



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

SCHOOL OF BUSINESS

**THE EFFECT OF REMUNERATION ON EMPLOYEE JOB SATISFACTION: THE
CASE OF COMMERCIAL BANK OF ETHIOPIA**

BY

TSIGE ESHETU (ID: SGS/0600/2011A)

FEBURARY, 2021

ADDIS ABABA, ETHIOPIA

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**ATHESIS SUBMITTED TO ST.MARYS UNIVERSITY, SCHOOL OFGRADUATE
STUDIES, SCHOOL OF GRADUATE STUDIES, SCHOOL OF BUSINESS, IN
PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OD
MASTER OF BUSINESS ADMINISTRATION IN GENERAL MANAGEMENT**

ADVISOR: SHOA JEMAL (ASS. PROFESSOR)

FEBURARY, 2021

ADDIS ABABA, ETHIOPIA

DECLARATION

I, the undersigned, declare that this thesis is my original work; prepared under the guidance of Shoa Jemal (Asst.Professor.). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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Signature& Date

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ACKNOWLEDGMENTS

First, I would like to recognize God for guiding me with the ability to succeed in every aspect. My sincerest thanks go to my advisor Shoa Jemal (Asst. Professor) for his significant contribution to this thesis and his very useful guidance, support of various kinds through this whole time.

Secondly, I would like to gratefully acknowledge Ato Henok Bekele, managers of the branches and all staff members of Commercial Bank of Ethiopia south Addis Ababa districts for scarifying their time to give valuable information.

Finally heartfelt thanks goes to all families and friends Ato Habatamu Geremew, Ato Zerihun Geresu, W/rt Weneglawit Seyoum, W/ro Rahel Amare, Ato Bereket Hintsu ,Ato Dereje Assefa, Ato Daniel Desalegn for their endless encouragement, support which were source of inspiration to me, during my entire academic career.

Acronyms / Abbreviations

CBE: - Commercial Bank of Ethiopia

CSO: - Customer Service Officer

JCSO- Junior Customer Service Officer

SCSO-Accountant: - Senior Customer Service Officer

SCSO: -Cash- Senior Customer Service Officer

CRO: - Customer Relation Officer

BM: -Business Manager

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ABSTRACT

The purpose of this research was to find out the effects of remuneration on employee job satisfaction on selected south Addis Ababa district of Commercial Bank of Ethiopia. The study was considered six independent variables. The researcher used descriptive and explanatory research design. To this objective both qualitative and quantitative approach was used and data were collected from 133 employees who were selected using simple random sampling technique. The source of data was primary and secondary data. The method of data collection was using questionnaires and interview. Validity and reliability test were directed to check the consistency between the variables all included variables confirmed to reliable scoring with alpha value greater than 0.7. The method of data analysis was using SPSS. The major findings showed that, there is significant positive relation between remuneration and employee job satisfaction. The other is linear combinations of all factors of remuneration considered under the present study were significantly contributed to the positive variation in employees' job satisfaction. The interview of the managers showed there are efforts to improve job satisfaction by applying international banking procedure. And similarly, the bank is revising the gap in promotion opportunities and benefit packages. The researcher concluded that in the case of selected branches of Commercial Bank of Ethiopia south Addis Ababa district, the different factors of remuneration have significant positive impact on employees' job satisfaction. Finally, the researcher recommended the bank needs to perform a grading assessment for a timely promotion in order to improve the employees' job satisfaction. In addition, the housing allowance does not cover their cost of house rent, it is better for the bank to consider and compare the allowance given with the current living cost which brings employee job dissatisfaction.

Keywords: *Remuneration, Employee Job Satisfaction, Salary, Promotion opportunities, Supervision, Benefit, Working Environment, Job itself*

CHAPTER ONE

INTRODUCTION

This chapter deals with background of the study, definition of terms, statement of the problem, basic research questions, objective of the study, significance of the study, scope and limitations of the study. And finally, it highlights the organization of the paper

1.1. Background of the Study

Human resource delivers basis for an organization to achieve sustainable competitive advantage. Since organizations are functioning in a dynamic and competitive business environment, they want to develop strategies to acquire and retain the competent workforce. Nowadays human asset considered being the most important asset of any organization and in order to get the efficient and effective result from human resource motivation is necessary (Zaman,2011).

Remuneration is to make due (payment) or reward in return of doing something. The remuneration concept grips basic salary, wages, health schemes, pension schemes; transport allowances overtime allowances and responsibility allowances. It also clarifies remuneration as economic or monetary welfares in form of salaries, wages, bonuses, incentives, allowances and benefits that is accumulated or given to an employee or group of employees by the employer (firm) as a result services given by the employee(s), commitment to the organization or reward for employment (Calvin, 2017 quoted in Maicibi, 2005).

Remuneration is a form of payment or consideration given by organizations or employers with the aim to improve employee performance. Employees who receive rewards according to performance and expectations tend to perform productive and support the organization by doing positive things (Xiaoetal, 2009).

Job satisfaction is a positive feeling that employees have concerning a job that result from evaluating its inherent characteristics. Job satisfaction is the difference between the amounts of rewards employees receive and the amount they believe they should be received (Robbins & Judge, 2013)

Employees assess their remuneration based on the equity principle, which is defined as a comparison between what people believe they deserve to be paid and what others deserve to be paid. Employees use two assessment standards and these are internal and external equity.

The first one allows us to evaluate individual remuneration in the context of the organization and the second one assessing the level of an individual's remuneration in the context of remuneration received by other members of the organization (Litwin & Wasniewski, 2015).

In one hand (Ayele, 2016) acclaimed that Commercial bank of Ethiopia will focus how they are satisfied on their jobs because this factor helps to enhance productivity plus minimize the dissatisfaction level of the employee. The researcher also suggested that commercial bank of Ethiopia needs to increase salary scale, benefits and allowances and this could bring more job satisfaction to employees.

On the other hand (Prabakaran & Gisha, 2019) had also suggested CBE needs to provide employee job security, better atmosphere with additional modern technology based on working procedures that is challenging at the same time achievable works. And this leads to job recognition. But the researchers argued that the above incentives are not the mandatory to the employee's rather more financial benefits like salary increments, allowances, and annual bonuses can be major motivator for job satisfaction.

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942 and Commercial bank of Ethiopia was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country. Pioneer to introduce modern banking to the country. It has more than 1456 branches stretched across the country. CBE combines a wide capital base with more than 37,894 talented and committed permanent employees and more than 22,000 outsourced jobs as of June 30, 2019 (<https://www.combanketh.et>).

1.2. Definition of Key Terms

Remuneration: "Remuneration refers to the monetary aspect of rewarding an employee for performance" (Bloisi, 2007)

Job satisfaction: “Job satisfaction is the combination of psychological, physiological and environmental mental circumstances of an employee” (Saiyadian, 2004)

Employee: An employee is defined as “Any individual who is employed by an employer Fair Labor Standards Act- of America

Effect: Change which a result or consequence of an action or other cause (oxford dictionary, 2010).

1.3. Statement of the Problem

Employee satisfaction plays a significant role to an organization towards achieving a certain goal. And a satisfied employee can easily be motivated in terms of performance enhancement, by improving the quality of work, and quality of service. This achievement could increase organizational profit. (Chowdhary, 2013) critically examined that salary, employees’ performance, and promotional strategies have a significant consequence on job satisfaction. (Bethlehem,2017) cited (TG banking and finance consulting data ,2012); the finding showed the bank has made efforts towards avoiding this problem of job dissatisfaction by delivering a better job satisfaction level to enhance the banks productivity and profitability resulting the competitiveness of employees and high-level professionals. Nevertheless, CBE actions against low level of job satisfaction did not produce the anticipated result. It rather has experienced frequent turnover of employees, absenteeism, boredom, low motivation to work. This is particularly true in the bank sector under CBE where the job satisfaction level is low. This proposes that employee job satisfaction is considered as a critical success factor for any organizations. The author also further clarified that commercial bank of Ethiopia employees were not satisfied with pay system and benefit provided by the bank.

(Ayele, 2016) concluded that the major source for employee dissatisfaction is poor chance of promotion and transfer opportunities. Therefore, the researcher has seen firstly the contextual gap from the empirical studies of other countries. Regarding the empirical studies of our countries, the researcher barely identified the title related with commercial bank of Ethiopia. Since remuneration concepts are very dynamic and changing in day to day, the researchers focused on what is bank practice which is mentioned in the above empirical studies. In addition

to this, the researcher also identified another conceptual gap in which the above-mentioned researcher does focus on; particularly which is the issue of remuneration on job satisfaction.

1.4. Research Questions

- I. To what degree salary affects employee job satisfaction of Commercial Bank of Ethiopia at selected south Addis Ababa district?
- II. To what level promotion affects employee job satisfaction in Commercial Bank of Ethiopia at selected south Addis Ababa district?
- III. How does supervisor to employee relationship affect employee job satisfaction in Commercial Bank of Ethiopia at selected south Addis Ababa district?
- IV. To what extent medical, housing and fuel benefit affect employee job satisfaction in Commercial Bank of Ethiopia at selected south Addis Ababa district?
- V. To what extent working environment affect employee job satisfaction in Commercial Bank of Ethiopia at selected south Addis Ababa district?
- VI. How does the job itself affect employee Job satisfaction in Commercial Bank of Ethiopia at selected south Addis Ababa district?

1.5. Objectives of the Study

1.5.1. General Objective

The general objective of the study is the effect of remuneration on employee job satisfaction in commercial bank of Ethiopia in selected south Addis Ababa district.

1.5.2. Specific Objectives

- I. To determine the effect of salary on employee job satisfaction in selected south Addis Ababa district of CBE.
- II. To identify the effect of promotion on employee job satisfaction in selected south Addis Ababa district of CBE.
- III. To propose the effect of supervisor to employee relationship on employee job satisfaction in selected south Addis Ababa district of CBE.
- IV. To find out whether benefit (medical, fuel and housing allowance) have effect on employee job satisfaction in selected south Addis Ababa district of CBE.

- V. To examine the effect of working environment on employee job satisfaction in selected south Addis Ababa district of CBE.
- VI. To figure out the effect of job itself on employee job satisfaction on selected south Addis Ababa district of CBE.

1.6. Significance of the Study

The significance of this study was seen in different aspects. First, it is accomplished it helps commercial bank of Ethiopia. Second, the final report of this research will help the human resource policy makers as a tool or input for their decision making. Third, the researcher gains deep knowledge about the remuneration, job satisfaction and employee retention problem. And finally, it will also be used for another research as literature.

1.7. Scope of the Study

This study was geographically enclosed Addis Ababa city, and pertinent data gathered through questionnaire and interview from different employees in selected premium CBE south Addis Ababa district branches. Though there are many factors which affect employee job satisfaction, the study focuses on salary, promotion opportunities, supervisor to employee relationship, benefit, working environment and the job itself. Due to geographical time, financial and limited location, the researcher included only the five premium branches which have many employees of CBE south Addis Ababa district branches.

1.8. Limitation of the Study

From 151 respondents, 133 filled the questionnaire. Half of these questionnaires were emailed and the others were filled and returned back. The other limitation was, since the five premium branches were so immense and have a lot of customer, the employees were busy and made it difficult to collect the questionnaires. In addition, COVID 19 pandemic was a problem in collecting data plus making interviews.

1.9. Organization of the Paper

The research report has five chapters. The first chapter consisted of background of the study which will describe a brief overview of the subject under study, definition of terms, statement of the problem where the problem was precisely described, research questions, objectives of the study, significance of the study, the scope of the study and limitation of the study.

The second chapter is dedicated to reviewing related literatures which included theoretical, empirical and conceptual frame work of the study.

The third chapter concerned with research design, population and sampling techniques, and sources of data, instrument and procedures of data collection, methods of data analysis, pilot testing and ethical considerations. The fourth chapter focused on data presentation and interpretation where the collected data presented in different ways. The fifth chapter will consist of summary of the major findings, conclusions and recommendations of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter consisted different existing literature regarding remuneration, job satisfaction concepts. The chapter mainly contained theoretical, empirical and conceptual review of the thesis.

2.1. Job Satisfaction

In order to understand what job satisfaction is, it is important first to know motivation and attitude. Motivation is the willingness to work or to produce. It is also described as an accumulation of different processes which influence and direct once behavior to achieve some specific goals. Therefore, motivation has a direct impact on employees' productivity (Danich and Ali, 2010).

Job satisfaction is the thinking, feelings and actions of a person's tendency for his or her attitude towards work. Due to this fact job satisfaction does not have a direct effect on productivity like motivation (Veiccho, 1995). Job satisfaction is described as a positive or negative attitude of a person towards a job. In relation to this definition, attitude is a predisposition of an individual to behave in a characteristic's way across situations.

2.2. Remuneration

Remuneration means compensation or pay, but it has a broader meaning than just basic pay. It can also include not just base salary or bonuses but commissions and other payments, as well as deferred compensation or benefits paid under the terms of an employment contract (Murray, 2019).

Remuneration can also be referred to as monetary or financial benefits in form of salaries, wages, bonuses, incentives, allowances and benefits that is accrued or given to an employee or group of employees by the employer (firm) as a result services rendered by the employee(s), commitment to the organization or reward for employment (Ojeleye & Okoro ,2016).

2.3. Remuneration and Reward

Remuneration and reward are parts of HR function that needs to be held as a strategic plan of an organization for a better and effective performance of an employee. There are different forms of rewards. It could be either in terms of money or in other forms. A reward given in terms of money is called remuneration. Both rewards, either in terms of money or in other forms, are very important. However, it is known that most employee value rewards other than money; like career and social awards, opportunity for job security, job growth, praise and recognition. It is to mean that money does not always motivate employees to work harder (Bolsi, 2007).

In contrast, money compensation may serve as a good motivator when it is attractive, equitable to minimize dropout rate of good employees, capable to maintain organizations competitiveness, able to increase productivity and profitability, distributed equally for equal jobs and when there is clearly defined pay structure in an organization. If such prerequisites are fulfilled, money compensation or reward will serve its purpose in creating good relationship between employees and ensures pay competitiveness externally, and internally, it ensures performance related pay. But in developing countries the only sure source of satisfaction is pay and promotion (Malik Danish& Munir, 2012).

2.4. Remuneration and Job Satisfaction

Employee satisfaction and dissatisfaction have an effect on the performance and achievement in their work. The authors also claimed that the remuneration effect employee satisfaction significantly. And finally, the higher remuneration the higher the job satisfaction will be reflected on employee (Agusyinarsih &Thayib, 2017).

Remuneration is the important variable when it is clarifying the general level of job satisfaction and when satisfaction is out from remuneration it can be defined as the agreement between the employee's opportunity and actual remuneration (Litwin& Kwasniewski,2015).

Employees are used what we call equity principle in order to their remuneration. This principle is about what people consider to get payment for what they do and what are other employees get for what they do. According to there are two evaluation criteria what we called internal and external equity. The internal equity is about evaluating the remuneration they get by serving the organization and external equity is comparing the remuneration that is given by other

organization. Therefore, the authors concluded that the employee may feel under rewarded and this effect can lead to job dissatisfaction from the cause of the decreased remuneration (Jackson & Schuler, 2000).

Job satisfaction is about the thinking, feelings and actions of a person's tendency for his or her attitude towards work. (Robbins, 2006) has clarified remuneration described using the indicator: the work itself, pay, promotion opportunities, supervision, coworkers, and work condition. Therefore, these indicators are related with the job satisfaction of employees (Vecchio, 1995).

2.5. Theories of Motivation

The other concept which is related with the concept of remuneration and job satisfaction is theories of motivation. Different motivation theories are devised by different thinkers regarding motivation. The most frequently used research theories of motivation are Maslow's hierarchy of need, Herzberg's two factor theory of motivation and Porter and Lawler's model of motivation.

2.5.1. Abraham Maslow's Hierarchy of Needs

One of the best-known motivation theories that are usually stated is Abraham Maslow's hierarchy of needs. This theory illustrates everyone is motivated to satisfy a series of instinctual needs. According to this theory the basic needs are physiological needs which are essential for life. It includes food, drink, shelter, rest, sleep, sex and oxygen. Safety and security needs succeed the basic needs. Social and belonging is the next level of needs. One's a person's physiological needs are satisfied the need for security and safety comes to the ground. Everyone needs to have a family and needs to be protected against any violence in the society. The third level in this hierarchy is ego and esteem. Anyone in that belongs to any society needs to be respected and needs to gain appreciation for their achievement. The last stage of this hierarchy is the need for self-actualization. This is the highest level of need in Maslow's hierarchy. It begins to be expressed if and only the preceding needs are fulfilled (Dessler, 2008).

This theory concludes ones one level of need is satisfied. It is no longer motivated the other is needs become prominent until they reach, they reach level of self-actualization. However, unless the physiological needs are satisfied no one will have the need for the next level. The theory is highly related to the job satisfaction at workplace if employees are satisfied by accomplishing

each step of this pyramid, they will be at the peak of employer loyalty and will retain with the organization for longer time spans. All the levels of Maslow's theory are directly related to the fulfillment of the needs and wants of employees, which force them to be happy and staying with the organization (Ibid). In order to make clear here is the hierarchy that will clarify the needs.

The diagram flow is from lower level to high level. And it starts from physiological to self-actualization

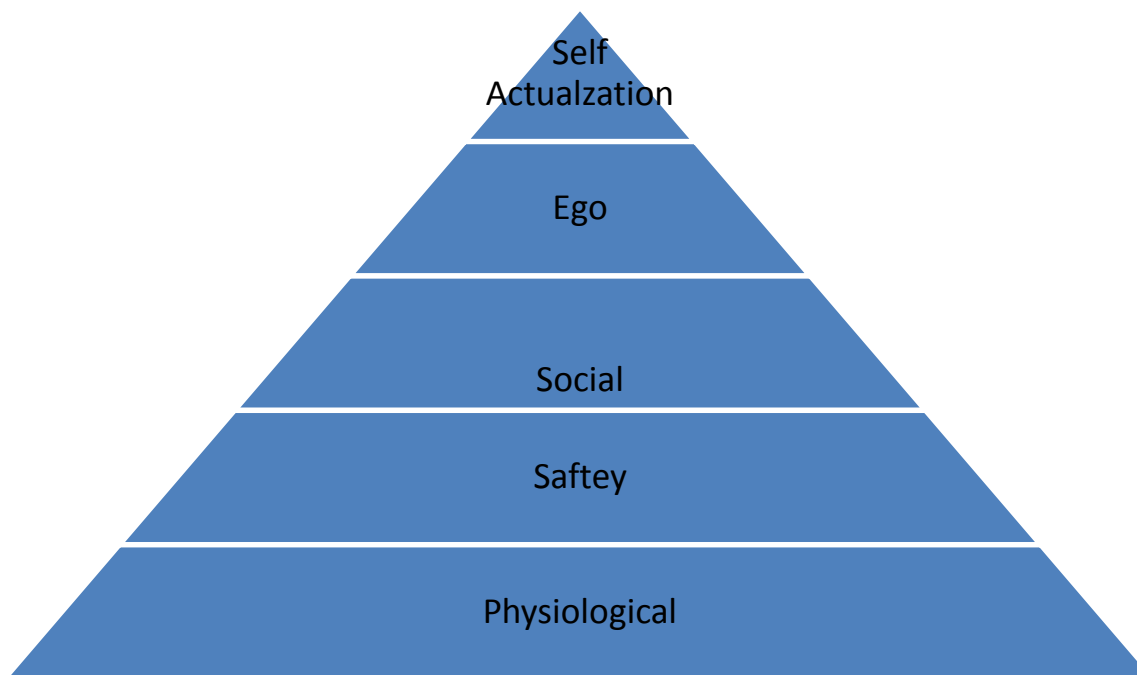


Figure2.2. Maslow's Hierarchy of Needs

2.5.2. Herzberg's Two factor Theory of Motivation

It is concerned on hygiene factors and motivators in the work environment. The premise of his idea is what causes job satisfaction are the opposite of job dissatisfaction. Herzberg believes hygiene factors are not motivators. These include pay, working conditions, company policy and administration and interpersonal relationship. In contrast to this, Herzberg believes the second set factors to be good motivators. These include interesting and meaningful work, achievement, recognition, responsibility, and personal growth and advancement. The lack of these factors that at work would simply mean employees are not motivated and thus an organization must be

concerned with ensuring the hygiene factors and motivators are in adequate standard (Dessler, 2008).

Job satisfaction and job dissatisfaction act independently of each other. And the theory which states that there are definite factors in the workplace that causes job satisfaction, while a separate set of factors cause dissatisfaction. According to Herzberg, individuals are not content with the satisfaction of lower-order needs at work. However, Herzberg added a new dimension to this theory by proposing a two-factor model of motivation, based on the notion that the presence of one set of job characteristics or incentives leads to worker satisfaction at work, while another and separate set of job characteristics leads to dissatisfaction at work. Thus, satisfaction and dissatisfaction are not on a continuum with one increasing as the other diminishes, but are independent phenomena (Munyua & Rukanguet, 2015).

This theory also suggested that to improve job attitudes and productivity, administrators must recognize and attend to both sets of characteristics and not assume that an increase in satisfaction leads to decrease in pleasurable dissatisfaction. From analyzing these interviews, he found that job characteristics related to what an individual does that is, to the nature of the work one performs apparently have the capacity to gratify such needs as achievement, competency, status, personal worth, and self-realization, thus making him happy and satisfied. However, the absence of such gratifying job characteristics does not appear to lead to unhappiness and dissatisfaction.

Instead, dissatisfaction results from unfavorable assessments of such job-related factors as company policies, supervision, technical problems, salary, interpersonal relations on the job, and working conditions. Thus, if management wishes to increase satisfaction on the job, it should be concerned with the nature of the work itself the opportunities it presents for gaining status, assuming responsibility, and for achieving self-realization.

If on the other hand management wishes to reduce dissatisfaction, then it must focus on the job environment policies, procedures, supervision, and working conditions. If management is equally concerned with both, then managers must give attention to both sets of job factors (Ibid).

2.5.3. Porter and Lawler's Model

The third theory that needs to be considered is the motivational model of Porter and Lawler's. This model is also termed as process theories of motivation since it considers the relationship between effort-performance-reward for each individual and thus provides a more dynamic theoretical reasoning for most reward strategies. Since motivation influences individual performance, organizations need to be curious about motivational issues. As organizations productivity is also directly affected by employees' spirit, successful implementation of theory is mandatory. In conclusion, many theories have developed regarding job satisfaction. However, even if many theories have been developed to measure job satisfaction, like the measurement of intelligence there is no agreement among researchers on the measurement of job satisfaction (Dessler, 2008).

2.6. Pay and Job Satisfaction

People in developing countries think pay and promotion results in job satisfaction. However, it is known that the money that employees receive from their organization affects their life. And their status in a society depends on the wage they are paid. Conversely, most researches prove that different factors have different effects on job satisfaction. And as it is suggested by the dispositional theory, job satisfaction is an individual trait. Different people's response to different motivators is different. Even sexual characteristic (Gender) has impact on the issues that render job satisfaction. For example, researches show that females are less motivated by pay and promotion. Managers more satisfied in their job than employees of non-managerial positions (Malik, Danish and Munir, 2012).

Therefore, job satisfaction of employees is affected by many factors. Sex, position, society, type of job is some of the factors that most researchers state. And it varies from one person to another. Some needs to be treated equality at work, some needs to be recognized for the service they are delivering, and others may need compensation and promotion to function properly (Christian, 2006).

2.7. Promotion Opportunities and Job Satisfaction

Promotion is getting high status in workplace by doing effective work, generally increase the status, position and remuneration of employee in the organization. If organizations are not giving promotion to their employees then employees will be dissatisfied and their turnover rate will be high. When employees get promotion, they will be more committed to their organization. Pay and promotions are considered most important element for the employee satisfaction. In the above reviews we can conclude that when employees get more promotion and job satisfaction will be high (Parvin& Kabir, 2011).

2.7. Compensation and Job Satisfaction

Compensation is a vital tool for attracting and retaining best employees in your organization to gain competitive advantage in this dynamic competitive age. Compensation is a junction among different business functions like finance, human resource, sales and operations. By its effective use we can attract, motivate and retain our employees but it is inadequately managed it can create a "gray area" of confound and generates motivation that causes harm the organization (SAP AG, 2011).

2.8. Salary and Job satisfaction

Salary or pay is a form of periodic compensation from a firm to its worker, which is completely stated in an employment contract. It is weighed with piece wages, where each job, period of job (timings) or other unit is paid distinctly, rather than on a periodic basis. According to the author salary can also be considered as the cost of gaining human resources for running systems and operations, and they are designated at different position and employer bear personnel disbursement or salary expense. Wage, salary or pay is considered a significant reward to motivate the workers and their behavior towards the goals of employer All other social factors are important for enhancing and to make job satisfactory for employees are significant but satisfaction from pay is must (Oshagbemi ,2012)

2.9. Empirical Evidences

Many previous studies have developed empirical foundations for determinants of job satisfaction. In this section, some of the most decisive and highly related to this particular study have been reviewed.

Awan and Asghar (2014) investigated the factors that determine employees' job satisfaction in the banking sector of Pakistan. These authors come across out that salary; job security and reward system have a positive and significant impact on job satisfaction.

(Chowdhary, 2013) critically inspected the determinants of bank employees' job satisfaction in India and the conclusion involve that salary, employees' performance, and promotional strategies have a significant consequence on job satisfaction.

(Islam and Saha, 2016) empirically explored factors that affect job satisfaction of bank officers in Bangladesh. And the study come across to the conclusion that salary, efficiency in work, benefits, leadership style, coworker relations, supervision, loyalty to bank, and work ability are highly significant with job satisfaction.

Weerasinghe, (2017) investigated determinants of job satisfaction of banking employees in Sri Lanka and the finding entailed that employee's salary has a greatest significant impact on employee's job satisfaction among other variables.

(Bisrat, 2017) conducted study on Effects of Job Organizational Culture, Benefits, and Salary on Job Satisfaction Ultimately affecting employee retention. They found that if organizational culture, benefits and salary are suitable enough to raise the job satisfaction, the employee retention will be high, and organizations can lead by having a competitive advantage of having more satisfied and retained workforce. As a result, if any organizations want to succeed in the market place it has to maintain desired levels of benefits, attractive salary packages, maintain a good organizational culture, and satisfy their employees as much as they can. This will increase the employee loyalty and higher retention rates.

(Mihiret,2016) conducted a study on the effect of remuneration, Job Satisfaction and OCB on the Employee Performance founded that remuneration is an important factor that motivates Supervision to perform better and do positive things for the organization. Furthermore, employee satisfaction can stimulate a person to behave pro-socially such as positive social behavior,

constructive and meaningful help. Thus, in order to improve employee performance to note some important variables those contribute to the achievement of optimal performance that remuneration, job satisfaction.

2.9. Conceptual Framework and Research Hypotheses

Based on the basic research question, research objective and literature review the following conceptual framework has been developed.

2.9.1. Conceptual Framework

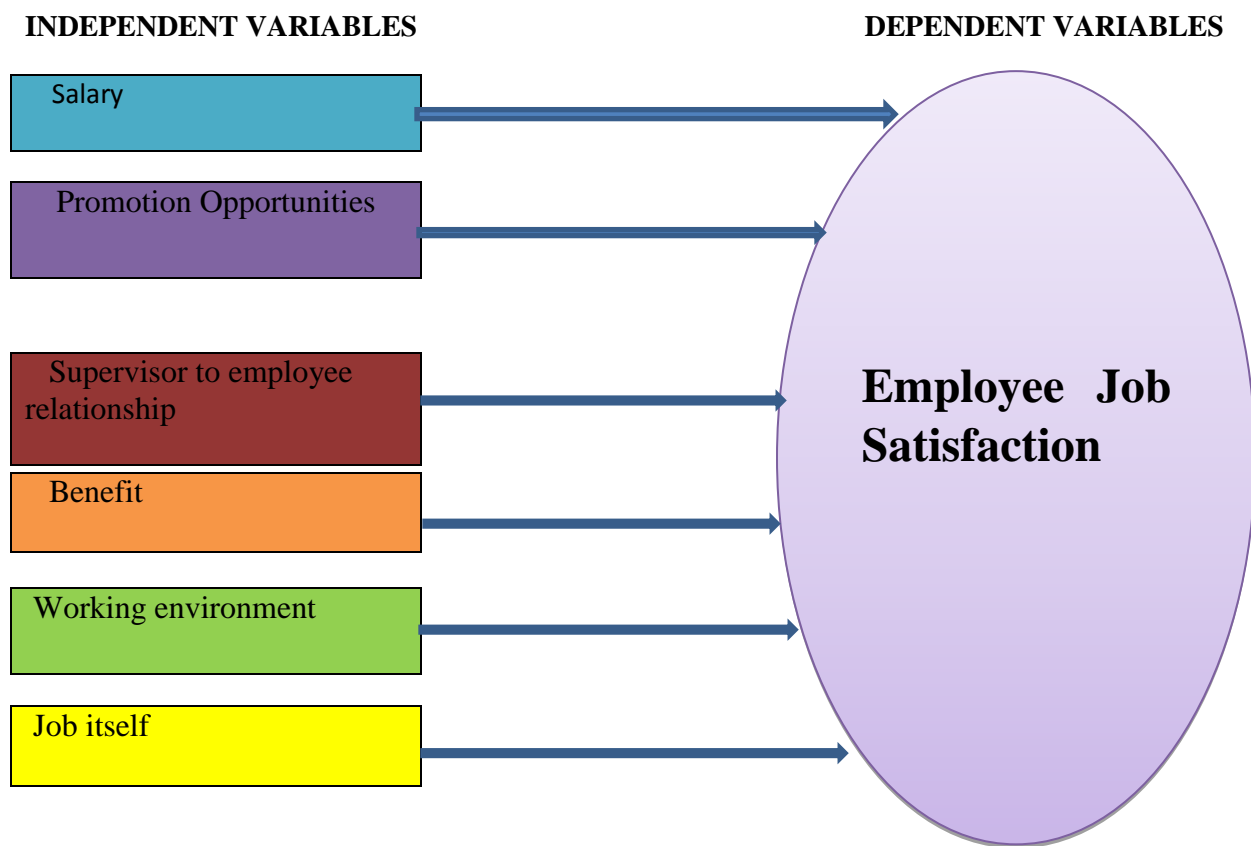


Figure 2.3. Conceptual Framework of The Study

Based on the above conceptual framework the following hypotheses has been developed.

2.9.2. Research Hypotheses

H1: There is a significant positive relationship between salary and employee job satisfaction.

H2: There is a significant positive relationship between promotion opportunities and employee job satisfaction.

H3: There is a significant positive relationship between supervisor to employee relationship and employee job satisfaction.

H4: There is a significant positive relationship between benefit and employee job satisfaction.

H5: There is a positive relationship between working environment and employee job satisfaction.

H6: There is positive relationship between job itself and employee job satisfaction.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter mainly deals with the research design and methodology. It tried to explain why the research design chosen, how the population and sampling technique done, the source of data and instrument used how data entered and analyzed, and the ethical considerations.

3.1. Research Design and Approach

The core objective of this research was to assess the effect of remuneration on employee job satisfaction in commercial bank of Ethiopia (south district of Addis Ababa). In order to assess this study descriptive research design was used. According to (Mc Combes, 2019) descriptive research purpose is systematic way describing about the population, situation or phenomena. It also helps to answer the what, how, when and where questions but not why questions. Hence this study used descriptive research design to address the what, how, when and where questions uttered in chapter one that is the objective of the research. Both quantitative and qualitative research approach were employed in order to balance the bias in simple set of data.

3.2. Population, Sample Size and Sampling Technique

3.2.1. Research Population

The total number of the employees considered in the study was 243. The employees were taken from five big branches which consists many employees. The job positions included CSM, JCSO, CSO, SCSO-Accountant-Cash, CRO, BM and others specify their position in blank spaces. As a result, it was hoped to represent employees of the bank at all division and speak out their opinion.

3.2.2. Sample Size and Sampling Technique

This study has been conducted in commercial bank of Ethiopia at south district Addis Ababa district, these branches chosen purposively because there are branches which high grades and have special branch under this district. It helps to undertake a detailed study and to understand the living experiences of employees in detail and thus save time by generating representative data. The target population of this study is employees of CBE south Addis Ababa district

Selected Branch's namely: Finfinnee branch, Kirkos branch, Mexico Deberewerk branch, Sengatera and Lideta branches of south Addis Ababa district. This is because of the homogeneous behavior of commercial bank of Ethiopia in terms of salary, promotion opportunities, benefit, supervisor to employee's relationship and working environment of the bank and job itself.

(Yamane, 1997) statistical formula adopted by (Mitiku, 2017) was used to calculate sample size for this study as illustrated

Table 3.1. Population Distribution in Five Branches of South Addis Ababa District Of CBE

Branch Name	Male	Female	Total No.of Employees
Finfinnee	39	26	65
Lideta	0	50	50
Sengatera	27	20	47
Mexico Deberewerk	22	19	41
Kirkos	25	15	40
Total	113	130	243

Source: CBE SAAD Human Resource, 2020

The total number of the selected branch employees was 243. This particular will be taken of these employees, as respondents for questionnaire. Sample size for this research has been determined by using Yemane (1997) formula.

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

Where n = sample size

N = population of the study

e = % level of significance or margin of tolerable error. The researcher was considered 5% level of significance or margin of tolerable error and the confidential level is 95%. By computing the sample size of the population using the above formula, the sample size of who receive questionnaires to the study was 151.

$$n = \frac{243}{1 + (243)(0.05)^2}$$

$$= 151$$

By using the above formula, 151 respondents were selected from the total population of 243 of the five Branches.

151 respondents were selected from each Branch on proportion basis (Mitku, 2017)

$$X = \frac{n(p)}{N}$$

Where X=Sample size

n=Total sample size who receives questionnaire

P=population size of the branches in each stratum

N= Total population of the study excluding the branch managers

Table 3.2. Sample size distribution of the respondents

Branch Name	total sample size(n)	Population size of branches(P)	Total population of the study(N)	$X=n(p)/N$	sample size(X)
Finfinnee	151	65	243	$151*65/243$	40
Lideta	151	50	243	$151*50/243$	31
Sengatera	151	47	243	$151*47/243$	30
Mexico Deberewerk	151	41	243	$151*41/243$	25
Kirkos	151	40	243	$151*40/243$	25
Total	755	243	1215	$755*243/1215$	151

Source: own survey, 2020

3.3. Source of Data

The researcher used both primary and secondary source of data for successful accomplishment of the study. The primary data gathered from participants and personal observation. The secondary data was the bank reports, different journals, articles, books, and websites.

3.4. Data Gathering Instruments

3.4.1. Questionnaire

The questionnaires involved two parts: section one of the questionnaire contained instruction and respondents' personal information; section two of the questionnaire included variables which were thought to measure using Likert scale with five response categories, (strongly disagree, disagree, partially agree, agree, and strongly agree). The questionnaires were distributed after the expected participants were selected and informed about the purpose of the research. The pre-testing (pilot testing) was done with the aim of cleansing the questionnaire.

3.4.2. Interview

In addition to collecting data through questionnaires, qualitative data collection technique, involving one-to-one interview was held with selected managers. The Interview was sent with email to five branches managers and customer service head. After the responses returned and the researcher take important note.

3.5. Reliability validity of the data

3.5.1. Reliability

(Drost ,2011) quoted in (Kubai,2019) claimed reliability is “the extent to which measurements are repeatable when different people perform on different time, under different condition, supposedly with alternative instruments which measure the construct or skill”. It can also be defined as the degree to which the measure of a construct is consistent or dependable. It is a measure of consistency between different items of the same construct. It measures the consistency within the instrument and questions on how well a set of items measures a particular characteristic of the test. Single items within a test are correlated to estimate the coefficient of reliability. Cronbach`s alpha coefficient is used to determine internal consistency between items (Cronbach, 1951).

Table 3.3. Coefficient of Cronbach Alpha and Reliability Level

Coefficient of Cronbach`s Alpha	Reliability level
More than 0.90	Excellent
0.80 – 0.89	Good
0.70 – 0.79	Acceptable
0.60 – 0.69	Questionable
0.5-0.59	Poor
Less than 0.59	Unacceptable

Source: George and Mallery, 2003

From the total respondents that were participated in the study, the researcher disseminated 10 percent of the respondent in order to make pilot test. The survey was distributed to 4 branches and a total of 15 questionnaires.

Table 3.4. Consistency of the variables

No.	Variables	N of items	Cronbach's alpha	Internal consistency
1	Salary	5	.866	Good
2	Promotion Opportunities	5	.866	Good
3	Supervisor to employee relationship	5	.851	Good
4	Benefit	5	.554	Poor
5	Working Environment	5	.857	Good
6	Job Itself	5	.856	Good
	Grand Total		.8083	Good

Source: own survey, 2020

The above table 3.4. Showed that there is “Good’ ’internal consistency. And the study has the sum of the independent variables average Cronbach’s alpha value of ($\alpha = 0.8083$) and the reliability test of the study was located on “Good” range.

3.5.2. Validity

(Zohrabi, 2013) quoted in (Kubai, 2019) stated Validity is the trying to explain the truth of research. The validity of the tool was then checked by the professionals, whether it measures what it is planned to measure. The comments of the professionals were well taken and combined in the data collection instrument. Then, based on the approval obtained from the advisor, the

questionnaire was considered as valid data collection tool and used to collect the data required for the study.

3.6. Procedure of Data Collection

Questionnaire was distributed to eligible staff through the heads of the various departments. A cover letter attached to the questionnaires to introduce the respondents to the research topic to avoid any mistrust respondents might have about the study. The cover letter expected to help motivate respondents to participate in the study and answer the questions and to assure them of anonymity and confidentiality, and to show them how to fill the questionnaire. The questionnaire was distributed among the employees through their departments. The advantage of selecting this method is that, it ensured privacy and keep track on those who may not return the questionnaire on time and need to be reminded. After collecting data from the representative sample through the Questionnaire, data edited, verify for completeness, consistency and reliability of data. The next step involved coding the responses in the coding sheets by transcribes the data from questionnaire by assigning characters symbols (numerical symbols). This followed by screening and cleaning of data to make sure minimizing the errors. After the whole process the data was transferred to SPSS for analysis.

3.7. Pilot Testing

It is vital to pilot test the tool to make certain that the questions were understood by the respondents and there are no problems with the wording or measurement.

3.8. Method of Data Analysis

(Schindler ,2001) cited by (Angela ,2014) described data analysis as the process of editing and reducing collective data in to suitable size, emerging precises, looking for patterns and using statistical methods. In order to ensure completeness and logical consistency of responses, data editing was carried out each day by the researcher. Identified mistakes and data gaps were corrected. Once editing the quantitative data was completed, the data were analyzed using quantitative techniques. Correlation and linear regressions were applied for finding and analyzing the relationships between the dependent variable job satisfaction and different independent variables. In the process of analysis, the data were nurtured to SPSS version 20 in

order to find out the relations as well as to test all statistical requirements of the data before analysis and generality of the idea.

As (Mortensen, 2019) stated the most common methods for analyzing interview is thematic analysis. A thematic analysis strives to identify patterns of themes in the interview data. One of the advantages of thematic analysis is that it is a flexible method. Therefore, this study used thematic analysis following six steps: familiarizing myself with the data, assigning preliminary codes to the data in order to describe the content, searching for patterns or themes in the codes across the different interviews, reviewing themes, defining and naming themes, and producing the report. The quantitative data were discussed using frequency and percentage. In other hand, the qualitative data were discussed by interpreting by the researcher own way.

3.9. Ethical Consideration

Furthermore, all information concerning the identity and personality of respondents treated with extreme confidentiality and will be used for the single purpose of this research study. In addition to the researcher prepared its own thesis without copying researcher thesis.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

The chapter contain descriptive analysis, correlation and multiple regression analysis. Relevant demographics characteristics of the respondents are also discussed. The remaining discussions of interview questions were part of the major topics of the chapter.

4.1. Response Rate

The general objective of the study was to determine the effect of remuneration on job satisfaction in commercial bank of Ethiopia. The target population of this study was south Addis Ababa district of the bank. From this district, the researcher selected five branches which are premium branches and have many employees compared to other district branches.

This chapter presented the analysis of the data. The survey included two major sections: general information and employee opinion concerning the effect of remuneration on employee job satisfaction.

Table 4.1 Response Rate

Method	Distributed	Returned	Response rate
Hand delivered	58	50	88%
Sent by Email	101	83	88%
Total	151	133	88%

Source: own survey, 2020

As presented in the above 151 questionnaires were distributed both on hand and by email, 133 of the questionnaires were returned and the response rate was calculated as 88%.

4.2. Demographic variable of the respondents

Table 4.2. Gender, Age and Marital status of the respondents

Characteristics		No	Percentage
Gender	Male	80	60.2
	Female	53	39.8
Age	20-25	21	15.8
	26-30	55	41.4
	31-35	34	25.6
	36-40	16	12.0
	Above 40	7	5.3
Marital Status	Single	54	40.6
	Married	68	51.5
	Divorced	11	8.2

4.2.1.1. Gender of the Respondents

Out of 133 respondents 80(60.2%) of the employees were male. The remaining 53 employees (39.8%) were female.

4.2.1.2. Age of the Respondents

As the figure shows there are five age categories of age distribution 20-25, 26-30, 31-35, 36-40 and above 40. Out of the total respondents 21 employees were belong 20-25 and represent 15.8%. 55 respondents are under the category of 26-30 which takes 41.4% of the total respondents. The third category which is the age category 31-35 takes 34 from the total number

of the respondents and it was 25.6% of the respondents. The age category 36-40 takes 16 from the total respondents and 12%. The last age category which is above 40 takes 7 and 5.3%. As the above figure showed as the greater number takes the young age which is 26-30 age category and shows the value for the bank to have young and energetic age category.

4.2.1.3. Marital Status of the Respondents

As the table showed 54(40.6%) of the respondents were single and out of the total population 68(51.1%) respondents are married and the other 8(6.0%) respondents were divorced. The above table shows the majority of the respondents were married which was taken 51.1%.

Table 4.3. Educational background, working experience, salary scale and job position of the respondents

Characteristics		No	Percentage
Educational Background	Certificate	4	3
	Diploma	4	3
	BA Degree	82	61.7
	MA	43	31.6
Working Experience	0-5 Years	36	27.1
	6-10 Years	49	36.8
	11-15 Years	35	26.3
	Above 16 year	13	9.8
Salary Scale	<3000	2	1.5
	3001-5000	4	3
	5001-7000	15	11.3
	7001-9000	33	24.8
	9001-11000	17	12.8
	>11000	62	45.98

Position	CSM	18	13.5
	JCSO	13	9.8
	CSO	43	32.3
	SCSO- Accountant	16	12
	SCSO-cash	20	15
	CRO	8	6
	BM	1	0.08
	Others	11	10.5

Source: Own Survey, 2020

4.3.1.4. Educational Background of the Respondents

4 of the respondents were at certificate level and it was 3%. In the same the diploma holders were 4 and 3%. Out of the total population 82 respondents were bachelor degree holders and 61.7%. The rest 42 (31.6%) respondents were master's degree holders. From the above table the data showed the bachelor degree holder's number are higher in number. This shows most of the employees are above diploma level.

4.3.1.5. Working Experience of the respondents

36 of the total respondents were with experience 0-5 years and takes 27.1%. The employees with experience 6-10 years were 49 out of the total respondents and takes 36.8%. The other category which was 11-15 years was 35 respondents out of the total population and takes 26.3%. The last data shows out of the total respondents 8 were with experience above 16 years and takes 8%. This data implies that most of the respondents are well experienced and it showed 36.8%.

4.3.1.6. Salary Scale of the Respondents

The above table consist six levels of salary scales. Out of the total respondents 2 were categorized under <3000 and taken 1.5%. 4 of the respondents were with the salary scale between 3001-5000 and taken 3%. The salary scale between 5000-7000 consisted 15 respondents out of the total population. 33 respondents were between the salary scales 7001-9000 and taken 33% and 17 of the respondents were categorized under the salary scale 9001-11000. The last category which is the salary scale between >11000 comprised 61 respondents and taken 45.9%. The table shows the salary scale >11000 comprised the largest percentage which is 45.9%. from the above data we can generalize most of the employee's salary is competitive to the current market of the bank sector.

4.3.1.7. Job Position of the Respondents

Out of the total respondents 18 had a position of CSM and it represented 13.5%. The JSCO position was taken by 13 and represented 9.8%. 43 were CSO and represented 32.3%. The SCSO-Accountants were 16 which were 12%. The other took a number of 20 out of the total respondents and represented 15%. The position of CRO had 8 respondents and took 6%. The BM position of the bank takes 1 respondent out of the total respondents and it represented 0.8%. There are also other positions which are different from the above positions and represented by 13 respondents and took 10.5%. The above data suggested most of the respondents who were participated on this study were CSO.

4.3. Data Analysis Pertinent to the Study

This particular study used descriptive, correlation and multiple regression for finding and analyzing the relationships between the dependent variable job satisfaction and the different factors of the independent variable.

4.3.1. Descriptive Statistics

Under this discussion the researcher tried to analyze the respondents answer regarding the effect of the remuneration on employee job satisfaction.

4.3.1.2. Salary of the Employee

Table 4.4. Respondents on salary of the bank

Statements	Note 1=strongly Disagree, 2=disagree, 3=Partially Agree, 4=Agree, 5=Strongly Agree											
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree		Mean	
	No	%	No	%	No	%	No	%	No	%		
My salary is sufficient for my basic needs	17	12.8	17	12.8	35	26.4	42	31.6	19	14.3	3.24	
There is a chance of salary increase	23	17.3	21	15.8	44	33.1	41	30.8	7	5.3	3.17	
Annual salary increments and adjustment is fair and reasonable	40	30.1	14	10.5	32	24.1	24	18	23	17.3	2.90	
My salary is comparatively equivalent to other banks	17	12.8	17	12.8	35	26.3	45	33.8	18	13.5	2.95	
My salary and the workload I have is comparatively balanced	20	15	21	15.8	44	33.1	41	30.8	7	5.3	2.81	
											3.014	

Source: own survey, 2020

The above table 4.4 shows the respondents agreed (satisfied) that their basic salary is sufficient for their basic needs which took 42(31.6%). Regarding the chance of salary, the above response the respondents 44(33.1%) were partially agreed (satisfied) and it is an average response.

About annual increment and adjustment of the salary we can see that most of the employees strongly disagreed and it represented 40(30.1%). With respect to salary comparison from other banks the above data showed that the respondents were agreed (satisfied)45(33.8%) they are pleased enough their salary is compatible with the others banks which increase employee job satisfaction. With concern the balancing of the work and the salary they paid the respondents had neutral response which nearly too Partial agrees 44(33.1%) with the satisfaction with the salary and the workload is balanced.

The average mean value for employee job satisfaction 3.014 which indicate an average rate the respondents were agreed that their salary is sufficient to fulfill their basic needs. Though the salary provided by the bank is equitable to other banks, the respondents were with partially agree the chance of salary increase. The respondent’s disagree annual increment and adjustment of the salary, which increase employee job dissatisfaction.

4.2.1.3. Promotion Opportunities of The Employee

Table 4.5. Respondents Attitude on Promotion Opportunities

Statements	Note 1=strongly Disagree, 2=Disagree, 3=Partially Agree, 4=Agree, 5=Strongly Agree										
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree		mean
	No	%	No	%	No	%	No	%	No	%	
The chance of promotion is rare	19	14.3	22	16.5	27	20.3	42	31.6	23	17.3	3.21

There is a fair and reasonable promotion opportunity	35	26.3	27	20.3	30	22.6	30	22.6	11	8.3	2.66
I am satisfied with the chance of promotion	33	24.8	39	29.3	26	19.5	28	21.1	7	5.3	2.52
I am satisfied by policies and practices towards promotion	23	17.3	40	30.1	35	26.3	26	19.5	9	6.8	2.68
The bank conducts timely promotion to motivate and give grades to employees	33	24.8	30	22.6	28	21.1	31	23.3	11	8.3	2.67
											2.74

Source: own survey, 2020

From the above table 4.5. for the promotion opportunities the first was the chance of promotion and it we can see that the chance of promotion is rare and it took 31.6%.

Regarding the 35(26.3%) respondents who were strongly disagreed, there are no fair and reasonable promotion opportunities in the bank. The bank policies and practice regarding promotion 40(30.1%) of disagreed with the policies and practice of promotion which increase the employee dissatisfaction. The other issue related to promotion is pleasing promotion to motivate the employees and give grades to employees. 33(24.8%) of the respondents totally disagreed from the above data we can say most of the respondents disagreed that there is still lack of conducting timely promotion to motivate the employees.

The average mean value of employee job satisfaction 2.74 which showed promotion opportunities discourage employee job satisfaction and employees were dissatisfied in this factor.

4.2.1.3. Supervisor to Employee Relationship

Table 4.6. Respondents' comment on supervisor to employee relationship

Statements	Note 1=StronglyDisagree, 2=Disagree, 3=PartiallyAgree, 4=Agree, 5=Strongly Agree											
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree			
	No	%	No	%	No	%	No	%	No	%		
I have good relationship with my supervisor	11	8.3	10	7.5	22	16.5	61	45.9	29	21.8	3.65	
My supervisor enables me to use my ability	4	3	18	13.5	28	21.1	62	46.6	21	15.8	3.58	
I can make decisions freely with my duty zones	11	8.3	21	15.8	26	19.5	53	39.8	22	16.5	3.4	
My supervisor is fair	8	6	17	12.8	28	21.1	52	39.1	28	21.1	3.6	
My supervisor gives me feedback to improve my performance	7	5.3	23	17.3	29	21.8	51	38.3	23	17.3	3.45	
											3.52	

Source: own survey, 2020

We can see the first idea is employee supervisor relationship 61(45.9) the respondents reacted positively. With regard to the question of supervisor's willingness enabling their employee to use their ability 62(46.6) of the respondents were totally agreed. And the data showed us respondents are happy and satisfied that the supervisors are helping them out to use their best ability.

Furthermore, in making decision freely within duty zones the data showed us the respondents were agreed 53 (39.8%) (Satisfied) with making decisions freely within their duty zones.

When we talk about the supervisor’s fairness 52 (39.1%) were agreed that their supervisors are fair to them. With regard to the supervisor definitely give feedback to improve their performance 51(38.3%) of the respondents were agreed. The average means value to employee job satisfaction 3.52. This shows supervisor to employee relationship encourages employee job satisfaction.

4.3.1.4. Benefit Packages of the Bank

Table 4.7. Respondents Insight on Benefit of the Bank

Statements	Note 1=strongly Disagree, 2=Disagree, 3=Partially Agree, 4=Agree, 5=Strongly Agree										
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree		
	No	%	No	%	No	%	No	%	No	%	mean
Medical benefits are easily accessible	13	9.8	16	12	24	18	51	38.3	29	21.8	3.5
The fuel allowance covers my transportation cost	12	9	19	14.3	35	26.3	48	36.1	19	14.3	3.32
Housing allowance covers my house rent	34	25.6	23	17.3	40	30.1	28	21.1	8	6	2.64
The benefit (medical, fuel and housing allowance) are as good as other banks	16	12	20	15	41	30.8	43	32.3	13	9.8	3.12
The benefit (medical, fuel and housing allowance) are satisfying	20	15	27	20.3	42	31.6	29	21.8	15	11.3	2.93
											3.10

Source: own survey, 2020

From the above table 4.7 the first question was accessibility of medical benefit in the bank 51(38.3%) of the respondents were unquestionably agree (satisfied) with it. When we take the comparison of the benefits (medical, fuel and housing) with other banks, 43(32.3%) of the respondents were agree the banks benefit is as a good as the other banks. Under the benefit of the bank 42(31.6%) of the respondents were remain partially agree (satisfied). We can say respondents were remaining neutral about the satisfaction of the benefits. The average mean value was 3.1. This shows benefit of the company encourages employee job satisfaction except the employees disagree the housing allowance doesn't cover the housing rat which brings employee dissatisfaction.

4.3.1.5. Working environment of the Bank

Table 4.8. Respondents' perception about the working environment of the bank

Statements	Note 1=Strongly Disagree, 2=Disagree, 3=Partially Agree, 4=Agree, 5=Strongly Agree										
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree		mean
	No	%	No	%	No	%	No	%	No	%	
The work environment is safe	24	18	21	15.8	42	31.6	36	27.1	10	7.5	2.9
The present working condition and environment is attractive	17	12.8	31	23.3	29	21.8	42	31.6	14	10.5	3.0
There is a good communication between the employee and manager	11	8.3	24	18	40	30.1	38	28.6	20	15	3.24
The Job security of the bank is reliable	15	11.3	17	12.8	47	35.3	38	28.6	16	12	3.17
Workplace culture and social life among colleagues is good	13	9.8	22	16.5	32	24.1	44	33.1	22	16.5	3.6
											3.2

Source: own survey, 2020

From the above table 4.8 the first question is whether the working environment is safe or not. From the total respondents 42(31.6%) of the respondents were remain neutral. When we talk about the attractiveness of the present working environment in the contrary 42(31.6%) of the respondents were agree. in this respect to the communication between the employee and manager 40 (30.1%) of the respondents were remain neutral (neither satisfied nor dissatisfied). Regarding the reliability of the job security 47 (35.3%) of the respondents were remain neutral (neither satisfied nor dissatisfied).

The final matter under this category is the workplace culture, social life among the colleagues; the majority of them were that means 44(33.1%) were agree with the idea. The mean value for working environment is 3.2(nearly to agree) which encourage the employee job satisfaction.

4.3.1.6. Job itself

Table 4.9. Employees Perception About Job Itself Component

Statement	Note 1=StronglyDisagree, 2=Disagree, 3=PartiallyAgree, 4=Agree, 5=Strongly Agree										
	Strongly Disagree		Disagree		Partially Agree		Agree		Strongly agree		
	No	%	No	%	No	%	No	%	No	%	mean
My job is interesting	14	10.5	19	14.3	42	31.6	42	31.6	16	12	3.2
I enjoy my job	12	9	24	18	36	27.1	42	31.6	19	14.3	3.24
I feel my job has meaning	16	12	17	12.8	44	33.1	33	24.8	23	17.3	3.30
I have confidence for the work I perform	9	6.8	24	18	34	25.6	32	24.1	34	25.6	3.42
The job I perform is compatible with my qualification and experience	18	13.5	29	21.8	40	30.1	27	20.3	19	14.3	3.0
											3.23

From the above table 4.9 the component job itself the first is whether the job is interesting or not 42(31.6%) of the respondents were neutral. The same time 42(31.6%) of them were agree that their job is interesting. With regard to enjoyment of the job 42(31.6%) of the respondents were agree about the idea. Regarding the job meaning 44(33.1%) responded they were partially agreed that their job has meaning. About the confidence for the work, they perform 34(25.6%) of the respondents were strongly agree with the idea. With respect to the compatibility with qualification and experience performance we can say roughly 40(30.1%) of the respondents were partially agree with the idea. The average mean for job itself is 3.23 which nearly to agree which encourages to employee job satisfaction.

4.3.2. The Relationship between Independent variable and Dependent variable

Pearson correlation test was conducted to check the magnitude of correlation between the dependent variable job satisfaction and independent variable (salary, promotion opportunities, supervisor to employee relationship, benefit and job itself) and the dependent variable verified against independent variable. The researcher used correlation proves or disprove the hypothesis. to check the magnitude of correlation between dependent and independent variable, measure of association developed by MacEachron (1982) was used as a reference

Measure of Association	Descriptive Adjective
> 0.00 to 0.20 ; < -0.00 to -0.20	Very weak or very low
> 0.20 to 0.40; < -0.20 to -0.40	Weak or low
> 0.40 to 0.60; < -0.40 to -0.60	Moderate
> 0.60 to 0.80; < -0.60 to -0.80	Strong or high
> 0.80 to 1.0; < -0.80 to -1.0	Very high or very strong

Table 4.10 The measures of associations and descriptive adjectives

Table 4.11. Correlation matrix between remuneration and job satisfaction

	Job satisfaction	Salary	Promotion Opportunities	Supervisor to Employee relationship	Benefit	Working environment	Job itself
Job satisfaction	1						
Salary	.414**	1					
Promotion Opportunities	.614**	-.533**	1				
Supervisor to Employee Relationship	.397**	.170*	.240**	1			
Benefit	.469**	.441**	.315**	.472**	1		
Working environment	.478**	.437**	.343**	.397**	.600**	1	
Job itself	.500**	.139	.202*	.478**	.450**	.465**	1

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

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Own Survey, 2020

From the above the above correlation matrix the researcher found the following results.

4.3.1. Correlation analysis between salary and employee job satisfaction.

The outcome of the Pearson correlation test between dependent variable (job satisfaction) and independent variable (salary) showed that there is positive relationship between the two variables at significance level of (.414**), $P < 0.01$. According to MacEachron(1982) measure of association, the magnitude of relationship between the two variables is moderate.

H1: There is a significant positive relationship between salary and employee job satisfaction.

Based on the result obtained from Pearson correlation, there is positive relationship between the dependent variable (Job Satisfaction) and independent variable (salary). Henceforth, we accept the first hypotheses.

4.3.2. Correlation analysis between promotion opportunities and employee job satisfaction

The Pearson correlation also conducted to know the degree of association between independent variable (promotion opportunity) and dependent variable (job satisfaction). And the result presented that both variables are positively correlated to one another with significant level of (.614**). According to MacEachron(1982) the relationship between the variables is strong.

H2: There is a significant positive relationship between promotion opportunities and employees job satisfaction.

Based on the above outcome the dependent variable (employee job satisfaction) and independent variable (promotion opportunities) have positive association so that we accept the second hypotheses, H2.

4.3.3. Correlation between supervisor to employee relationship and employee job satisfaction

The Pearson correlation test between supervisor to employee relationship (independent variable) and employee job satisfaction (dependent variable) have weak or low (MacEachern,1982) relationship at significant level of (.397**) and ($P < 0.01$).

H3: There is a significant positive relationship between supervisor to employee relationship and employee job satisfaction.

The researcher, earlier, stated that there is a significant positive relationship between supervisor to employee relationship and employee job satisfaction. But the result confirmed the opposite and we reject the third hypotheses, H3.

4.3.4. Correlation between benefit and employee job satisfaction

The other variable that is analyzed by Pearson correlation was the association between benefit (independent variable) and employee job satisfaction (dependent variable). Accordingly, the result has showed their association at level of (. 469^{**}) and $p < 0.01$ which is at moderate level.

H4: There is a significant positive relationship between benefit and employee job satisfaction.

From the above outcome the independent variable (benefit) and dependent variable (employee job satisfaction) have positive relationship and we definitely accept the fourth hypothesis, H4.

4.3.5. Correlation between working environment and employee job satisfaction

Fortified with correlation result obtained, the working environment (independent variable) and dependent variable (employee job satisfaction) is at level of (. 478^{**}) and ($p < 0.01$). Hence the magnitude of the relationship is moderate.

H5: There is a positive relationship between working environment and employee job satisfaction.

According to the above association between working environment and employee job satisfaction, the result exposed there is positive relationship between them so we accept the fifth hypothesis, H5.

4.3.6. Correlation between job itself and employee job satisfaction

From the Pearson correlation of the above table, the job itself (independent variable) and employee job satisfaction (dependent variable) both variables are associated at level of (. 500^{**}) and $p < 0.01$. And the relationship magnitude is said to be moderate level.

H6: There is positive relationship between job itself and employee job satisfaction.

From the above outcome it can be concluded that, there is positive association between job itself and employee job satisfaction.

The researcher well-thought-out six independent factors to find out association with the dependent variable employee job satisfaction with the help of Pearson correlation factors. Accordingly, five of them were associated positively and the other one independent variable doesn't make association with the dependent variable.

4.3.3. The Effect of Independent Variable on Dependent Variable

To explore the effect on remuneration on employee job satisfaction multiple linear regressions is used. Linear multiple regressions used when there are more than one independent variable and one dependent variable (Gallo,2015). To develop linear multiple regression, the independent and dependents variable was represented as **(X1=Salary, X2=Promotion Opportunities, X3=Supervisor to employee relationship, X4=Benefit, X5=Working Environment and X6=Job itself)** and the dependent variable was **Y= Employee Job Satisfaction**.

On the course of developing the equation of multiple linear regressions the researcher directed the five assumptions that need to be gratified. And these are the assumption of normality, linear relationship, homoscedasticity, independent of errors and multicollinearity was discussed using SPSS. In addition to this model summary of regression result, ANOVA, standardized and unstandardized β coefficient has been presented.

4.3.3.1. Tests of Assumption for Regression Model

4.3.3.1.1. Assumption of Normality

According to (Matt, Carols &Deson, 2013) one way of measuring the normality of distribution is checking skewness and Kurtosis. Frequently the range is between 1 up to -1.

Table 4.12. Normality of Data

Variables	N	Skewness		Kurtosis	
		Statistic	Statistics	Std. error	Statistics
Employee Job satisfaction	133	-.786	.136	.048	.164
Salary	133	-.016	.136	-.736	.164
Promotion Opportunity	133	.182	.136	-.655	.164
Supervisor to employee relationship	133	.038	.136	-1.044	.164
Benefit	133	-.026	.136	-.633	.164
Working environment	133	.165	.136	-.086	.164
Job itself	133	.022	.136	-1.049	.164
Valid N (list wise)	133				

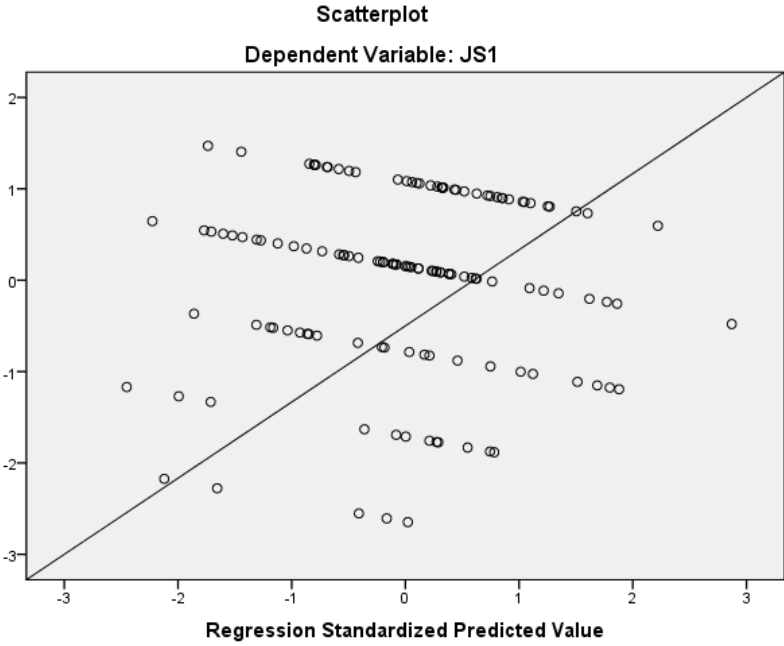
Source: Own Survey, 2020

As the table 4.12. showed as the result of skewness regarding the measurement of employee job satisfaction against factors of the independent variables was in acceptable range (-1 to 1). Nevertheless, the Kurtosis result under supervisor to employee relationship and job itself (-1.044 and -1.049) were slightly out of range and this violates the assumption of normality. However according to central limit theorem, sampling distribution, and the use of the statistical test with this variable is appropriate. Hence the normality assumptions are fulfilled (Field, 2013).

4.3.3.1.2. Assumption 2- Linear Relationship

Linearity of the relationships between dependent and the independent variables is the second pre condition. As displayed in the below graph there are few variables out of the line but most of the variables are shows that there is linear relationship between employee job satisfaction and the independent variables.

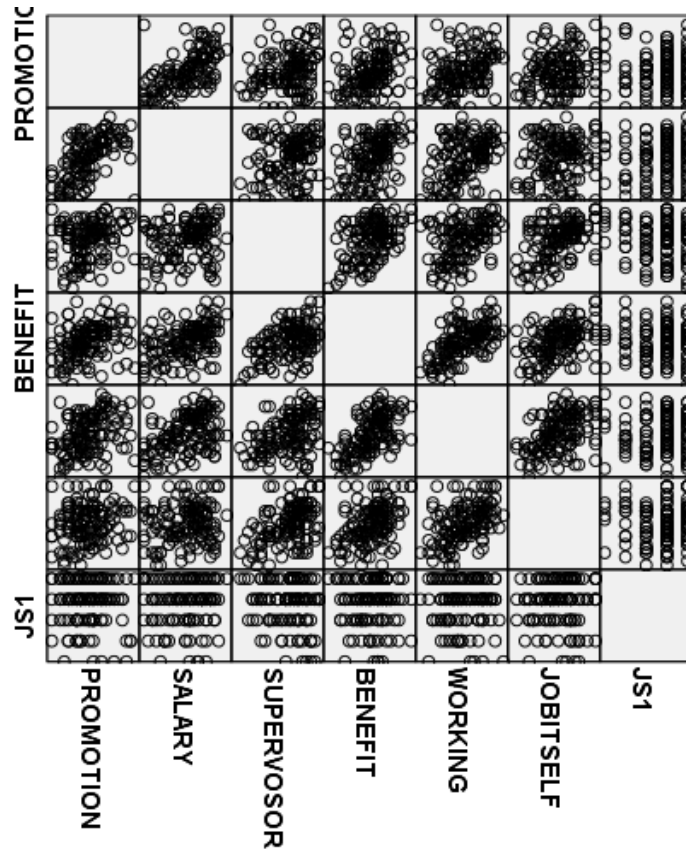
Figure 4.1. Linear Relationship Between Employee Job Satisfaction on Independent Variable



Source: Own Survey, 2020

4.3.3.1.3. Assumption 3-Homoscedasticity (equal variance)

Figure 4.2. Homoscedasticity Between the Variables



As figure 4.2 showed the variance dependent and independent variables. This means as we through level of one variable the other variable is not changing. And hence we concluded the assumption of homoscedasticity (homogeneity of variable) proved in particular study.

4.3.3.1.4. Assumption 4-Independent Errors/Residual

The residual is the difference between the actual score and estimated by regression equation. The size of the residual for the given case must have no impact on size of the residuals for the next case. That means the errors are assumed to independent (Chatterjee& Hadi, 2012)

Table 4.13. Dubrin- Watson Table Result

Model Summary^a

Model	R	R Square	Adjusted R Square	Std.error of the estimate	Dubrin Watson
1	.0.741 ^a	.550	.542	.44720	1.655

According to the Dublin Watson general rule 0 to 4. For the particular study the DurbinWatson is 1.665 within acceptable range and henceforth we assumed independent of residuals assumption exists.

4.3.3.1.5. Assumption 5- Multicollinearity

Multicollinearity is the existence high correlation among the dependent and independent variables. In other words, multicollinearity exists when there is strong correlation between two or more predictors and it is a problem with multiple linear regression (Field,2006). The multicollinearity exists when variables should not be exceeded above 0.8(Hair,2006).

As it shown table 4.13 Both pairwise correlation one of the results and hence none of the study were not exceeded above 0.8. From the above discussion multicollinearity was not a problem for particular study.

Table 4.14. The correlation matrix between remuneration and employee job satisfaction

	Job satisfaction	Salary	Promotion Opportunities	Supervisor to Employee relationship	Benefit	Working environment	Job itself
Job satisfaction	1						
Salary	.414**	1					
Promotion Opportunities	.614**	-.533**	1				
Supervisor to Employee Relationship	.397**	.170*	.240**	1			
Benefit	.469**	.441**	.315**	.472**	1		
Working environment	.478**	.437**	.343**	.397**	.600**	1	
Job itself	.500**	.139	.202*	.478**	.450**	.465**	1

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

* . Correlation is significant at the 0.05 level (2-tailed).

Source: Own Survey, 2020

The regression model considered employee job satisfaction as dependent variable and factors affecting remuneration as independent variable. A multiple regression analysis conducted to evaluate how well six factors how well six factors predict employee job satisfaction. As table 4.15 represented under linear combination of six factors is significantly related employee job satisfaction shows ($R^2 = 0.550$). This means 55% of positive variance of employee job satisfaction in the sample accounted by combination of six factors that affect employee job satisfaction called salary, promotion opportunity, working environment, benefit, job itself and supervisor to employee relationship.

Table 4.15. ANOVA result for the relationship between independent variable and dependent variable

ANOVA^a

Model	Sum of squares	df	Mean squares	F	Sig.
Regression	7.418	6	7.222	66.18	.000 ^b
Residual	144.943	126	1.150		
Total	152.361	132			

- a. Dependent variable: JS1
- b. Predictors :(constant), job itself, Salary, supervisor to employee relationship, working environment, promotion opportunities, benefit

Source: Own Survey,2020

The relationship of six factors and employee job satisfaction is well below 0.05($P < 0.001$). Therefore, we conclude R and R^2 between dependent variable employee job satisfaction and independent variable of six factors based on the response from commercial bank of Ethiopia south Addis Ababa district.

The ANOVA table provided proved the result of the test of significant for Rand R^2 is using F Statistic since the result of test is significant the p value is less than 0.05 R^2 is significantly different from zero, the relationship between independent variables(factors) and dependent variable (employee job satisfaction) in the population (Field ,2006)

Table 4.16. Beta Coefficient Result

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.022	.172		5.879	.000
	Promotion opportunities	.101	.031	.132	3.140	.002
	Salary	.720	.036	.302	2.696	.007
	Supervisor to employee relationship	.252	.022	.103	6.424	.000
	Benefit	.142	.029	.192	5.020	.000
	Working environment	.012	.041	.152	3.254	.000
	Job itself	.142	.032	.205	4.528	.000

Source: Own Survey, 2020

A. Standardized Beta Coefficient

According to (Field, 2013) standardized beta coefficient (relative importance) helps us to compare Z-scores. The measurement by standard deviation and not dependent on unit of measurement. As a result, for this research, it is recommended to use relative importance in order to examine the relative contribution each predictor variable to dependent variable.

Based on the above data obtained from multiple regression we observed bank involvement of the promotion opportunities (13.2%), salary (30.2%), and supervisor to employee relationship (10.3%) and benefit (19.2%), working environment (15.2%) and job itself (20.5%).The highest contributor factor was salary (30.2%).

The second most important factor was job itself (20.5%) followed by benefit (19.2%) offered by the bank.

From the survey made by the researcher on employees in commercial bank of Ethiopia on selected south Addis Ababa district, the least contributor factor for employee job satisfaction is supervisor to employee job satisfaction. That means as supervisor to employee job satisfaction increases by one standard deviation, the employee job satisfaction increases by 0.103 standard deviation.

B. Unstandardized Beta Coefficient

The linear multiple regression for dependent variable (employee job satisfaction) and the six-independent variable (promotion opportunities, salary, and supervisor to employee relationship, benefit, working environment and job itself) in the form of:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + b_6X_6 + e$$

Where, Y = the dependent variable employees' job satisfaction

a = y axis intercept (the constant beta value)

$b_1, b_2, b_3, b_4, b_5, b_6$ = beta weight for each independent variable

$X_1, X_2, X_3, X_4, X_5, X_6$ = representing X_1 = Salary, X_2 = Promotion Opportunities, X_3 = Supervisor to employee relationship, X_4 = Benefit, X_5 = Working environment and X_6 = Job itself) respectively

e = the error term (0.05 in our case)

Based on the table 4.13. Taking the unstandardized beta value into thought, the regression equation of this specific study to the nearest two decimal places was expressed as:

$$Y = 1.022 + 0.8X_1 + 0.1X_2 + 0.26X_3 + 0.142X_4 + 0.12X_5 + 0.142X_6 + 0.05$$

Interpretation of the Equation:

- ❖ For every unit increase in the worth of salary scale of the bank scenery all other independent variable to be constant, the value of response variable employee job satisfaction will increase by 0.80 units or 8%.
- ❖ For every unit increase in the value of Promotion Opportunities in CBE all other independent variables to be constant, the value response of variable employee job satisfaction 0.1 unit or 10%.
- ❖ For every unit increase in the value supervisor to employee relationship in CBE all other five factors remain constant, the value response of variable employee job satisfaction 0.26 unit or 26%.
- ❖ For every unit increase in the value of Benefit in CBE all other five factors remain constant, the value response of variable employee job satisfaction 0.142 unit or 14.2%.
- ❖ For every unit increase in the value working environment in CBE all other five factors remain constant, the value response of variable employee job satisfaction 0.12 unit or 12%.
- ❖ For every unit increase in value of job itself in CBE all other factors remain constant, the value response of variable employee job satisfaction 0.142-unit or 14 %.

4.4. Interview Question Analysis

The researcher disseminated the interview questions to higher level managers of selected branches. The interviews questions were given to 10 managers. Unfortunately, only 4 were returned. But the information was very important so I tried to interpret it by my own way.

Regarding the effect of salary on job satisfaction, 75% of them responded there is strong effect on employees' job satisfaction because it can affect effort and commitment of employees. The more salary increases the better the productivity of employees. Roughly 25% suggested salary isn't a sustainable way to increase job satisfaction. We can say from the managers' interview response, there is positive relationship between salary and job satisfaction and this shows the more the salary increases the more will the employees satisfied.

The other is the effect of promotion on employee job satisfaction. Roughly we can say, 50% of them believed that promotion have positive effect on employees' job satisfaction in terms of

increasing initiation level of employees to access more option to develop skills and abilities. Roughly 25% argue that promotion has negative effect on job satisfaction. The remaining 25% are neutral towards this idea. In general, promotion has positive effect on employee job satisfaction. According to real practices of promotion, some managers claimed promotion opportunities must not suspend the revision of promotion policies. This shows there are tasks done by the bank in order to create more satisfied employees for the development of the bank.

In the same way, regarding the benefits of the bank, the managers mentioned in the interview, there is positive effect on the employees' job satisfaction. And giving benefit to employee will enhance their commitment, and it is a pulling factor in order to make satisfied personnel to the bank.

The other interview question was what efforts are made by the bank in order to improve job satisfaction. The first task of the bank is implementing competitive salary scale to the employees. About 50% of the managers gave comments the bank is improving (reviewing) the salary scale. On one hand, the bank is following international bank system procedure in order to improve the job satisfaction of the employees and takes about 25%. On the other hand, the bank is revising the gap in promotion and benefit packages then these two takes about 25%. The last question was what improvements must the bank make in order for employees to get satisfied, 50% of them remain neutral while the other 25% said the promotion and benefit mustn't suspended. The last 25% said the bank must maintain what is provided and revise in reasonable time framework.

4.5. Discussion

In this part, the researcher clarified how the findings of this study, altogether how remuneration affect employees' job satisfaction and supports the different theories which was stated in empirical literature review. The outcome of salary effect on employee job satisfaction in CBE south Addis Ababa district showed that positive association between salary and employee job satisfaction and this result is supported by (Awan and Asghar,2014) who agree that salary, job security and reward system have a positive and significant impact on job satisfaction. In another way, the current association of salary with employees' job satisfaction is moderate. While (Weerasinghe, 2017) investigation argued that employee's salary has an utmost significant impact on employee's job satisfaction than other variables.

Majority of the respondents believe that there is also positive (strong) relationship between promotional opportunities and employee job satisfaction in commercial bank of Ethiopia at south Addis Ababa district and this association is also clarified by (Chowdhary,2013). The author scrutinized salary, employees' performance, and promotional strategies have a significant consequence on job satisfaction.

When it comes to employee to supervisor relationship about employee job satisfaction in CBE south Addis Ababa district, the respondents believe relationship is low or weak which is the opposite idea of Islam and (Saha,2001). The authors explored that salary, efficiency in work, benefits, leadership style, coworker relations, supervision, loyalty to bank, and work ability have high significance on employee job satisfaction.

The association between benefit and employee job satisfaction have positive relationship in CBE south Addis Ababa district and the result is supported by (Bisrat, 2017) the organizational culture, benefits and salary are suitable enough to raise job satisfaction.

The working environment and employee job satisfaction have positive relationship in CBE south Addis Ababa district, (Awan and Asghar, 2014) agreed that salary, job security and reward system have a positive and significant impact on job satisfaction.

The last is the job itself also has positive association with employee job satisfaction in commercial bank of Ethiopia south Addis Ababa district. And this result is braced with (Mihiret, 2016) that remuneration is an important factor that motivates supervisors to perform better and bring positive results for the organization. Furthermore, employee satisfaction can stimulate a person to behave pro-socially such as positive social behavior, constructive and meaningful help. Thus, in order to improve employee performance, some important variables that contributes to the achievement of optimal performance like remuneration and job satisfaction needs to be noted

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The aim of this research paper is to assess the effect of remuneration on employee job satisfaction in the case of commercial bank of Ethiopia south Addis Ababa district. For this purpose, a descriptive method of data analysis was employed. Respondents were selected using simple random sampling technique and findings were analyzed using frequency count and percentage. Thus, based on the analysis and findings presented in the previous chapter, the following summary, conclusion and recommendation has been obtained.

5.1. Summary of Major Findings

- From the descriptive statistics, regarding salary the respondents remain partially agree (remain neutral)
- Regarding promotion opportunities of the bank, the respondents disagree about promotion opportunities.
- From descriptive statistics, supervisor to employee relationship, working environment, benefit and job itself factors, the employees agree about these factors were encouraging.
- Based on the result obtained from Pearson correlation, there is positive relationship between independent variable and dependent variable except for employee to supervisor's relationship variable.
- All assumptions (pre-stated requirements) of the multiple regression were effective for this study.
- The model summary result showed a linear combination of all independent variable considered under study predict $R^2=0.550$. which indicate 55% of the variation in employee job satisfaction described by six independent variables.
- The ANOVA result exposed the value of F and R^2 obtain under the model summary part was statistically significant at $F=66.18$ and $p<0.01$.
- The standardized beta coefficient it shows that employee job satisfaction changes by indicated amount as result of one standard deviation changes of each independent variable.

- The unstandardized beta coefficient, the result disclosed as every one-unit increase indicated predictor there is increase for outcome variable by specified amount.
- Regarding the promotion opportunities of the bank, the managers replied the suspension and limit of promotion chances at these selected branches of CBE. But this research showed the efforts that are being made by the bank to improve job satisfaction in terms of revising the salary scale and promotion chances.
- The interview question result showed there is positive relationship between salary and job satisfaction and this association brings productivity increment of the employees.

5.2. Conclusions

- In overall responses concerning salary of the bank, most of the respondents were rated average at 3.0 “partially agree” level. We can conclude half of them were agreed with having sufficient salary to fulfill their basic needs and salary compatibility with other banks. However, others were disagreed that the chance of salary increase, annual increment and adjustment of the salary of the bank is low.
- Concerning the promotion opportunities, most of the respondents were rated at 2.74 “Disagree” average levels. We can conclude the promotion opportunities in the bank are poor. As a result, it has caused employee dissatisfaction.
- The relationship between supervisors to employee at the bank was rated at average 3.52 “agree” level. We can conclude there is a good employee to supervisor relationship at CBE.
- The benefit variable of the remuneration was rated average 3.1 “agree” level. This can be concluded as the employees were satisfied with medical and fuel allowances but the employees were disagreed with the housing allowance which is the sensitive part by claiming housing allowance isn’t sufficient for covering cost of rent.
- The current working environment of the bank was average level of 3.2 and rated as “agree”. The job security, workplace culture and social interaction are very promising and it has increased employee job satisfaction.
- About the job itself, average level is 3.23 and rated as “agree”. As we noted the average level is at agree rate but the respondent’s response was more of approximate to neutral level.

- Most of the independent variables (salary, promotion opportunities, benefit, working environment and job itself) is positively correlated with employee job satisfaction except for employee to supervisor relationship variable.
- From the interview of the managers, we can conclude there are efforts to improve job satisfaction by applying international banking procedure. And also, the bank is revising the gap in promotion opportunities and benefit packages.
- All assumptions (pre-stated requirements) of the multiple regressions which are normality, linearity, independence of residuals, homoscedasticity and multicollinearity were demonstrated to effective under the current study.
- Based on the model summary of the multiple regressions we concluded that the stated six factors (independent variable) have significant impact in explaining the variance in the dependent variable employee job satisfaction.
- From the ANOVA test result, we concluded that, the **R** and **R²** of the linear combinations of factor that affect employee job satisfaction was statistically significant.
- Based on the standardized beta coefficient obtained from the analysis, we considered the most important factor was salary and job itself.

5.3. Recommendations

The descriptive statistics shows most of the employees disagreed (dissatisfied) with the chance of annual salary increment and adjustment of salary. Therefore, it is advisable for the bank to review its salary increment and adjustment policy and what adjustment must made in order to make the employees more satisfied.

Based on the descriptive statistics and interview of the mangers most of the employees as well as the managers are contrary to the chance of promotion, policies and practices. Due to this fact, it is recommendable; the bank needs to perform a grading assessment for a timely promotion in order to improve the employees' job satisfaction and to be competent in the banking sector.

In on hand form the descriptive statistics data, it displays the housing allowance does not cover their cost of house rent, it is better for the bank to consider and compare the allowance given with the current living cost. respondents affirm that medical and fuel allowance given by the

bank to employees is attractive. Thus, the bank needs to keep this allowance in order for the employees to be satisfied in performing their job.

All the respondents are positively responded (agree) about the relationship with their supervisor and working environment is good, since these factors have impact on employee job satisfaction, the bank needs to strengthen and enhance this relationship to create a conducive environment for a better success.

Regarding job satisfaction, the respondents' response is not as such appreciative. Especially, most claim that the qualification and experience is not parallel with the job they perform. As a result, it is appropriate for the bank to look back and identify the causes of this dissatisfaction of employees and needs to amend for a better result. To do so it is needed to enable employee to work on what they are qualified and experienced.

5.4. Recommendation for Further Researches

This research provides an overview of factors of remuneration. This study focused on analyzing the relationship between remuneration and employee job satisfaction of CBE employees by using different analysis methods. The suggestions for further study would be analyzing by different test techniques and compare results. Additionally, this research was conducted in five branches of south Addis Ababa district. It would be fascinating to conduct this topic on private banks which are emerging nowadays. And to see if there is similar outcomes or relationship can distinguish.

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Appendices



Appendix -1-Questionnaire

ST MARY'S UNIVERSITY

SCHOOL OF GRADUATES

PROGRAM OF MASTERS OF BUSINESS ADMINISTRATION (MBA)

Questionnaire Survey

Dear respondents,

This study is entitled “The effect of remuneration on employee job satisfaction: at Commercial Bank of Ethiopia.” You are kindly requested to provide genuine and reliable information with respect to the questions regarding the effect of remuneration on employee job satisfaction. Your sincere information is highly significant to the success of this study. Therefore, the researcher guarantees the information you will provide is confidential and only serves for academic purpose.

I would like to thank you well in advance for your willingness to participate in this study by sparing your precious time.

Thank you

TsigeEshetu

Emailaddress: tsigeeshetu7071@gmail.com

Part I. Demographic Variables of the Respondents

Tick the right (√) by making the symbol copy and paste it on the each questions

1. Gender

Male Female

2. Age

20-25 26-30 31-35 36-40 Above 40

3. Marital status

Single Married Divorced

4. Educational Background

Certificate Diploma Bachelor's Degree Master's Degree

5. Work Experience

0-5 years 6-10 years 11-15 years above 16 years

6. Salary scale

< 3000 3001-5000 5000 -7000 7001-9000 9001-11,000 >11,000

7. Job position /title

CSM JCSO CSO SCSO – Accountant SCSO-Cash CRO BM

Other, specify (If any) -----

PART TWO: Opinion about Effect of Remuneration on Job satisfaction

Please indicate your response to each of the following statements regarding pay/salary, promotion, reward, life insurance and medical aid benefits by using (√) to the appropriate answer according to the following code of definition.

1= Strongly Disagree (SD) 2=Disagree (D) 3=Partially Agree (PA) 4=Agree (A) 5=Strongly Agree (SA)

1. Salary

Statements	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 my salary is sufficient for my basic needs					
2 There is a chance of salary increase					
3 Annual salary increment and adjustment is fair and reasonable					
4 My salary is comparatively equivalent to other banks					
5 My salary and the workload I have is comparatively balanced					

2. Promotion Opportunities

Statement	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 The chance of promotion is rare					
2 There is a fair and reasonable promotion opportunity					
3 I am satisfied with the chance of promotion					
4 I am satisfied by policies and practices towards promotion					
5 The bank conducts timely promotion to motivate and give grades to employees					

3. Supervisor to Employee Relationship

Statement	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 I have good relationship with my supervisor					
2 My supervisor enables me to use my ability					
3 I can make decisions freely with my duty zones					
4 My supervisor is fair					
5 My supervisor gives me feedback to improve my performance					

4. Benefit

Statements	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 Medical benefits are easily accessible					
2 The fuel allowance covers my transportation cost					
3 Housing allowance covers my house rent					
4 The benefit (medical ,fuel and housing allowance) are as good as other banks					
5 The benefit (medical ,fuel and housing allowance) are satisfying for me					

5. Working Environment

Statement	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 The work environment is safe					
2 The present working condition and environment is attractive					
3 There is a good communication between the employee and manager					
4 The Job security of the bank is reliable					
5 Workplace culture and social life among colleagues is good					

6. Job Itself

Statement	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
1 My job is interesting					
2 I enjoy my job					
3 I feel my job has meaning					
4 I have confidence for the work I perform					
5 The job I perform is compatible with my qualification and experience					

7. Job satisfaction

Statement	1=(SD)	2=(D)	3=(PA)	4=(A)	5=(SA)
All things considered I am satisfied with my job					

Thank you so much for your time!

Appendixes 2-Interview Questions
Interview Questions

These interview questions are designed to do the effect of remuneration on employee job satisfaction: Case of Commercial Bank of Ethiopia. The information gathered will be used for academic purpose. I therefore, would like to assure you that the data collected will not be distorted in anyway. Kindly be honest while giving the information.

1. How can you explain the effect salary on employee Job satisfaction?

.....
.....

2. How promotion and benefit (medical, house and fuel allowance) have unique effect on their Job Satisfaction?

.....
.....

3. To what extent the bank efforts in improving the employee Job satisfaction?

.....
.....
.....

4. According to your opinion what improvements must make the bank in order to make satisfied in the above factors.

.....
.....

Thank you so much!