secondary. A primary data source represents data that is newly and initially collected, making it unique in nature. Secondary data, however, have previously been gathered and subjected to the statistical procedure by another party (Kothari C., 2004). This study uses a primary data source.

3.7 Data Collection Instrument

A questionnaire was the primary tool utilized in this study to collect data. Self-administered questionnaires were developed and distributed to the sample of respondents to collect primary data for this study. Questionnaires are usually inexpensive, easy to administer to many employees, less time-consuming, and usually get more consistent and reliable results than other instruments. It is helpful to swiftly get fundamental data through a questionnaire with a large number of respondents to obtain the benefits of gathering comprehensive information from a small number of respondents. Generally, it produces more consistent and reliable results. The questionnaire is classified using the selected conceptual framework (Kothari C., 2004).

3.8 Data Analysis Methods

According to Cooper & Schindler, 2014 Data analysis is defined as "the process of creating summaries, searching for patterns, applying statistical techniques, and editing and reducing accumulated data to a manageable size." techniques" Managers require information, not just raw data. Therefore, it is the researcher's responsibility to analyze the data gathered to produce the

necessary knowledge. Quantitative data analysis techniques were used to examine and understand the collected data. Quantitative data analysis uses numerical representations of the collected data, including information from questionnaire-derived information. SPSS Windows version 26 was used to do the statistical analysis. Descriptive statistics include percentages, charts, and frequencies. Were used to define the results displayed in a table. The questions were presented as statements on a Likert scale of 1 to 5, where five indicate strongly agree, four agree, three represent neutral, 2 represent disagree, and 1 strongly disagree.

3.9 Reliability and Validity of Data Collection Instrument

Reliability and validity aim to minimize measurement error. The consistency of measurement throughout time, across forms, and between raters determines an instrument's reliability. Conversely, the degree to which an instrument truly measures "what its purpose is to measure" and "what it is designed to measure" is what is known as the validity of the instrument (Knapp et al.; R.O., 2010). Validity relates to how much the interpretations of the test results are supported, depending on the purpose the test is intended for (Kimberlin et al., A.G, 2008).

In most cases, a coefficient of 0.80 or more is acceptable; however, in some explanatory studies, a coefficient of 0.70 may be suitable for some causes. Nearly always, a coefficient of 0.90 or above is acceptable. Cronbach alpha was used in this study to measure and test each questionnaire item, and a coefficient of 0.821 was scored, which makes the instrument more acceptable.

3.10 Ethical Considerations

Study participants were informed to participate voluntarily, and their privacy and anonymity would be kept secret and used only for academic purposes. According to (Creswell, 2012), "the researcher expects the data collector to respect the participants and sites for the research". The study should maintain objectivity and courtesy and not falsify, alter, or misrepresent data for political or other purposes. Moreover, using offensive, discriminatory or unacceptable language was avoided when formulating questionnaires.

CHAPTER FOUR

DATA PRESENTATION ANALYSIS AND INTERPRETATION

4.1. Introduction

This section uses the Statistical Package for the Social Sciences (SPSS) version 26 to analyze and present results. It also discusses the final results and the process by which they were obtained.

4.2 Response rate

212 questionnaires were distributed to the employees of 17 randomly selected branches of CBO Central Finfinnee district. Out of these questionnaires, 208 were filled out and collected correctly. As a result, the overall response rate was 98.1%, which is acceptable for data analysis and study discussion.

Table 4.1 Response Rate (Source: Survey questionnaire, 2024)

No of questionnaires distributed	No of questionnaires collected	Number of branches	Response rate(%)
212	208	17	98.1%

4.3 Demographic Characteristics of Respondents

This section presents demographic information, including gender, age, educational background, job position, and year of service.

Table 4.2 Demographic Characteristics of Respondents (Source: Survey question, 2024)

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	150	72.4	78.1	72.1
	Female	58	27.6	27.9	100.0
	Total	208	100.0	100.0	
Age	21-30	163	77.6	78.4	78.4
	31-40	41	19.7	19.7	98.4
	over 40	4	2.7	1.9	100.0
Total		208	100.0		
Educational background	Certificate	2	1.0	1.0	1.0
	Diploma	3	1.4	3.0	40.4
	Under graduate	82	39.4	47.8	41.8
	Post graduate and above	121	57.6	58.2	100.0
	Total	208	100.0	100.0	
Job position	Managerial	67	32.9	32.2	32.2
	Non-managerial	141	67.1	67.8	100.0
	Total	208	100.0	100.0	
Year of service	<3	56	26.7	26.9	26.9
	3-6	118	57.2	56.7	83.7
	>6	34	16.2	16.3	100.0
	Total	208	100	100.0	

As presented in Table 4.2 above, 150 of the 208 respondents are male, making up 72.4% of the total. On the other hand, 58 respondents are identified as female, accounting for 27.6% of the total. This concludes the discussion that most respondents are male, reflecting the gender distribution in the cooperative Bank of Oromia employees.

The age of the respondents was categorized into three groups. The largest group, comprising 163 employees, falls between the ages of 21-30, accounting for a significant 77.6% of the total respondents. This is followed by 41 respondents in the age group of 31- 40, making up 19.7% of the total. The remaining 4 respondents are over 40, representing 2.7%. This data indicates that the majority of CBO employees are in the young and productive age group, hinting at the potential for increased productivity with the right motivation.

The educational backgrounds of our employees are a testament to their dedication and commitment. Out of the 208 respondents, the lowest count was a certificate held by 2 individuals, making up 1% of the total. 3 respondents held a Diploma, representing 1.4% of all participants. Degree holders were 82 respondents, accounting for 39.4% of the total. The majority, 121 respondents, held a master's degree and above, making up an impressive 57.6% of the total number of respondents.

Job positions are categorized as managerial and non-managerial. 67 respondents were in managerial positions, accounting for 32.9% of the total. 141 respondents were in non-managerial positions, accounting for 67.1% of the total.

Years of service were classified as less than 3 years, between 3 and 6 years, and above 6. Out of 208 respondents, 56 had less than 3 years of experience, which accounts for 26.7% of the total. 118 respondents had years of service between 3 and 6, accounting for 57.2% of the total. 34 respondents had more than 6 years of service, accounting for 16.2%.

4.4 Descriptive Analysis Result

The following table summarizes the frequency and percentage of respondent with their level of agreement with regard to the question asked.

Table 4.3 Frequency and Percentage of respondent on Salary

Item		SA	A	N	D	SD	Mean	SD
An increase in my pay would make me more motivated and perform better.	N	109	64	28	7	0	1.55	0.698
	%	51.9	30.5	13.3	3.3	0		
I usually find myself more motivated at the end of the month (when it is time for salary) than at any other time in the middle of the month.	N	38	54	60	30	26	2.43	1.123
	%	18.1	25.7	28.6	14.3	12.5		
The level of my salary is fair and satisfactory.	N	24	69	56	39	20	3.40	1.327
	%	11.9	32.9	26.7	18.6	9.6		
The current salary is adequate to cop up with the ongoing cost of life.	N	20	39	50	68	31	3.31	1.205
	%	9.5	18.6	23.8	32.4	14.8		

As per the table above (table 4.3), (51.9%) of the respondents strongly agree that their motivation and performance would improve with a pay raise. Additionally, 30.5% of the respondents agree, 13.3% are neutral, and 3.3% disagree that a pay increase would increase motivation and performance. Based on this, a pay raise would motivate most respondents to perform better. The mean of 1.55 indicates that, on average, the respondents strongly agree that an increase in pay would make them more motivated and perform better. The standard deviation of 0.698 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "strongly agree" response.

Regarding time, employees are motivated, and 18.1% of respondents strongly agree that they are motivated when it is time for salary. In comparison, 25.7% of respondents agree, 28.6% are neutral, 14.3% disagree, and 12.5% strongly disagree that they are motivated when it is time for salary. Most respondents find themselves more motivated when it is time for salary than at other times. The mean of 2.43 indicates that, on average, the respondents are neutral (N) about being more motivated at the end of the month when it's time for salary, compared to other times during

the month. The standard deviation of 1.123 suggests a moderate spread or variation in the responses, with respondents expressing a range of opinions from strongly agree (SA) to strongly disagree (SD).

11.9% of the respondents strongly agree that their salary level is fair and are satisfied, 32.9% agree, 26.7% are neutral, 18.6% disagree, and 9.6% strongly disagree that their salary level is fair. From this, most respondents believe their salary level is fair and are satisfied with their salary. The mean of 3.40 indicates that, on average, the respondents are neutral about whether their salary level is fair and satisfactory. The standard deviation of 1.327 suggests a relatively high spread or variation in the responses, with respondents expressing a range of opinions from strongly agree to strongly disagree.

9.5% of the respondents strongly agree that their current salary is adequate to cope with the ongoing cost of life, 18.6% agree, 23.8% are neutral, 32.4% disagree, and 14.8% strongly disagree. This suggests that most of those surveyed believe their current salary is not enough to cope with the ongoing cost of life. The mean of 3.31 indicates that, on average, the respondents are neutral about whether their current salary is adequate to cope with the ongoing cost of living. The standard deviation of 1.205 suggests a moderately high spread or variation in the responses, with respondents expressing a range of opinions from strongly agree to strongly disagree.

From the above data, we can identify a significant contradiction between employees' satisfaction with their salary level and the adequacy of their salary to cover the cost of living. There is a clear indication that most of the respondents think that they earn a fair wage and are content, but also a clear implication that many of the respondents feel their salary is insufficient to cope with the increasing costs. This implies that the highly regarded reasonableness in the consideration of salary may not correspond with the real purchasing power of the money.

Table 4.4 Frequency and percentage of respondent on bonus

Item		SA	A	N	D	SD	Mean	SD
Bonus award fosters my motivation	N	89	72	37	6	4	1.74	0.902
	%	42.4	34.3	17.6	2.9	1.9		
I am satisfied with the bonus system of the Organization.	N	33	50	71	31	23	3.02	1.202
	%	15.7	23.8	33.8	14.8	11.1		
Bonus salary award should be paid equally to all employee, regardless of Performance.	N	31	26	48	63	36	3.85	1.195
	%	16.6	12.4	22.9	30.0	17.1		
I appreciate being offered bonus by the organization for my Job effort.	N	55	72	34	37	10	1.88	0.980
	%	26.2	34.3	16.2	17.6	4.8		

As presented in the above table, 42.4% of the respondent strongly agrees that a bonus fosters their motivation, 34.3% agree, 17.6% are neutral, 2.9% disagree, and 1.9% strongly disagree that a bonus fosters their motivation. The majority of the respondents perceive bonuses to be an effective motivator. The mean of 1.74 indicates that, on average, the respondents agree that bonus awards foster their motivation. The standard deviation of 0.902 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

Regarding employee satisfaction with the organization's bonus system, 15.7% of the respondents strongly agree, 23.8% agree, 33.8% are neutral, 14.8% disagree, and 11.1% strongly disagree. So, most respondents are satisfied with the organization's bonus system. The mean of 3.02 indicates that, on average, the respondents are neutral about being satisfied with the bonus system of the organization. The standard deviation of 1.202 suggests a moderately high spread or variation in the responses, with respondents expressing a range of opinions from strongly agree to strongly disagree.

Out of 208 respondents, 16.6% strongly agree that bonuses should be paid to all employees equally regardless of performance, 12.4% agree, 22.9% are neutral, 30.0% disagree, and 17.1% strongly disagree. Thus, the majority of respondents disagree that bonuses should be paid to all employees equally regardless of performance. The mean of 3.85 indicates that, on average, the respondents disagree that bonus salary awards should be paid equally to all employees, regardless of performance. The standard deviation of 1.195 suggests a moderately high spread or variation in the responses, with respondents expressing a range of opinions from strongly agree to strongly disagree.

For the last question on bonuses, 26.2% of the respondents strongly agree that they appreciate being offered a bonus for their effort in the organization, 34.3% agree, 16.2% are neutral, 17.6% disagree, and 4.8% strongly disagree with the bonus offer given to them. The conclusion is that the preponderance of respondents appreciates the offer of a bonus for their effort in the organization. The mean of 1.88 indicates that, on average, the respondents agree that they appreciate being offered bonuses by the organization for their job effort. The standard deviation of 0.980 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

Table 4.5 Frequency and percentage of respondent on Recognition

Item		SA	A	N	D	SD	Mean	SD
Being appreciated and praised by my manager increases my motivation and performance at work.	N	69	80	41	12	6	1.90	0.943
	%	32.8	38.1	19.5	5.7	2.9		
My opinion on work is respected.	N	52	101	40	12	3	2.11	0.957
	%	24.8	48.1	19.0	5.7	1.4		
The achievement and recognition system of the organization is adequate.	N	32	88	54	29	5	2.52	1.137
	%	15.4	41.9	25.7	13.6	2.4		
The nature of my job helps me to get tangible recognition For my performance.	N	28	111	43	19	7	2.30	1.045
	%	14.3	52.9	20.5	9	3.3		

32.8% of the respondents strongly agree that appreciation and praise by their manager increase their motivation and performance at work, 38.1% agree, 19.5% are neutral, 5.7% disagree, and

2.9% strongly disagree. From this, we can conclude that appreciation and praise by managers motivate employees to perform better. The mean of 1.90 shows the level of the respondents' perception that they are motivated and perform better at work whenever they are appreciated and praised by their manager. The standard deviation of 0.943 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

About the opinion of an employee being respected at work, 24.8% of the respondents strongly agree that their opinion is respected, 48.1% agree, 19.0% are neutral, 5.7% disagree, and 1.4% strongly disagree that their opinion is respected at work. The conclusion is that the opinion of the majority of respondents is respected. The mean of 2.11 indicates that, on average, the respondents agree that their opinion on work is respected. The standard deviation of 0.957 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

Out of the 208 respondents who were asked if the organization's recognition system is adequate, 15.4% strongly agree, 41.9% agree, 25.7% are neutral, 13.6% disagree, and 2.4% strongly disagree. The conclusion is that most respondents are satisfied with the organization's recognition system. The mean of 2.52 indicates that, on average, the respondents are neutral about whether the achievement and recognition system of the organization is adequate. The standard deviation of 1.137 suggests a moderately high spread or variation in the responses, with respondents expressing a range of opinions from strongly agree to strongly disagree.

14.3% of the respondents strongly agree that the nature of their job helps them to get tangible recognition for their performance, 52.9% agree, 20.5% are neutral, 9% disagree, and 3.3% strongly disagree. Thus, the majority of the respondents agree that the nature of their job helps them to get tangible recognition for their performance. The mean of 2.30 indicates that, on average, the respondents agree that the nature of their job helps them to get tangible recognition for their performance. The standard deviation of 1.045 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "agree" and "neutral" options.

Table 4.6 Frequency and percentage of respondent on promotion

Item		SA	A	N	D	SD	Mean	SD
My promotion boosts the level of motivation.	Count	65	87	40	12	4	1.80	0.816
	%	31.0	41.4	19.0	5.7	1.9		
My job allows me for rapid promotion.	Count	47	86	38	29	8	2.32	1.057
	%	22.4	41.0	18.1	13.8	3.8		
My boss recommends me for promotion regularly.	Count	32	65	73	31	7	2.60	1.090
	%	15.2	31.0	34.8	14.8	3.3		
My promotion corresponds with the level of my input in the organization.	Count	29	91	54	29	5	2.52	1.036
	%	13.9	43.3	25.7	13.8	2.4		

31.0% of the respondents strongly agree that promotion boosts their level of motivation, 41.4% agree, 19.0% are neutral, 12 (5.7%) disagree, and 1.9% strongly disagree that promotion boosts motivation. Therefore, we can conclude that most of the respondent's motivation is boosted by promotion. The mean of 1.80 depicting an average show that the respondents' agreement with the statement that their promotion increases their level of motivation. A standard deviation of 0.816 means that the number of respondents spread or variation is relatively small with the most choosing between "agree" and "strongly agree" options.

22.4% of the respondents strongly agree that their job allows rapid promotion, 41.0% agree, 18.1% are neutral, 13.8% disagree, and 3.8% strongly disagree. Overall, most of the respondents agree that their job allows rapid promotion. The mean of 2.32 indicates that, on average, the respondents agree that their job allows them for rapid promotion. The standard deviation of 1.057 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "agree" and "neutral" options.

15.2% of the respondents strongly agree that their boss recommends them for promotion regularly, 31.0% agree, 34.8% are neutral, 14.8% disagree, and 3.3% strongly disagree. Thus, we

can conclude that most of the respondents agree that their boss recommends them for promotion regularly. The mean of 2.60 indicates that, on average, the respondents are neutral about whether their boss recommends them for promotion regularly. The standard deviation of 1.090 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "neutral" and "agree" options.

Lastly, 13.9% of the respondents strongly agree that their promotion corresponds with the level of input in the organization, 43.3% agree, 25.7% are neutral, 13.8% disagree, and 2.4% strongly disagree that their promotion corresponds with the level of input in the organization. The conclusion is that most respondents agree that what they are putting into the organization is compensated with the proper promotion. The mean of 2.52 indicates that, on average, the respondents agree that their promotion corresponds with the level of their input in the organization. The standard deviation of 1.036 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "agree" and "neutral" options.

Table 4.7 Frequency and percentage of respondent on work-life balance

Item		SA	A	N	D	SD	Mean	SD
My daily life activities disrupt my responsibilities at work place e.g., being at work on time, completing work on time and overtime.	N	75	36	38	37	22	1.83	0.850
	%	35.7	17.1	18.1	17.6	10.5		
My work takes up the time that I should spent with family or friends.	N	74	59	45	17	13	1.175	0.905
	%	35.2	28.1	21.4	8.1	6.2		
After work, I feel tiered to do the things I like	N	70	80	22	28	8	1.69	0.804
	%	33.3	38.1	10.5	13.3	3.8		
Work-life balance has an effect on my motivation level at Work	N	69	89	32	14	4	1.67	0.733
	%	32.9	42.4	15.4	6.7	1.9		
My work hinders my responsibilities at home like housekeeping, cooking,	N	77	62	35	24	10	1.82	0.898

washing clothes, repairing, paying bills and taking care of children	%	36.7	29.5	16.7	11.4	4.8		
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10.5% of the respondents strongly agree whether their daily life activities disrupt their responsibility at the workplace, 17.1% agree, 18.1% are neutral, 17.6% disagree, and 35.7% strongly disagree that their daily life activities disrupt their responsibility at the workplace. The preponderance of respondents disagree that their daily life disrupts their responsibility at the workplace. The mean of 1.83 indicates that, on average, the respondents agree that their daily life activities disrupt their responsibilities at the workplace. The standard deviation of 0.850 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

For the question of whether their work takes up the time they should spend with family or friends, 6.2% of the respondents strongly agree, 8.1% agree, 21.4% are neutral, 28.1% disagree, and 35.2% strongly disagree that their work takes up the time they should spend with family or friends. Most respondents do not believe their work affects their time with family and friends. The mean of 1.175 indicates that, on average, the respondents strongly agree that their work takes up the time they should spend with family or friends. The standard deviation of 0.905 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "strongly agree" and "agree" options.

Out of 208 respondents, 33.3% strongly agree that they are tired of doing what they like after work, 38.1% agree, 10.5% are neutral, 13.3% disagree, and 3.8% strongly disagree that they are tired of doing things they like after work. So, most respondents agree they are tired after work to do what they like. The mean of 1.69 indicates that, on average, the respondents agree that after work, they feel tired to do the things they like. The standard deviation of 0.804 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

32.9% of the respondents strongly agree that work-life balance affects their motivation level at work, 42.4% agree, 15.4% are neutral, 6.7% disagree, and 1.9% strongly disagree that work-life

balance affects their motivation level at work. The majority of the respondents perceive that work-life balance is a factor which affects their motivation level. The mean of 1.67 indicates that, on average, the respondents agree that their work-life balance has an effect on their motivation level at work. The standard deviation of 0.733 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

4.8% of the respondents strongly agree that their work hinders their responsibility at home, 11.4% agree, 16.7% are neutral, 29.5% disagree, and 36.7% strongly disagree that their work hinders their responsibility at home. The conclusion is that the upper hand is held by the respondents who do not believe that their work is the reason that they are not fulfilling their duties and responsibilities at home. The mean of 1.67 indicates that, on average, the respondents agree that their work-life balance has an effect on their motivation level at work. The standard deviation of 0.733 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

Table 4.8 Frequency and percentage of respondent on employee motivation

Item		SA	A	N	D	SD	Mean	SD
I am satisfied with my work currently within the organization.	N	42	78	51	24	13	2.51	1.203
	%	20.0	37.1	24.3	11.4	6.2		
I dedicate my time to ensure I fulfill the task assigned at work.	N	78	100	22	4	4	1.76	0.808
	%	37.1	47.6	10.5	1.9	1.9		
I am passionate about what I do.	N	2	8	19	84	95	1.88	0.920
	%	1.0	3.8	9.0	40	45.2		
I am committed to working within the firm to the foreseeable future.	N	67	101	28	10	2	1.87	0.851
	%	31.9	48.1	13.3	4.8	1		
My manager recognizes me when I perform very well.	N	66	72	49	18	3	2.20	1.111
	%	31.4	34.3	23.3	8.6	1.4		
I feel more trusted within the organization by the management team.	N	62	66	42	30	8	2.30	1.136
	%	29.5	31.4	20.0	14.3	3.8		

The first question about employee motivation was whether they were satisfied with their current work. Accordingly, 20.0% of the respondents strongly agree that they are satisfied with their work currently in the organization, 37.1% agree, 24.3% are neutral, 11.4% disagree, and 6.2% strongly disagree that they are satisfied with their work currently in the organization. The conclusion is that most respondents are not satisfied with their current job in the organization. The mean score of 2.51 suggests that on average, the employees in the target population tend to be slightly satisfied with their work within the organization. The standard deviation of 1.203 indicates a moderately high level of variability in the responses, suggesting that there is a range of satisfaction levels among the employees.

37.1% of respondents strongly agree that they dedicate their time to ensure they fulfill the task assigned to them at work, 47.6% agree, 10.5% are neutral, 1.9% disagree and 1.9% strongly

disagree that they dedicate their time to ensure they fulfill the task assigned to them at work additionally. Most respondents dedicate their time to ensuring they fulfill the task they are assigned at work. The mean score of 1.76 indicates that on average, the employees in the target population tend to strongly agree that they dedicate their time to fulfilling assigned tasks. The standard deviation of 0.808 suggests a relatively low level of variability in the responses, meaning that the majority of employees share a similar commitment to their work tasks.

For the third question, we asked the respondents if they were passionate about what they did. 1% strongly agrees, 3.8% agree, 9.0% are neutral, 40% disagree, and 45.2% strongly disagree. Thus, we can conclude that the majority of the respondents are not passionate about what they do. The mean of 1.88 indicates that, on average, the respondents disagree that they are passionate about what they do. The standard deviation of 0.920 suggests a moderately low spread or variation in the responses, with most respondents clustering around the "disagree" and "strongly disagree" options.

31.9% of the respondents strongly agree that they are committed to working within the firm for the foreseeable future, 48.1% agree, 13.3% are neutral, 4.8% disagree, and 1% strongly disagree. Thus, most respondents are committed to working within the organization for the foreseeable future. The mean of 1.87 indicates that, on average, the respondents agree that they are committed to working within the firm to the foreseeable future. The standard deviation of 0.851 suggests a relatively low spread or variation in the responses, with most respondents clustering around the "agree" and "strongly agree" options.

Out of 208 respondents, 31.4% strongly agree that their manager recognizes them when they perform very well, 34.3% agree, 23.3% are neutral, 8.6% disagree, and 1.4% strongly disagree that their manager recognizes them when they perform very well. Most respondents perceive that their manager recognizes them when they perform well. The mean of 2.20 indicates that, on average, the respondents are neutral about whether their manager recognizes them when they perform very well. The standard deviation of 1.111 suggests a moderately high spread or variation in the responses, with respondents spread across the "strongly agree," "agree," "neutral," and "disagree" options.

29.5% of the respondents strongly agree that they feel trusted within the organization by the management, 31.4% agree, 20.0% are neutral, 14.3% disagree, and 3.8% strongly disagree. Thus, the conclusion is that the majority of the respondents feel more trusted within the organization by the management team. The mean of 2.30 indicates that, on average, the respondents are neutral about whether they feel more trusted within the organization by the management team. The standard deviation of 1.136 suggests a moderately high spread or variation in the responses, with respondents spread across the "strongly agree," "agree," "neutral," and "disagree" options.

4.5. Correlation Analysis

Correlation indicates how many variables are related. In correlated data, when one variable increases/decreases in size, the other also increases/decreases in size, albeit in the same or opposite direction. Correlation is commonly understood as the linear relationship between 2 continuous variables and is referred to as Pearson product-moment correlation. The Pearson correlation coefficient is most suitable when two variables are jointly customarily distributed and when both variables follow a bivariate normal distribution. When positive or negative association is expected, or in the case of non-normally distributed continuous data or ordinal data, a Spearman rank correlation based on rank scores can provide an adequate measure of a monotonic association. Correlation coefficients have a range of 0 to +1 and -1, while zero denotes the absence of a linear or monotonic relation, and as the coefficient value increases, it gets closer to 1. It implies a straight-line relationship if it is a Pearson correlation or a constantly rising curve if it is a Spearman correlation (Schober et al., 2018).

Table 4.9 Correlation Matrix

Correlations							
		Salary	Bonus	Recognition	Promotion	Work-life Balance	Employee Motivation
Salary	Pearson Correlation	1	.396 ^{**}	.424 ^{**}	.252 ^{**}	.226 ^{**}	.642 ^{**}
	Sig. (2-tailed)		.000	.000	.000	.001	.000
	N	208	208	208	208	208	208
Bonus	Pearson Correlation	.396 ^{**}	1	.408 ^{**}	.227 ^{**}	.161 [*]	.508 ^{**}
	Sig. (2-tailed)	.000		.000	.001	.020	.000
	N	208	208	208	208	208	208
Recognition	Pearson Correlation	.424 ^{**}	.408 ^{**}	1	.397 ^{**}	.226 ^{**}	.761 ^{**}
	Sig. (2-tailed)	.000	.000		.000	.001	.000
	N	208	208	208	208	208	208
Promotion	Pearson Correlation	.252 ^{**}	.227 ^{**}	.397 ^{**}	1	.169 [*]	.585 ^{**}
	Sig. (2-tailed)	.000	.001	.000		.015	.007
	N	208	208	208	208	208	208
Work-life balance	Pearson Correlation	.226 ^{**}	.161 [*]	.226 ^{**}	.169 [*]	1	.410 ^{**}
	Sig. (2-tailed)	.001	.020	.001	.015		.564
	N	208	208	208	208	208	208
Employee Motivation	Pearson Correlation	.642 ^{**}	.508 ^{**}	.761 ^{**}	.585 ^{**}	.410 ^{**}	1
	Sig. (2-tailed)	.000	.000	.000	.007	.564	
	N	208	208	208	208	208	208
**. Correlation is significant at the 0.01 level (2-tailed).							
*. Correlation is significant at the 0.05 level (2-tailed).							

The above table shows the correlation analysis between the independent and dependent variables. Of all the relationships obtained, recognition has the strongest positive correlation with employee motivation ($r = 0.761$, $p < 0.01$). This implies that if the employee perceives a high level of recognition from the organization, they will report high work motivation. Thus, the analysis of the investigation results leads to the conclusion that there is a clear positive correlation between the indicators of salary and the level of motivation of employees ($r = 0.642$;

$p < 0, 01$). There is a moderate positive relationship between bonus compensation and aspect of employee motivation ($r = 0. 508, p < 0. 01$). A somewhat positive correlation was found between promotion opportunity and motivation of employees ($r = 0. 585, p < 0. 01$). Furthermore, work-life balance has also positive and moderate relationship with the level of motivation among employees ($r = 0. 410, p < 0. 01$).

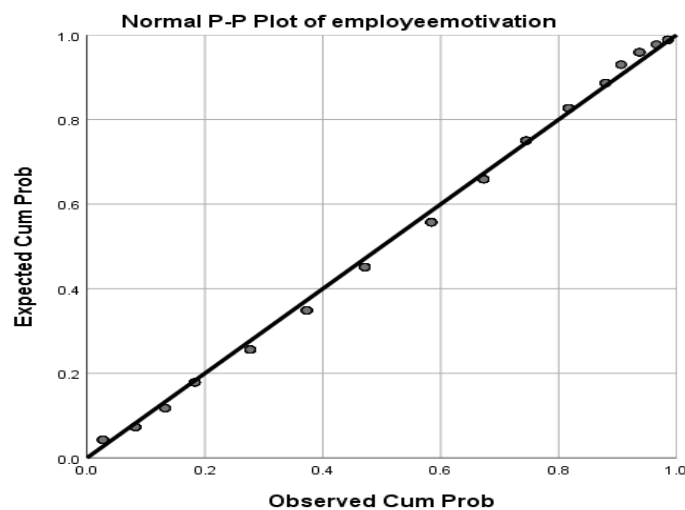
4.6. Multiple Regression Assumption Test

We want to be able to sample from the whole population when we perform regression afterwards. Regression model assumptions must hold if we are to realize our goal. When the assumptions are broken, it is impossible to avoid misinterpreting the target population and making the conclusions deceptive. The test includes normality, linearity, and multicollinearity.

4.6.1 Normality

Several types of normality testing are used in various sectors. Normality tests are applied, for example, in the case of the residuals from the linear regression model. The residuals should only be used in Z tests or any derived tests such as t-tests, F tests, and chi-squared tests if they are normally distributed. Reducing one or more of these systematic sources may allow for relatively distributed residuals. It is essential as they are crucial in statistical methods like t-tests, ANOVA, and linear regression (Khatun N., 2021).

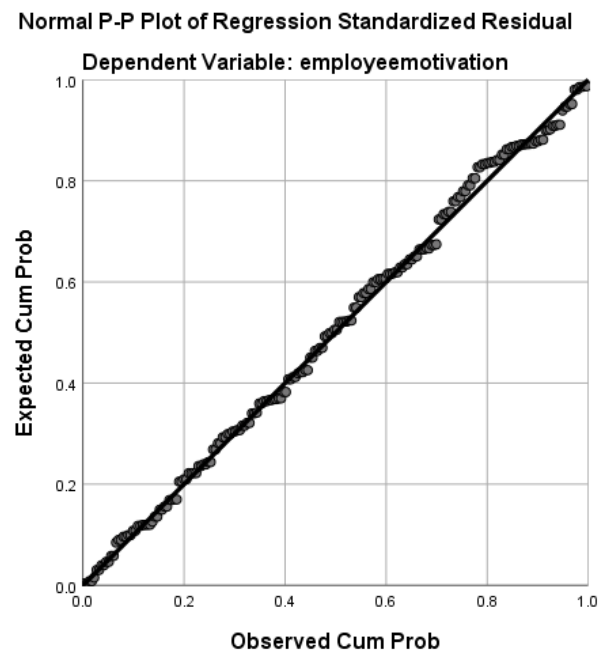
Figure 4.1 Normality test



4.6.2 Linearity

In regression analysis, a linearity test examines the possibility of a linear linkage between independent and dependent variables. It may be done graphically with the help of the scatter plot of both the dependent and independent variables. Statistics, such as creating a linear regression function and analyzing residuals, confirm testing linearity. In general, the goodness of fit test plays a central role in the assurance of the validity of the model by testing the goodness of fit of independent and dependent variables (Niermann S., 2007).

Figure 4.2 Linearity test



4.6.3 Multicollinearity

Multicollinearity is a problem of statistics that happens when the multiple regressions' independent variables model exhibits significant correlation and, consequently, the model estimates become unstable and erroneous. Tolerance measures the total variability of the variable under consideration, which the others cannot explain in the model. A score under 0.10 is close to the level of collinearity of other factors, which increases the possibility of multicollinearity. The next thing is the variance inflation factor (VIF), which is the tolerance value inversed. VIF

values more significant than ten would signify multicollinearity as the indicator of moderate concern (Alin A., 2010). The collinearity statistics suggest no severe multicollinearity issues in the model.

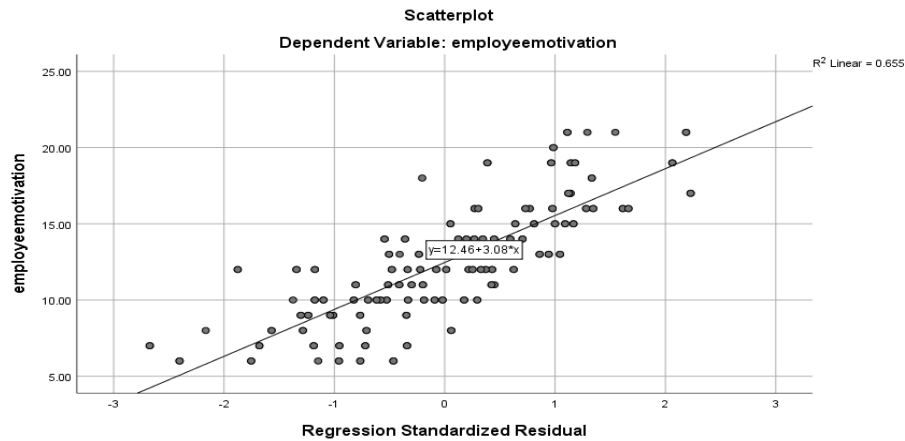
Table 4.10 Multicollinearity Test

Model	Tolerance	VIF
Salary	.712	1.404
Bonus	.735	1.316
Recognition	.643	1.555
Promotion	.798	1.253
Work-life balance	.895	1.117
a. Dependent Variable:-Employee Motivation		

4.6.4 Homoscedasticity

Homoscedasticity is one of three significant assumptions underlying parametric statistical analyses. It is a necessary condition in the linear regression analysis that assumes that the variance of the residual (Observed value – Predicted value) should remain constant across different levels of the predicted values. In univariate analyses, such as the analysis of variance (ANOVA), homoscedasticity assumption is a common feature involving single quantitative dependent variable (Y) and single or multiple categorical independent variables (X). is referred to as the homogeneity of variance. Homoscedasticity is critical as its violation results in tainted standard errors and unreliable statistical conclusions concerning regression models. Checking homoscedasticity is one way to confirm the validity of the linear regression analysis and its outcomes (Schützenmeister A. et al., 2012).

Figure 2.3 Homoscedasticity test



Source: SPSS data survey (2024)

4.7. Regression Analysis

4.7.1 Model Summary

Finding the link between two variables can be done statistically using regression analysis. Predictor and response variables are presumed to work in a cause-and-effect manner. Regressions with one dependent variable and multiple linear regressions consider more than one independent variable. (Uyanık G. K., & Güler N. 2013). Multiple regression analysis was applied to discover whether there was a statistically significant relationship between the dependent variable (employee motivation) and the five independent variables (salary, bonus, recognition, promotion, and work-life balance).

Table 4.11 Regression Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.845 ^a	.714	.706	1.89237
a. Predictors: (Constant), Work-life balance, Bonus, Promotion, Salary, Recognition				

Source: data survey (2024)

The model summary table shows that the regression model has a R Square of 0. 714, which indicates that 71.4 percent of the dependent variable is accounted for by the independent variable. The value of "Adjusted R square" of 0. 706 signifies that about 70.6% of the variation in the dependent variable is accounted for by the model when the influence of the predictor variables (Work-life balance, Bonus, Promotion, Salary and Recognition) is taken into consideration. The extremely high multiple correlation coefficient value is 0. 845 and the relatively small standard error, the prediction error is 1.89237 shows that model is performing well in predicting about the future events.

4.7.2. ANOVA(Analysis of Variance)

The model of general linear ANOVA is applicable in factorial designs, where one factor is focused on the main effects and interactions of one or several factors. ANOVA can only be applied if the error covariance is spherical. Any violation that could result in homogeneous variances across conditions or correlation caused by repeating measures from the same subjects would require either post hoc correction of the degrees of freedom, partitioning the error into multiple error terms, or explicitly modelling the error covariance. (Miller R., et. al., 2022).

Table 4.12 Significance of Regression Model

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2087.314	5	471.463	114.412	.000 ^b
	Residual	836.378	203	4.120		
	Total	2923.692	208			
a. Dependent Variable: employee motivation						
b. Predictors: (Constant), Work-life balance, Bonus, Promotion, Salary, Recognition						

The findings, as depicted in the table of ANOVA, point to the fact that the model of regression is highly significant in predicting the motivation for employees, $F(5, 203) = 114.412$, $p < .001$. This means that these predictors combined are explaining a significant portion of the variation of employee motivation. Being sure of the fact that the F-statistic introduces a suitable model for

the data and the independent variables (work-life balance, bonus, promotion, salary, recognition) are regarded as good predictors of employee motivation.

4.7.3. Regression Coefficient Analysis

The multilinear regression model is utilized for making predictions that do not magnify beyond the data that was used for the analysis. Regression coefficient analysis, with its relationship information of independent variables and the dependent variable, gives essential guidance (Asuero, 2006).

Table 4.13 Coefficient of Regression Model

Coefficients							
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.815	0.921		1.970	.050		
Salary	.285	.072	.220	3.958	.000	.712	1.404
Bonus	.192	.058	.192	3.310	.001	.735	1.316
Recognition	.631	.095	.466	7.337	.000	.643	1.555
Promotion	.221	.075	.171	2.947	.004	.798	1.253
Work-life Balance	.158	.051	.161	3.098	.002	.895	1.117
a. Dependent Variable: employee motivation							

As it can be seen in the coefficient analysis table 4.10, the effect of each independent variable on the dependent variable shows that salary (0.285), bonus (0.192), recognition (0.631), promotion (0.221) and work-life balance (0.158) is statistically significant at ($P < 0.05$). The regression equation model takes a form of:-

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$$

Where Y= Employee motivation (dependent variable)

X1= Salary

X2= Bonus

X3= Recognition

X4= Promotion

X5= Work-life balance

According to the table 4.10 the standardized coefficient (Beta) for Salary is 0.220, indicating that a one-unit increase in the standard deviation of Salary is associated with a 0.220 increase in the employee motivation. Beta for Bonus is 0.192, indicating that a one-unit increase in the standard deviation of Bonus is associated with a 0.192 increase in employee motivation. The standardized coefficient (Beta) for Recognition is 0.466, which has the highest number of beta indicating that a one-unit increase in the standard deviation of Recognition is associated with a 0.466 increase in the employee motivation. Beta for Promotion is 0.171, indicating that a one-unit increase in the standard deviation of Promotion is associated with a 0.171 increase in the employee motivation. Similarly, the standardized coefficient (Beta) for work-life balance is 0.161, indicating that a one-unit increase in the standard deviation of work-life balance is associated with a 0.161 increase in the employee motivation.

4.8. Testing Hypothesis

Based on the regression result presented above, the hypothesis of the study is tested and accorded as follows:

Salary

H1: salary has a positive and significant effect on employee's motivation.

As presented in table 4.10 salary is significantly and positively correlated with employee motivation with b value of 0.285, $P < 0.05$. This indicates that we accept the alternative hypothesis. It means that increase in salary will increase in employee motivation and at the same time decrease in salary will decrease the employee motivation. Which conclude that increase or decrease in salary will bring change on employee motivation?

This finding is consistent with past study done on employee motivation by (Ali B. et, al., 2021) study finding which states that there is a strong positive correlation between the level of salary compensation and employee motivation. When workers are paid fairly, their motivation level is influenced. Also, At the 5% level of significance, it was discovered that employees' motivation at Harare Brewery Share Company was positively influenced by the provision of a sufficient wage and perks (DESTA B., 2019). The other study by (Nazifah H. & Azimah H 2021) states that salary refers to the rights of employees or workers who get compensation in the form of money from their employer or business partner for work or services completed or to be completed in the future. People with strong motivation in their lives will be more concentrated and never give up on achieving their goals. The result indicate that salary have a direct and significant effect on work motivation.

Hence, with b value of 0.285, $P < 0.05$ hypothesis one is accepted

Bonus

H2: bonus has a positive and significant effect on employee's motivation.

Bonus have b value of 0.192, $P < 0.05$. which means it is significantly and positively correlated with employee motivation. This indicate that we accept the alternative hypothesis. It means that either introducing bonus for effectively performing some tasks, or changing bonus system itself is a possible solution for the problem of motivation at work. It is assumed that when the other variables are held constant, bonus compensation with increases has a positive relationship with employee motivation. Reward might in a unique way satisfy the demands of the employees' extrinsic self, ensure that they are 'seen' as contributing members within the organizational scheme and encourage them to work harder.

Therefore, with b value of 0.192, $P < 0.05$ hypothesis two is accepted.

Recognition

H3: recognition has a positive and significant effect on employee's motivation.

The b value for recognition was 0.631 and $P < 0.01$. That is there is a significant and positive correlation between recognition and employee motivation. This indicate that we accept the alternative hypothesis. When there is a culture of recognition in an organization for the job employees performed in any form be it formal recognition or informal recognition; there will be motivation in employee for the reason that they perceive they are valued in the organization. Recognition is the main motivation factor for this study.

This study is consistent with the result of (Fofana, 2019) which states that there is a significant, strong and positive correlation between recognition and employee motivation. According to the model result by (DESTA B.K, 2019), recognition was evaluated to have a positive and a very small but significant impact on the level of employee motivation at $p < 0.01$. To ensure that the results are valid and reliable, other factors in the model are assumed to be constant to test the impact of the independent variable of recognition in enhancing employees in the organization of Harare Brewery Share. The other study which result is consistent with this study is study by (Nhat K., Le and Boon A., P. 2022) which substantiated that there is a significant positive change in the level of motivation among workers if appreciation is done to workers and all the staff members standard ways.

Thus, with b value pf 0.631 and $P < 0.01$ hypothesis three is accepted.

Promotion

H4: promotion has a positive and significant effect on employee's motivation.

The promotion of employee which have b value of 0.221 and $P < 0.05$ have significant and positive relationship with the employee motivation. This indicate that we accept the alternative hypothesis. By nature, we don't like to stay in on place all the time. When we come to the workplace employee prefer changing job position from time to time rather than staying in one position throughout their life. This concept is explained by promotion as the result shows that is employees are motivated when they are offered promotion from their job position when they are qualified for that open position. And they are les motivated to work when they are not candidate for the promotion even though they have the skill.

This result is consistent with the result of (Haryono S., et. al., 2020) which states that promotion had a positive and significant effect on work motivation. The study by (Netsanet A. 2019) also indicate that increase or decrease in promotion will bring corresponding change in employee work motivation. Which explains that opportunities for promotion have a great connection with motivation?

As a result, with b value of 0.221 and $P < 0.05$ hypothesis four is accepted.

Work-life balance

H5: work-life balance has a positive and significant effect on employee's motivation.

When we come to the work-life balance of employee, which have with b value of 0.158 and $P < 0.05$ don't have a significant effect on employee motivation. So the alternative hypothesis which says the work-life balance have significant effect on employee performance is accepted. According to Wardani, et. al, (2021) work- life balance is finding a balance between one's personal and professional lives. This indicate that we reject the alternative hypothesis. This result is consistent with result of (Nurdin P. et. al., 2021) which state in order to boost employee engagement, organizations need to be able to apply more effective strategies for work-life balance management.

So, with b value of 0.158 and $P < 0.05$ hypothesis five is accepted.

Overall, based on the regression analysis presented above, the researcher concluded that the independent variable of recognition has a high and strong positive significant impact on the dependent variable of employee motivation. This means that as the level of recognition experienced by employees increases, their overall motivation levels tend to increase as well.

Following recognition, the other independent variables in the model, namely salary, promotion, and bonus, were also found to have a positive impact on employee motivation. This suggests that as these factors increase, they are associated with corresponding increases in employee motivation, though the magnitude of the effects may be lower than that of recognition. On the other hand, the independent variable of work-life balance was found to have an insignificant effect on employee

motivation. This indicates that variations in work-life balance do not significantly explain or predict changes in the employees' motivation levels, at least within the context of this particular study. Overall, the results highlight the critical role of recognition in fostering and sustaining high levels of employee motivation within the organization.

CHAPTER FIVE

SUMMARY CONCLUSION AND RECOMMENDATION

5.1 Introduction

In this chapter, the researcher summarizes the findings and a conclusion based on the study's objective and findings. After that, the researcher includes recommendations for this study and future studies.

5.2 Summary of Major Findings

Employee motivation, a key driver of performance and productivity, is a feeling of enthusiasm to carry out activities with high intensity and a sense of volunteering (Fianta et al., 2021). This study, conducted in the context of the Cooperative Bank of Oromia, one of the largest banks in Ethiopia, investigates the determinants of employee motivation in the Central Finfinnee district. The study focuses on five key factors: salary, bonus, recognition, promotion, and work-life balance. Questionnaires were distributed to 212 respondents selected from 17 different branches in the Central Finfinnee district. Based on the analyzed data, the following significant findings were drawn:

The result of the demographic data showed that from the sample taken from central Finfinnee district n=208 employees, 71.4% were male respondents and 27.6% were female respondents, which indicates that the majority of the CBO employee respondents were male. The result on age distribution shows that the majority of the central Finfinnee district branch of the cooperative Bank of Oromia employees aged 21-30 are 77.6%, 31-40 are 19.7%, and those over 40 are 2.7%. This concludes that the young age employee held the upper hand. For educational background, 1% hold a certificate, 1.4% hold a diploma, 39.4% have a degree, and 57.6% have a master's degree and above. The other is the job position. 32.9% are in managerial and 67.1% are in non-managerial positions. Lastly, on demography, 26.7% served for less than three years in the organization, 57.2% served between three and six, and 16.2% of the respondents served more than six years in the organization.

The finding of this study shows that salary, bonus, recognition, promotion and work-life balance has a statistically significant and positive effect on employee motivation. Recognition was the highest determinants that have an effect on employee motivation with beta value of 0.631 followed by salary, promotion, bonus and work-life balance with beta value of 0.285, 0.221, 0.192 and 0.158 respectively. As the correlation analysis in table 11 showed recognition, salary, promotion bonus and work-life balance were positively correlated with employee motivation.

Table 4.11 Shows that the result of multiple regression of 5 explanatory variables showed that the model tested was significant at ($p < 0.05$) and the adjusted R square=0.714 which implies that 71.4% of the variance in the employee motivation attributed to the five independent variables entered into regression. The rest 28.6% of the variance in the employee motivation may attribute to other factors. An increase in recognition, salary, promotion, bonus and work-life balance will result in 0.631, of 0.285, 0.221, 0.192 and 0.158 unit increase in employee motivation.

5.3 Conclusion

This paper has given a great insight into the factors that have a significant influence on the motivation of employees in the Cooperative Bank of Oromia Central Finfinnee district and affirmed the approach to studying what motivates employees in the Banking sector of Ethiopia. It is seen that the organization the research is done on reflects that money is not the only factor that an organization needs to motivate its employees; in fact, a bundle of financial and non-financial factors play a crucial role in shaping up the employees' enthusiasm and job performance.

The main finding that stands out of this research is the central role of recognition as a motivation factor for the employees. Thus, the beta value of the pharmaceutical industry has the highest level of 0. We pointed out that among the variables indicated the element of recognition became most significant and contributed 631 with regard to the influence. This finding therefore goes contrary to the belief that, financial instruments are the most influential in organizations, more so in developing countries. It implies that members of workforce in this respect highly appreciate recognition and appreciation to performances and results. This understanding leads to new

opportunities to motivate a person, which does not depend on a material reward, but on the creation of everyday positive feedback inside the organization.

Thus, the study supported the notion that along with recognition, financial factors remained dominant and were still the focus of attention. Wages/salaries and bonuses have beta coefficients of 0.285 and 0.192 in detail, age and class, respectively, retain their relevance. This goes to provide a reminder that organizations have to ensure they offer reasonable remuneration so as to be able to attract and retain employees. However, their lower beta values as compared to recognition suggest that financial rewards might not be enough to increase the motivation of the employees.

Concerning the promotion factor, the results showed that the factor has significant importance in employee motivation, which has the beta value of 0.221, these reveal more of the desire of the employees to attain a higher level of growth in the organization. Combined with the demographic data revealing a young and highly educated workforce, this highlights the task to provide concise strategies regarding career ladders and professional development ensuring employees' engagement. The factor of work-life balance revealed the lowest beta value, equal to 0.158; however, its positive effect on motivation was evident. This implies that the nature of work is changing and that people work to be able to fulfill their professional and personal needs in equal measure.

5.4 Recommendation

Based on a comprehensive analysis of the survey results, the study has formulated a set of strategies that are tailored to effectively motivate the employees of the Cooperative Bank of Oromia.

- Recognition was found to have the highest significance for employee motivation of the five identified employee motivation factors. Thus, the researcher recommends that the Cooperative Bank of Oromia prioritize recognition as a critical employee motivation factor. The organization should implement a formal employee recognition program, encouraging peer-to-peer recognition and meaningful, timely recognition. This program

should align with the bank's values and priorities, communicate through various channels, and seek employee feedback to adjust the program to meet evolving expectations.

- It is crucial for the Cooperative Bank of Oromia to conduct regular assessments of the factors influencing employee motivation. This will help the bank stay updated on its employees' evolving needs and make necessary adjustments to enhance productivity.
- Recognizing the crucial role of salary in driving employee motivation, the CBO should review and adjust salary structures. Your involvement in this process, ensuring fair compensation and transparency in salary and benefit provisions, will significantly motivate our employees.
- Promotion was the other motivation factor of the study. The study suggests that CBO should improve its promotion system, as employees often seek promotions to boost motivation and performance. A transparent promotion policy, robust performance management system, internal promotion, succession planning, and coaching and mentoring are essential for a company's success. These policies should be communicated to employees, and providing coaching and mentoring ensures employees are well-prepared for potential promotions.
- Bonuses, a significant factor in employee motivation, can be effectively utilized by the Cooperative Bank of Oromia. By establishing a transparent bonus program, communicating bonus opportunities, and offering competitive bonus levels, we can attract and retain top talent. Regular reviews and adjustments will maintain the program's credibility, ensuring its effectiveness in motivating our employees

5.5 Suggestion for Further Research

Bonuses, a significant factor in employee motivation, can be effectively utilized by the Cooperative Bank of Oromia. By establishing a transparent bonus program, communicating bonus opportunities, and offering competitive bonus levels, we can entice and hold onto elite talent. Routine evaluations and adjustments will maintain the program's credibility, ensuring its effectiveness in motivating our employees.

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Appendices



St. Mary's University School of Graduate Studies MBA Program

Questionnaire to be filled by Employees

Dear Respondent,

I am a final year MBA student at St Mary's University, School of Graduate Studies. As part of the requirement in completion of MBA program, I am undertaking a research on ***Determinants of Employee Motivation the case of Cooperative Bank of Oromia***. I am collecting data from people working in the bank. You have been selected as a valuable participant for this research. In order for the research to yield valid results, it is important that you answer all the questions as honest and truthfully as possible. The questionnaire will not take more than 10 minutes of your time. The study will keep any individual information provide here in confidential and only grouped data will be presented for academic purpose.

It is solely for an MBA Thesis and responses will remain anonymous and confidential. Leave those non-applicable.

For more information, you can contact at any time needed through my address's + 251996615243, E-mail milkibulo12@gmail.com

Thank you for your willingness to participate in this study. It is highly appreciated.

- N.B. No need to write your name
- Put (✓) inside the box or table for an alternative you think is right.

Part I: Demographic Information

1. Gender: ☐ Male ☐ Female
2. Age: _____
3. Educational background: ☐ Certificate ☐ Diploma
☐ Under graduate ☐ Post Graduate and above
4. What is your current Job position? ☐ Managerial ☐ Non-managerial
5. How many years have you served in CBO?
- ☐ Less than a year ☐ 1 – 4 years ☐ 4 – 6 years
☐ 6 – 8 years ☐ above 8 years

Part II: Survey of your perceptions towards factors affecting employee motivation.

Indicate the extent of your agreement with respect to each of the following statements by marking 'X' in the box of your choice. You can leave those non-applicable.

Note that :(SD=Strongly Disagree, D= disagree, N=Neutral, A=Agree &SA= Strongly Agree)

I/No	Identified Factors Affecting Employee Motivation on Cooperative Bank of Oromia					
A	Remuneration	SD	D	N	A	SA
1	An increase in my pay would make me perform better.					
2	I usually find myself more motivated at the end of the month than at any other time in the middle of the month					
3	The level of my salary is fair and satisfactory.					
4	The current salary is adequate to cop up with the ongoing cost of life					
B	Bonus					
5	An annual bonus salary award fosters					

	my motivation					
6	Bonus salary awards should be paid equally to all employees, regardless of performance					
7	I appreciate being offered monetary incentives by the organization for my job efforts					
C	Recognition					
13	Being appreciated and being praised by my manager increases my motivation and performance at work.					
14	My opinion on work issues is respected					
15	The achievement and recognition system of the organization is adequate.					
16	I often receive recognition for my work achievements.					
D	Promotion					
17	My promotion opportunities affect my performance.					
18	My promotion is regular.					
19	My boss recommends me for promotion regularly.					
20	My promotion corresponds with the level of my input in the organization.					
21	My promotion boosts the level of my motivation.					
E	Work-life balance					
22	My daily life activities disrupt my responsibilities at workplace e.g.					

	being at work on time, completing work on time and overtime work					
23	My work takes up the time that I should spent with family or friends.					
24	After work, I feel too tired to do the things I like					
25	Having good work-life balance affect my motivation level at work.					
26	My work hinders my responsibilities at home like housekeeping, cooking, washing clothes, repairing, paying bills and taking care of children.					
F	Employee motivation					
27	I am satisfied with my work currently within the organization					
28	I dedicate my time to ensure I fulfill the tasks assigned at work					
29	I am passionate about what I do.					
30	I am committed to working within the firm to the foreseeable future					
31	My manager recognizes me when I perform very well					
32	I feel more trusted within the organization by the management team					

Thank you for the time you have spent in completing this questionnaire!