



SCHOOL OF POST GRADUATE STUDIES
DEPARTMENT OF BUSINESS ADMINISTRATION

THE EFFECT OF COMPENSATION AND BENEFIT ADMINISTRATION
PRACTICE ON EMPLOYEES PERFORMANCE
(THE CASE OF COOPERATIVE BANK OF OROMIA)

A THESIS
SUBMITTED IN THE PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION

BY
BINIAM ALEMAYEHU SHIFERAW

FEBRUARY, 2024
ADDIS ABABA, ETHIOPIA

ST. MARY'S UNIVERSITY
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ADVISOR- MOSISA KEJELA (PhD)

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DECLARATION

I, Biniam Alemayehu, declare that the work done in the thesis entitled “the effect of compensation and benefit administration practice on employee’s performance (the case of cooperative bank of Oromia)”is my original work under the supervision and guidance of Mosisa Kejela, (PhD), at ST. Mary’s university. This work has not been previously submitted for any higher institution for a degree at this or any other university, and that all the materials used for this study have been duly acknowledged.

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ENDORSEMENT

This thesis has been submitted to St. Mary's University for examination with my approval as a university advisor.

Advisor Name: Mosisa Kejela (PhD)

Signature

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St. Mary's University, Addis Ababa

ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MBA, GENERAL

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DEDICATION

This research paper is dedicated to my sweet heart wife Yemsirach Temesgenand my beloved children's Eyuel Biniam, Yohanan Biniam and Akelasiya Biniam for their paid economical scarification that cause of my tuition fee, and support and encouragement towards the successful completion of my study.

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Acronyms and abbreviations

CBO = Co-operative bank of Oromia

CBE = Commercial bank of Ethiopia

HRM = Human Resource Management

SPSS = Statistical Package for Social Sciences

ABSTRACT

The main purpose of this research paper was to assess the effect of compensation and benefit administration practice on employee performance in the case of cooperative Bank of Oromia. Employees should always be aware of the relationship between their level of performance and how they are rewarded for that performance. The main reason why studied this research was most of researchers' magnified extrinsic motivation that has been high motivational factors as compare as intrinsic motivation. Due to the study had to be out shine the perceptible value of intrinsic motivation factors in the bank parallel to extrinsic motivation. And also salary increment and incentives are not in the base of individual relative performance, as a result of this turnover and absenteeism rate was high. Data were analyzed using descriptive and casual statistics with in stratified random sampling method to allow for appropriate conclusion and recommendations according to the findings from the questionnaire and interviews. The questionnaire was subsequently sorted, categorized and finally tabulated through Statistical Package for Social Sciences (SPSS).The analysis part of thesis examined the perception of employees towards the different aspects of reward systems that affect performance and attempt to establish which type of compensation and benefit administration practice systems are more beneficial to the bank. The findings of the study revealed no sufficient financial compensation and salary increment and different incentives are not provide based on individual performance. But non- financial compensation is relatively more available and the bank is relatively more effective in providing intrinsic prizes or reward than extrinsic. Based on the study findings, the researcher recommended the way forward in improving the compensation and benefit administration practices and better to improve the working environment of the bank.

Key words: Compensation, Benefit, Financial, no- financial, policy, Equity, Performance, Intrinsic and extrinsic.

CHAPTER ONE

1. Introduction

1.1 Background of the study

Both human and no- human resources have a vital role for an organization to achieve its business objectives. Especially human resources are considered as a very important component for the firm to deal with superiority and complete its business objectives. In organizations struggling to attain their objectives through extensive utilization of human resources, employees are also targeted toward achieving individual goals while performing for the organization (Armstrong 2008).

Compensation is defined as the management of pay, reward, remuneration, or salary as mostly used by an organization. It is also defined as direct and indirect payment as well as incentives, both monetary and non-monetary, are given to those who do well in their jobs or services (Sharma & Goyal, 2017).

It was said by Ryzhova (2013) citing Armstrong (2012) most employees were paid according to the time they spend on the job in the shape of wage or pay. Whereas some professional employees compensated based on week, months, or year rather than on hourly or daily basis are salaried. Piecework is the other choice to pay performances, it links compensation directly to the amount of production, it was created by the staff, and it is frequently used as an incentive pay design. According to Grffin(2012), compensation is a monetary reward given by the organization for employee performance. The compensation system has to be attractive to acquire and retain commutative work force. With this commutative business world, it is challenging for an organization to appeal and keep experienced and commutative work force. Therefore, acquiring, motivating, developing and retaining employees have become strategic objectives of the organization. According to Sivastava (2015), an employee's compensation should be enough to satisfy their fundamental needs and maintain a respectable standard of living. Employees will leave an organization if their recompense is unsatisfactory to cover their basic needs. In order to attract and keep a competitive staff, an organization must offer fair and balanced remuneration and benefits packages. The productivity of employees is impacted by the compensation structure. Since pay can increase organizational productivity by advancing organizational policy, integrity, procedures, and practice, the reward system verifies that both intrinsic and extrinsic demands of employees at all stages are adequately met. The establishment of the reward and pay structure has an effect on employee and organizational performance.

Employee pay has changed throughout the years since it has been used to compensate employees for their job for more than a thousand years. A significant turning point in this area of impact was the employee pay has changed throughout the years since it has been used to compensate employees for their job for more than a thousand years. The point of initiating major change in this field of inspiration was the work of Frederick Wilson Taylor¹, often known as the father of modern management. The "A fair reimbursement for a fair time-worked" maxim and the "correlation of competence to performance" were advocated by Taylor's systematic management school. (Caldari 2007). Taylor believed that rewarding workers based on their performance would encourage them to exert more effort. Among the maximum accepted. He is to blame for Taylorism for omitting the concentration of human needs and positive reception (DeRosa 2018). Now a day, the firms move toward to administration on path way by assimilating the requirements of their staffs. Those human needs are physiological, safety, social, esteem, and self-actualization which recognized by Abraham Maslow's hierarchy of needs. Another characteristic of the post-second world war period is the rapid advancement of payment or compensation in the form of salary and price as incentives or motivational factors. At that time, proper management of employee compensation and benefit packages was required due to the competitive environment. As a result, businesses began providing benefits like health stipends and attractive retirement plans to make up for the inactive pay. The previous study conducted in Kenya literature Bureau study verifies salaries or wages practically not sufficient to motivate and retain employees, and indirect compensation like child care privileges are not that match implemented. Non-monetary reward like flexible work schedule and job sharing are needed in this bureau. Also working environment like office arrangement, lighting, sound disturbance, acknowledgment and promotion are pertinent in decisive worker efficiency when it proved in 2017 studied in Kenya literature Bureau (Nyawa Michael Mangale 2017). In Ethiopia, according to commercial bank of Ethiopia's assessment (2014) about customer satisfaction, banks that have sound policies to deal with the biggest challenge of staff turnover secures the benefit of retaining productive staff in the current banking industry. The studies describes and examine the element of the compensation and benefit packages, its practical progress, and the level of satisfaction and perception of employee towards different compensation and benefit packages of the bank, and its fairness and equitability in the case of Cooperative Bank of Oromia.

1.2. Statement of the Problem

To be competitive in the commercial world, an organization should retain motivated employees by adequately compensating and providing different benefit packages. Since employees are the core element of the organization, managing compensation and benefit system is decisive for the organization success (Philips and Fox2003).

According to Michael, Babu, Frankline Andrew, Prince and Anne, Chacko(2016).well established and attractive compensation and benefit scheme has significant impact on employee retention and enhanced achievement of the organizational objective. In addition, Sheffer (2020) and Job Street Malaysia study (2017) forwarded that compensation and benefit have substantial role on the employee performance. It is suggested that with reduced compensation and benefit system, there will be employee turnover.

In Ethiopia, according to commercial bank of Ethiopia's assessment (2014), banks that have sound policies to deal with the biggest challenge of staff turnover secures the benefit of retaining productive staff in the current banking industry. As stated as Cooperative Bank of Oromia human resource transaction record, so many staffs resigned even within this year alone. Therefore, reducing staff turnover and attracting new employees have to be strategic objective for the bank. However, given the banking sector's current rate of expansion, and low number of experienced human resource, it will be impossible to retain the skilled and experienced human resource unless having a competitive compensation and benefit package.

And also, If there is a discrepancy between the staffs and the bank of executives expectation mismatch the compensation and privilege of staff member continues to be a problem, lack of motivation and poor worker performance will occur, which will have an impact on overall industrial performance, particularly at the Cooperative Bank of Oromia, whose vision is to become an important private Bank in Ethiopia by the year 2025 (Cooperative bank of oromia annual manual, 2014).Consequently, the aim of the research is to assess and examine the compensation and benefit administration practice on employees performance in the case of Cooperative Bank of Oromia.

Most of organizations implement benefit and incentives, like bonus focus on only in the base that fulfill a minimum requirement of pre-determined employee performance standard simply, salary increment and incentives are not in the base of individual relative performance. This idea is as evidence supported by in this research literature review included on the topic of financial compensation, that studied by the previous researcher (Sule, O. E. &Amuni, S. I. 2014). Thus the unique part of this study was more ensured employees' compensation and benefits have been done according to each individual performance difference in the bank. The other observation is most of

researchers' magnified extrinsic motivation that has been high motivational factors as compare as intrinsic motivation. For instance, a wage rise is necessary to be very important for workers' happiness according to a Tanzanian study (URT, 2010). The performance of employees and businesses had to be slightly impacted by non-monetary rewards, nevertheless. Additionally Ryzhova (2013) argued workforces are tremendously inspired to monthly rewards. But according to Held, K. M.(2012) as stated on this study in literature review part he challenged the primacy of extrinsic motivating value by arguing that money is not the only factor in determining employee pleasure. And also according to Lemessa Duffera (2012) he reveals most of the staffs are inspired with non-financial compensation than financial compensation on the study of the compensation management practices in CBE finding. So according to those evidence this study had to be out shine the perceptible value of intrinsic motivation factors in the bank parallel to extrinsic motivation. And also there are many reasons disclose the worker rewards based on individual performance.

1.3. The objective of the study

The study has general and specifics objectives.

1.3.1. Main objective

The main purpose of the research was to examine the effect of compensation and benefits practice on employees' performance in the case of Cooperative Bank of Oromia.

1.3.2. Specific objectives

The specific objectives of this study were described as below:-

1. To describe financial compensation and benefits practices on employee performance that is currently applied at CBO.
2. To assess non-financial compensation and benefits practices on employee performance that is currently applied at CBO.
3. To describe the current composition and benefits policy look like on employee performance that exist at CBO.
4. To evaluate the equity level of compensation and benefits practices on employee performance that currently utilized at CBO.

1.4. Research question of the study

The main research questions that required covering within the area of the study are:

1. What are financial compensation and benefits practices look like on employee performance at CBO?
2. What is the non-financial compensation and benefits practices currently look like on employee performance at CBO?
3. What is the current composition and benefits policy practice look like on employee performance at CBO?
4. How to evaluate the equity level of compensation and benefits practices on employee performance at CBO?

1.5. Significant of the study

The result of this investigation would have the following implications:

The study will help to show handling of compensation and benefit administration policy improves employees' performance and for accomplishment of the organization competitive advantage.

It helps the bank management to assist them in establishing and implementing improved reward management practices for high performance.

It helps retaining higher performer and skilled employees.' The study will also advantage Co-operative bank of Oromia (CBO) as well as other competitive commercial banks since they take the same position.

It might also act as a springboard for other scholars interested in doing a thorough investigation on the subject. This study might be used to improve the existing bank policy that currently applied.

1.6. Scope of the study

As the branches are located in a far dispersed manner, it is not feasible to include all branches' staff in the study in terms of time and cost. Hence, the study was focus on head quarter (at Head Office). Since its branches throughout the country are homogenies in its policies & procedures and the application of compensation and benefit management system is over-viewed by HRM Department. In such a way, it would give somehow the same whole picture of the compensation and benefit practice of the Bank.

Here in this study the researcher incorporated variable like direct financial compensation and benefits practices, non-financial compensation and benefits practices, composition and benefits policy, compensation and benefit practice performance and equity level of compensation and benefits. This study was not focus indirect compensation and benefit practice mainly leaves. So same part of leaves benefits that are governed by rule and regulation will not include this study like Paid time off : such as sick leave, holyday pay, jury duty day pay, marriage pay, paternity Pay, vacations, break sand weekend leave. Because most of those type of leaves simply guided or regulated by administrative rule and regulation, policies and strategies and also union bargaining documents. This study was used both descriptive and explanatory research design of methodological approach since the research title invited such type so design. Due to vast in nature the bank of customers was not included in this study (only employees and managers were included). This study was cover the three consecutive years (2020. 2021 and 2022 G.C) compensation and benefit practices in the bank. Because most of the time organizations make new organizational re-structure or re design in every three years because with in this period any changes might be happened. And also the scope of this study was not demarcated any demographic variable difference while the study had to be focused on more educational level and managerial status qua.

1.7. Limitation of the study

The study sample population of this assessment had taken from staffs who are employed in Addis Ababa area at Africa Avenue and Flamingo head quarter (Head Office). Since the branches of the CBO is scattered around different side of the country and due to large number of sample of collecting a representative sample from the full population of the Bank would not be practical. This could have an impact on how the research findings are applied to the entire personnel of the Cooperative Bank of Oromia. The research findings may not generalized the whole branches of Cooperative Bank of Oromia and also the researcher used both descriptive and explanatory research design.

The other limitation of this study was carelessness of respondents while they filled questionnaires and also managers were not voluntary to conduct interviews. But these problems were solved by showing positive approaches or the respondents and by convincing the manager the purpose of the research.

1.8. Definitions of key terms

Compensation: is the collection of tangible benefits that a worker obtains in exchange for their work. Basic salary, reimbursed rewards or incentives, and indirect reward make up its three components. (Gomez et al 2012).

Benefits can be defined as: any other additional value, other than base salary and variable salary. According to Ryzhova (2013) citing Armstrong (2019),

Productivity: is the sum of an individual's output, which might take the form of units produced or dollars earned per individual (Amstrong, 2012).

Compensation Administration: is a situation in which those who do poorer than average receiving higher compensation under this compensation plan (Hewitt, 2009).

Financial compensation: is a payment a worker receives compensation give in the form of wages, commissions, incentive payments, or bonuses are all examples of direct compensation (Dessler, 2019).

Indirect monetary reward: is a Benefits are all monetary incentives that are not part of direct monetary compensation (Dessler, 2019).

1.9. Organization of the paper

The study organized in to five chapters. Chapter one introducing the study by providing the background of the study, statement of the problem, objective of the study, significant of the study, delimitation of the study, operational term definition and organization of the paper. Chapter two is deal with relevant literatures on researcher problem. Chapter three is the methodology that the study adopts and appropriate justifications. Chapter four would be presented the findings of compensation and benefit administration practices on employee performance at Addis Ababa area Africa Avenue and Flamingo head quarter. It outlines the researcher's analysis on the organization response to the compensation and benefit administration practices on employee performance. Chapter five would be presented the conclusions that are draw from the research findings and recommendations to increase employees' performance.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Definition of compensation & benefit administration

Worker reimbursement system established over all over the centuries to use remunerate staff in swap for work and has evolved throughout time. One of the milestones in this sphere of influence was the work of Frederick Wilson Taylor¹, also regarded as the founding founder of systematic control. In Taylor's scientific management theory, performance was linked to competence, and the maxim "A fair day's pay for a fair day's work" was promoted. Taylor argued that this approach would encourage individuals to work more effectively since workers would be rewarded based on their work competency (Caldari 2007). One of the most prevalent criticisms of Taylorism is its disregard for human needs and acceptance (Derosa 2018). An organization eventually moves toward management by incorporating the needs of its people. Maslow's hierarchy of needs by Abraham Maslow notes that persons are characterized by five classifications of desires which are physiological, safety, social, esteem, and self-actualization. The development of salary and price regulations, which stop businesses from being too competitive in terms of employee pay, is another aspect that distinguishes the advancement of reimbursement or compensation since World War II. Consequently companies began providing benefits like health stipends and attractive retirement plans to make up for the inactive pay (Derosa 2018).

One of the key components that have contributed to the expansion of remuneration is the preamble of employee stock options (Greenwald, Lisa, and Paul Fronstin.2019).

Employee stock exchange schemes are therefore one of the most widely used instruments for attracting and keeping employees (Stanley 2018). A base salary, which is a set sum paid to employees as compensation for their work, is the equivalent of a permanent income. Basic salary excludes benefits, bonuses or any other form of compensation. The base salary is determined by the requisite skill set, reflects the evaluation of the job's functions and responsibilities in the market, and accounts for market scarcity. An amount paid to employees throughout the year known as inconsistent compensation or wages can be expressed in one of two ways: Bonuses, commissions, lump sum payments, and other types of short-term rewards are utilized for short-term objectives (between one month and one year) and are in line with employee and organizational performance. Long-term incentives are frequently created for Managers and/or Executives and utilized for long-term targets (2 to 5 years).

Benefits are any additional value that is not included in principal compensation and variable salary. Benefits are a crucial part of remuneration since they are "a strategic tool that helps

build up employee value proposition while helping to improve the image of an organization," according to Armstrong (2019). Different benefits are provided by employers depending on the organization. Benefits frequently consist of attractive retirement plans or pension designs, health insurance subsidies, gym memberships, transportation/mobility allowances, mobile phones, meals, and housing, for instance.

Compensation management is a part of human resource management activities that how much money is paid to employees directly and indirectly performed may be a passed through the five pillars of functional management, which include staffing, organizing, leading, and controlling. Direct types of reimbursement, such as salary, performance-based compensation, or performance-linked compensation, or indirect forms such as vacation pay, credit, or indemnity (Gupta, Nina, and Jason Shaw 2014). Workers occupation for their administrators, and firms reimburse workforce for the work they do (Kristal,Tali.2017).

Compensation is a swap or business deal in which both employer and employee, advantage. For giving something, both the company and the workforce are beneficiary. The benefit of compensation is not merely in this straightforward transaction involves both parties. From a general point of view, reimbursement depends on the organization's financial ability and the staff member's incentive. Organizations must weigh the amount they capable of paying their employees adequately against the consequences of that decision (Michael, Babu Frankline, Andrew Prince, and Anney Chacko 2016).

In addition, some employers and managers consider that salaries have an impact on employee working atmosphere. These macro-environmental aspects, such as those that affect the macro-economy, the regulatory environment, politics and the law, and compensation administration, make it a complex and important aspect of running a business (Gupta, Nina, and Jason Shaw 2014).

2.1.1. The theory of reinforcement

According to Held, K. M. (2012) reinforcement theory is focus on outcome or result oriented that evolved from work performance then it going on reward. Employee work performances are recognized, evaluated, and examined in terms of their intended outcomes (pre-existing reinforcements) within the framework of organizational behavior modification, and interference is created using reinforcement-theoretical principles. Researchers who analyzed 39 studies completed over four decades discovered that both in lab settings and in the real world, money motivates employees regardless of how interesting or uninteresting their professions are. However Held, K. M. (2012) acknowledges that financial value not just emphasize employee

engagement. He renowned that further than a confident position high amount of payment will evolve from employees better-off, however, greater salary won't translate into better work. In a different study, Diener, F. K., and Biswas - Diener, N. H., (2002) issued a warning to employers that give out merit raises that aren't worth more than 7% of base pay, possibly will do further damage than good. They believe that modest pay rises can truly be ineffective in terms of motivating employees since they are upset that their labor produced very little. As a result, she recommend employers who have to offer little raises to be watchfully about connecting them to outcome and to be conscientious about being reasonable.

From the researcher point of view can conclude that financial value not the only one thing that concerns employees, because if high amount of although salary will benefit employees, they cannot "buy" higher performance. If there is no better performance could not implement reinforcement theory, because they clarified that the association between a goal activity's (work performance) outcomes and reward is at the center of reinforcement theory (Me).

2.1.2. Expectancy theory

Expectancy theory (Vroom, 2014), in contrast to reinforcement theory, focuses on the attachment between rewards and performance (instrumentally sensitivity), with the drawback that it prefers to view predictable (rather than skilled) rewards (i.e., enticements). In addition, encouragement is a product of the following two variables: valence, or the anticipated appreciation of outcomes (such as rewards), and want, or the purported boundary between effort and execution. Compensation structures differ in accordance with how they affect these motivating mechanisms. In broad-spectrum speaking, pay frameworks differ primarily in how they affect instruments: the perceived boundary between behaviors and compensation is also referred to in the pay writing as "line of viewpoint." Value of compensation outcomes must remain consistent under various pay regimes. Expectation perceptions frequently have more to do with the work schedule and preparation than compensation structures. UN likely to the above author, the owner of this study or researcher do not agree about the primes of compensation outcome must to keep on similar beneath distinguishing pay frameworks. Because employees are couldn't bring expected result or productivity by provide similar incentives (Me).

2.1.3. Equity theory

Equity theory endorses that a manual worker discerns their contributions to the business, what they receive in line with their expectations, and the manner in which their come-promise measurable connecting (Adams, J.S. 2013). Acknowledgments of injustice are a factor predicted to cause staff to need happenings to recuperate worth. Unfortunately, a lack of such events might not be valued by the company. The endeavor and, consequently, the outcome, are the two main focuses of equity theory. A professional assistant links the quantitative contributions of their position to the outcomes of an associate's degree. If an employee notices a difference, they would go to remedy the unfairness. The worker might produce less or their professional standards. Obstinate inequities will reason an increase absenteeism and even turnover from the company (Greenberg, J. 2010).

Cowherd, D.M., & Levine, D.I. (2012), scrutinized however a company addressed the matter of pay cuts to its staff and hence the effects on high misappropriation rates and observed equity. Organizational units in two acquired V-day panoptic remuneration cuts. A 3rd unit did not obtain a salary cut and worked as a result cluster. The two pay-cut categories were not sufficiently addressed by the prevailing interpretations of the pay cut backs. In the "acceptable interpretation" pay-reduction cluster; management expressed authoritative remorse while also providing a wealth of facts to justify the compensation drop. The "inadequate clarification" cluster received less evidence than was necessary and showed no signs of regret. There was no wage reduction for the administration cluster, hence there was no clarification.

Obstinate inequities will reason an increase in absence and even resignation of a company, Due to the employee may reduce output or their professional standards. So as owner of this study or researcher review canon of equity should be implemented in employee compensation and benefit provision as researcher opinion (Me).

2.1.4. Type of compensation

Remuneration might be provided in cash or in-kind. Financial or monetary reward is a sort of direct payment that includes the wage a worker receives in the form of wages, salaries, bonuses, or commissions. Indirect monetary reimbursement or benefit consist any financial perks that aren't paid out in cash directly. The financial benefits contain of pay for time not worked for (such as sick leave, vacation, and maternity leave), insurance benefits (such as benefits for job-related accidents and illnesses), retirement benefits (such as pensions, profit-sharing plans), and payment for services rendered (Hampton, David. 2020). The non-cash perks may include recognition for excellent performance and member of staff service benefits (such

as counseling, subsidized daycare, transportation, meals, etc.). Worker remuneration (benefits) can be obligatory and non-obligatory. Benefits that are mandated by law, such as pensions and workers' compensation, are known as obligatory benefits. Benefits that are not required include a tuition return and various discounts. (Kilgour, John.2020).

2.1.4.1. Financial compensation

Salary: There are several reason of reward Sule, O. E. &Amuni, S. I. (2014) research accomplishments that might be organized numerous factors can influence the ability of an amount to fully compensate for performance, but merit payment is first and foremost the process of compensating and discretely evaluating an individual's performance. According to a number of recent studies, 80 to 90 percent of businesses use seniority or merit pay based systems to determine reimbursement. The reward plan is mostly dependent on worker performance judgment. In addition to a fixed wage, an employee may get a bonus or incentive in the form of money (Kilgour John, 2020). This reimbursement map or plan is based on individual performance, but rewards or incentives are not reimbursed because they do not affect performance. (Wenzel, A. K. Krause, T. A. & Vogel, D.2019).Employee efficiency in producing yield through pay is directly influenced by performance-related remuneration, and employees are better able to provide reimbursement arrangements based on performance. The contribution of worker performance relating to bounces to increase the output (Dessler 2014, 2019).

In my opinion can agree the compensation plan is mostly depended on employee performance judgment and use seniorities or merit pay based. Bounces or incentive is financial recompensed gives to worker in addition to their fix salary.

But the owner of this study couldn't agree the bonus design is in base on personal presentation in most organization. But some time bonuses do pay and there is not performance.

Inducements /Bonus/

Every employee is motivated by personal emotionality that evolved from inducement.

If person compensate in terms of money he/ she has to be positive drive, the reverse is negative drives. Perceptibly, staffs' need to get reasonable day-pay, fixed pay, and salaries, and managers desire their workers to sense that is how they are being treated. As result, it is rational that workforces and managers similarly, see money as the essential benefit for effective performance at work. The traditional work performance paradigm bases its employs financial or additional monetary incentives mostly regarding reinforcement theory (Warr, P. & Nielsen, K. 2018).

Theory of reinforcement, they described, emphasizes on how result oriented and its payment (compensation) are related. The structure of organizational behavior modification is where worker manners are recognized, measured and scrutinized in relation to the effects they have on functionality (obtainable reinforcements) and where interference is established using principles of reinforcement. In a well reported study Held, K. M. 2001).

Scrutinized³⁹ studies lead ended 4 decades and originate that cold-hard cash encourages employees whether their works are exciting or ordinary, in workrooms and actual universal settings. As Held, K. M. (2001) acknowledges that cash is not the merely thing that worries workers. He noted that further than a sure point greater pays will build staff better-off, but it will not “acquire” superior performance. In another study Diener, F. K. & Biswas- Diener, N. H, (2002) warned that bosses who award modest merit raises, not to exceed 7% of basic pay, May extra damages than good.

As the owner of this study review perceptibly, employees need to get reasonable temporary pay or wages and fix pay, and managers desire their staffs' to feel as though they are getting that. The traditional work performance paradigm bases is to be valid of monetary incentives mostly on reinforcement theory, but now a day this concept is not acceptable. As evidence Held, K. M. (2001) acknowledges that people have other obsessions besides money (Me).

2.1.4.2. Non-Financial compensation

Rewards and productivity

According to Armstrong (2012), workforce who are the best capable are like to be they are stimulate to achieve. This connection or bonds imply that expectations for rewards and worker performance, which worker are greatest to be encouraged performance is additional presentation to obtain the rewards and additional benefit(bonus).The benefits could be currency, acknowledgement both for them to perform satisfactorily and to reach their objectives (Sharma, D. K. &Goyal, R. C. (2017).

Rewards are the key drive to raise the worker performance to anticipate well. Offering the permanent payments or salary furthermore increase the performance (Wenzel, A. K., Krause, T. A. & Vogel, D. 2019). As Ryzhova (2013) workforces are tremendously inspired to monthly rewards. Certain additional opinions that acknowledgment in enjoyable the organization suitable works atmosphere motivated the employee. Employees play a key role in any organization's efforts to improve their presentable performance, they can be driven by both financial and non-financial incentives, and they can plan for rewards that will allow them to best express their

presentation (performance). Worthy organizations are sustained to develop and enable the organizations to inspire (motivate) the highly talented and qualified employees to retain and pursue their objectives and aims. If the workforce is not compensated adequately, they create displeased worker. Displeased worker going on high rate of the turnover, Absents and week psychological wellbeing (Michael, Babu, Frank line Andrew Prince, and AnneyChacko. 2016).Generally discourse the kind of reimbursement and the importance of award repayment to the employee is crucial. Alike, Richardson,M, Abraham,C, and Bond. R., (2012) showed that most organizations lack effective inducement systems. They contend that rewards that are frequent, immediate, linked to individual effort and of high value to the member of staff can have the greatest impact on worker motivation. Richardson, M, Abraham,C, and Bond. R., (2012) noted that distinctive earnings distribution plans and merit-based pay programs are unsuccessful as member of staff motivators, since they lack in each of these categories. The owner of this study or the researcher accepts Armstrong (2012) and other authors idea, which is Employees that have the most potential are driven to succeed. According to this relationship or bond, employee success is expected to be rewarded, and as a result, the best way to boost employee performance is to have them put in more effort in order to earn awards and bonuses. The rewards could be money or recognition in order for their performance to be deemed acceptable for achieving the desired results. Worthy organizations are sustained to develop and enable the organizations to inspire (motivate) the highly talented and qualified employees to retain and pursue their objectives and aims. The highest motivational influence can be realized when rewards are regular, immediate, can be associated to individual effort, and of important value to the employee.

Recognition and Productivity

Recognition is the admission of someone ahead of their peers for particular tasks completed, decisions made, or attitudes displayed through performance. Recognition and thanksgiving can also be combined as a way to reward staff members by having them publicly thank their team, coworkers, or other team members and give examples of their actions that have positively benefited the company. As Srivastava, U. R. (2015) firms should recognize their best workers' contributions to the company in order to keep them on board. According to him, rewards motivate employees because they appreciate their achievements, ingenuity, and willingness to put in extra effort. According to Wenzel, A. K., Krause, T. A. & Vogel, D. (2019) recognizing worker's efforts more individually, by expressing gratitude more frequently and locally, you can boost employee enthusiasm and boost the spirit of your entire company. Two of the most

frequently used types of appreciation are private and public expressions of gratitude. Public acknowledgement (acknowledgment) is more formal than private appreciation (a modest thank you or a slap on the back. It encourages improved performance standards and encourages faithfulness to promises (Warr, P. & Nielsen, K. (2018). Given that a single employee's performance affects other employees, expressing publicly the reasons for the individual's recognition and how it relates to the organization's goals can serve as a source of inspiration for other staff members. (Mabaso, Mzwen, Bongani et.al.2021). High-performing organizations have regularly recorded the significance of contributing prizes and encouragements that acknowledge, affirm, and value exceptional work. Acknowledgement programmers have the aim of keeping staffs interested and productive and are seen to be effective approaches of strengthening corporation anticipations and goals. Appreciation and recognition are essential elements of attractive recompense plan. These two elements hardly take the attention they warrant from commercial proprietors (Lazear, Edward. 2018).

2.1.5. Compensation Objective

The final objectives of reimbursement administration are: cost effective of a creative force, reasonable salary, and compliance with rules supported what companies will afford (Srivastava, U. R. 2015).

Compensation goals must simplify the effective employment and management of an organization's human resources, while also causal to the overall goals of the organization. A compensation program, therefore, ought to be adapted to a company's and its employees' preferences (Dessler, G. (2019).

According to researcher point of view my conclusion is compensation objectives has to be aimed cost effective, reasonable and endorsed by predetermined rule and ought to be depended on organizations and employees need.

2.1.5.1. Compensation and Benefit Policy

The pay and benefits policy (Hear after compensation policy) defines the less common usage of the reimbursement components in business, how they are used, and the circumstances for the employees so that the reward component can be useful in each situation (Klingler.U,Pieren M, Lampartl, Feliziani M.2018) .

Every institution uses a lot of reward mechanisms and that they should be identified. The reimbursement course of action offers the essential clarification of the reward module,

how it's designed, who is qualified for utilizing and therefore the endorsement process (Ducan S. 2019).

Every worker is curious about the arrangement of the wage and total amount of money that can be earned by the company. The compensation policy is that the key instrument to discovering out the specifics about the components of reimbursement and the approach used to obtain the most cash possible (Shrme. 2018).

The employees' performance and anxiety are influenced by the compensation policy because they will learn the best and easiest approach to maximize their potential earnings with the least amount of individual effort. The reimbursement guiding principle has got to be established the keenly systems as it avoids discomfort working condition and abuse (Dzelajlijad, 2019).

The Common Goal/objectives of Compensation Policy is to recompense employees' previous performance, to continue to be competitive on the job market, to keep up Salary fairness between employee, to stimulate employees' upcoming performance, to invite fresh employee, to uphold the budget and to decrease needless turnover (Faurote. C, 2019).

According to researcher point of view my review is compensation policies ought to be Take into account the employees' circumstances so that you may determine whether the reimbursement portion will work for them. Every company uses different reward mechanisms and that they have to be designated. The reward guiding principle offers the essential clarification of the reimbursement element, how it's designed, who is qualified for the usage and therefore the endorsement process and policy has got to be established the keenly systems as it avoids discomfort working condition and abuse.

2.1.5.2. Internal Factors Affecting Compensation Policy

Scarpello and ledvinka in their book also state standing from organization point of view and interest, aim of compensation should be within the budget constraints and other constraints, to attract individual in the organization, maintain workers, and inspire behavior toward accomplishment of organization goals. To realize these goals, companies choose compensation strategies that top appropriate their internal resource and approve with external environments.

The kind of compensation and organization select affect the compensation policy or administration system it establishes (Klingler U, Pieren M, Lampart L, Feliniani M.2018).

Budget the main internal factors of either attract or affect individual in the organization, maintain workers, and inspire behavior toward accomplishment of organization goals. So the organization should be establish well organized compensation policy or administration system (Me)

2.1.5.3. External Influences Affecting Compensation Policy

An organization's compensation policy is always influenced by outside factors. This includes everything from governmental legislative power to the nation's market and economic situation. The establishment of minimum wage rates, wage and hourly regulation, and the elimination of group-based discrimination are just a few of the ways that the government directly influences compensation. Wage controls and guidelines also prevent increases in pay for specific jobs at specific times and places (Martocchio, Joseph. 2017).

The required proficiency and degree of skills, the nature of commerce, union organization, or lack thereof, and other factors all have an impact on the actual pay rates individuals receive, according to *Mabaso, Calvin, and Bonganiet, al.* (2021). Those, author of reward administration in Knowledge-Based World.

The researcher could agree that stated by the above authors Suggestion which is an organization's compensation policy is always influenced by outside factors. This includes everything from governmental legislative power to the nation's market and economic situation. The establishment of minimum wage rates, wage and hourly regulation, and the elimination of group-based discrimination are just a few of the ways that the government directly influences compensation (Me)

2.1.5.4. Importance of reimbursement Policy

The reward driving principle must be obvious, and the only means of clarification must be fairness. It is crucial that the workforce and executives are clear on the payment component and understand the circumstances necessary for the approval of the specific incentive component (Dzelajlijad. curo. 2019).

The high-performance company culture organization is cared for by the transparent reimbursement standards because the workforces recognize what behavior as well as expected performance levels entitled for the detailed reimbursement element and it starts off by directing organizational behavior and performance in the right direction for the business (Wenzel, A. K., Krause, T. A. & Vogel, D, 2019).

The rules must fully take into account the reward elements, which are used in the industry and have an impact on a lot of people. Although the particular administrative component tools are frequently mentioned in the overall reimbursement process, they must not be kept a secret. Because the reimbursement policy does not specify all payment components, the workers cannot rely on it. (*Klingler, Pieren, Lampart and Felizianiet, al.* 2018).

In my opinion, even though some people don't agree with it, the organization's high-performance business culture is more important than the reward strategy, which just mentions a portion of the reimbursement mechanisms because the workforces recognize What conduct and output levels are predicted to qualify for the detailed reimbursement element and it initiate the organizational behavior and performance to the accurate way for the firm. And researcher agrees the only means of clarity is by making the reward policy transparent and fair.

2.1.5.5. Recruitment and Compensation Strategy

Operative reimbursement Strategy is important for the recruitment and staffing. The hiring process frequently depends on the excellent HR advertising Policies, but Recruiters for HR want to be able to get the reasonable remuneration packages, which are competitive outwardly and associated with the worthy policy and therefore the imbursement plan. Thus, recruitment policy will not be altered to accommodate the hiring of top individuals (Greenwald, Lisa, and Paul Fronstin, 2019).

Imbursement policy needs to support the recruitment process. This allows HR Recruiters to bring the correct capacities from the market and Sort the key roles into those where the reimbursement plans allows greater hostility against the payment market (Michael et al. 2016; Portolese, 2018).

The permanent pay coverage proposed in the job offer letter is highly sensitive to the work applicants' responses, and the remuneration and repayment department should ascertain the percentage of unsuccessful job offer acceptances. It is the exceptionally significant indication of the incorrectly established reward policy, when the job candidates reject any employment offers offered by the company (Gomez-Mejia, L.R. 2012.).

The researcher agreed well organized compensation Strategy is important for the recruitment and staffing as well as used to attract qualified candidates, because payment of highest talents will not be of great value once the payment document is opened.

2.1.6. Plan for Inspiration and Rewards

As Lazear, Edward.(2018) the monthly pay, contract salary and temporary pay or bonuses are tremendously serious for the inducement of personnel and leaders'. Generally, the encouragement is not nearly the compensations; however, it must be maintaining the extensive incentive structure of the company. Yet world top managers cannot able to retain extremely enthused teams, while the compensation method is not satisfactory in the market. Workers distinguish consistent levels of compensations within the industry. When the organization

becomes low in its compensation payment practice, need to reconsider its policy (*Michael, Frankline, Anney and Chacko et, al.2016*).

Salary helps as a measurable indicator of an employee's relative value.

For most employees, pay has an influence not simply on their living standard but also on their social status and recognition. Since pay symbolizes a praise acquired in trade for an employee's contributions, it is distant critical, in keeping with the equity theory that the compensation be fair in phrases of those contributions (StanleyM.2018).

It is crucial moreover that a worker's pay be fair in phrases of what dissimilar staffs are getting for his or her contributions (Strivastava, U.R.2015).

Even if salaries or bonuses are tremendously serious for the inducement of personnel and leaders', for most employees, pay has an in influence not simply on their living standard but also on their social status and recognition. The researcher agree the compensation ought to be keeping with the equity theory that the compensation be fair in phrases of employee's contributions with in industry, but disagree worker's pay be fair in phrases of what dissimilar staffs are getting for his or her contributions (Me).

2.1.6.1. Compensation and Benefits Practitioner Role

Remunerate and reimbursement gives the administrators the tools they need to create a division among the workforce as a high-performance corporate culture is developed within the corporation. (Wenzel, A. K. Krause, T. A. & Vogel, D. 2019).

The organization's budget for employee expenditures is enhanced by the reward and reimbursement division, which also scrutinizes the outside employee market. Compensation and benefits establish a clear and straightforward compensation policy as well as basic rules for uncommon payments. They also define the compensation plan (*Portolese, et, al. 2019; Gupta and Shaw 2014*).

2.1.6.2. Reward and Reimbursements Department Responsibilities

The reward and reimbursements department are commonly chargeable to create the system for limpidity within the company. The Department puts the incentives (benefit) and reimbursement standards of the staffs. It has to manage the progress of recent recompense additives and preserving the overall guidelines for the outline of the reward element (Sule, O. E. &Amuni, S. I. 2014).

The Department is also chargeable for the worker's outlay regulation of the company. It puts standards of salary, bonus and others based on the given strategy. The Department is necessary

to follow approaches for vetting the outside professional market since they can determine the right incentive strategy, which is in line with the company's strategy. It is also answerable for monitoring the market and devising the novel reward mechanisms in the business. The Department had an important character in and took the lead in emerging the novel compensation components that improve the company's enactment and competence. It cooperates with the many business divisions and incorporates their requirements into the apparent and unbiased overall guidelines for the compensation components (Gupta and Shaw 2014; Portolese 2019).

In order to sustain the organization's competitive edge on the job market, the reward and benefits forms novel alterations relating to the reward guidelines and incentive policy (Martocchio, Joseph. 2017).

Reimbursement and benefits department is also chargeable for the worker's outlay regulation of the company. It puts standards of salary, bonus and others based on the given strategy. The department is necessary to follow practices to screen and control the outside the accurate reimbursement guiding principle, which is professional market value, is enabled by it dutiful to the tactic of the corporation. It is also answerable for monitoring the market and scheme the novel reward mechanisms in the industry (Me).

2.1.6.3. Employee Benefit Required by Law

Most of worker reimbursements are required lawfully. These benefits embrace employee input to Insurance for the unemployed and social security, work compensation insurance and disability insurance (Greenwald and Fronstin et, al. 2019).

Social Security: include unemployment, retirement, disability, or in the case of dependent, the death of the employees supporting them, where a loss of pay is actually suffered through harm of employment (Hong et. 2012).

Unemployment Insurance: Worker who has been employed and who is laid off may be qualified based on employment contract for unemployment insurance benefit during their unemployment period (Martocchio et, al. 2017).

Worker's Compensation Insurance: it is based on the theory that the cost of work-related accident and illness. It should be considered as one of the costs of doing business. Individual workers should not be bearing the cost of their treatments or they shouldn't have to go through a time-consuming, expensive, or loss of income legal process (Greenwald, Lisa, and Paul Fronstin. 2019).

Factors Determining Compensation Pay Rates

Compensation structure is prejudiced or affected by a serious of interior and exterior dynamics: The major factors that affect compensation policy and practice that often stated in business literature are: Government Factors, Collecting bargaining, Standard and cost of living, Comparable wage, Supply and Demand and Ability to pay.

None of these factors operates alone determining the overall rate. Instead, they operate concurrently, one in one direction and other in the opposite direction (Faurote, C.2019).

2.1.7. Compensation and Benefits Job Profiles and Career Path

Job Profiles

According to Peráček (2020) the compensation practice management is distinctive field of Human Resources, which is the arrangement of Human Resources Management and Finance Department. The human resource in Compensation management focuses on the prospect of the company as they need to retain. The expense of employing effective staff is very high careful about adding the costs to the organization.

Career Path

Gaining knowledge and experience in interacting with corporate administrators and workers is the goal of the compensation and benefits practice. As a result, working in this industry is not simple. (Martocchio, Joseph.17).

Benefits administrators are a common place for compensation practice employees to begin their careers because they have little responsibility and lots of opportunities to practice communicating with employees and understanding their needs. They are required to prepare basic financial analyses, learn the fundamentals of compensation and benefits, and have the opportunity to understand how HR decisions generally affect the organization's financial performance (Faurote, C.2019).

When necessary, the expert in pay and welfares prepares evaluations of the compensation arrangements in the business, compare the structures to current hiring practices, and look for ways to provide the company a competitive edge in the compensation and benefits space. According to (Wenzel,A. K., Krause, T. A., & Vogel, 2019).

The pay and benefits executive is in charge of making all significant decisions pertaining to compensation and benefits, as well as creating the organization's compensation strategy and managing the projects needed to put it into practice. The manager is often in charge of the organization's total budget for personnel expenses (Ducan. S,2019).

The researcher agreed the previous researcher's opinions which are benefits administrators are required to prepare basic financial analyses, learn the fundamentals of compensation and benefits, and have the opportunity to understand how HR decisions generally affect the organization's financial performance. When necessary, the expert in pay and benefits prepares evaluations of the compensation arrangements in the business, compare the structures to current hiring practices, and look for ways to provide the company a competitive edge in the compensation and benefits space.

2.1.7.1. Job Profile for Benefits Administrator

The human resource department processes the funds received by both direct and indirect workers by planning, coordinating, and controlling for the task they complete is known as compensation administration (Kelechi.2016).

Benefits Job Profile the administrator's responsibility for responding to employee requests and assigning the appropriate benefit plans to them is limited. The administrator engages in basic financial analysis while assisting other team members in compensation management. In addition, he or she must identify the suggestions' primary advantages and disadvantages (Ducan S, et al, 2019)

2.1.7.2. Job Profile for a Reward and Reimbursements Analyst

The analyst reward and reimbursements keeps track of the organization's variability and prepares the analyses of compensation and benefits for the increased fluctuation. The analyst can also monitor the external pay surveys and prepares result analysis report. The report includes recommendations for the top management of the organization under control over compensation specialist (Faurote C. et al, 2019).

The compensation and benefits analyst must learn to locate the appropriate data to support the compensation and benefits statement and is expected to gauge the management's feelings within the organization (Kelechi et al, 2016).

could agree starting from the a above researcher point of view, the compensation and benefit analyst can also monitor the external pay surveys and prepares result analysis report. The report includes recommendations for the top management of the organization under control over compensation specialist (Me)

2.1.7.3. Job Profile for a Compensation and Benefits Specialist

A separate employee of the business, the expert in compensation and benefits is in charge of areas connected to compensation and benefits. The expert pays close attention to the examination of the labor market and pertinent pay surveys. To oversee and manage the compensation practice, he or she is given a portion of the budget for staff expenses. The specialist gives a recommendation, but the Manager of compensation and benefits must make the final call (Faurotec. 2019).

The specialist keeps an eye on the effectiveness of the company, specifically of the specific tasks for which the compensation specialist is solely accountable (Warr, P., & Nielsen, K. 2018).

2.1.7.4. Job Profile for Compensation and Benefits Manager

According to Edward Lazear, (2018), the Compensation Manager is tasked with making judgments regarding the company's budget for staff spending.

The HR strategy of the organization is fully connected with the compensation and benefits strategy, which is determined by the manager of benefits and compensation, which is also entirely responsible for the solution's effective implementation (Sharma &Goyal, 2017).

2.1.8. Effects of compensation management

Employees today lack enthusiasm to do only for the money alone, they anticipate 'extra'. This further is recognized as worker remunerations. Similarly called fringe benefits, Worker incentives are non-monetary method of reimbursement accessible in addition to money permanent or monthly pay to improve employees' exists. Worker Overall, incentives don't work straight consequence on worker performance, however, insufficient incentives bringing little gratification level and growth absenteeism and turnover in workers (Torreed, Pelagatti M, Solari L. 2015). So would have to prudently project incentive platform. Every employee may have a phone on the benefit platform, many forms of compensation, including care and entertainment payments, etc. accepting them to the employment and requiring them to engage in an activity, giving them a day or regular payments each month, and thus. While determining on the remunerations platform, do ruminate the related outlays. A fine created a salary and incentives strategy supports to entice, stimulate and maintain aptitude in an organization. A fine calculated reimbursement &welfares strategy will benefit a company's or firm according to the following criteria

(World at work, Deloitte consulting LLP.2012).

1. Job satisfaction:

According to the Worker reward and Reimbursements Pre and Post COVID-19 study, an analysis by SHRM (2018) revealed significant relationships between pay and benefits and work satisfaction. If they receive reasonable reward in return intended for them services, employees must be fulfilled by their positions and would need for work for such a company.

2. Motivation:

Is, needed for everybody. Some of us help for the corporation since we want the greater compensation because we desire cash. Several individuals value achievement more than cash, and they select toward effort for corporations that deliver superior chances for improvement, learning, and growth. Workers are extra matching to impression stimulated to perform in the anticipated way by a reimbursement proposal that encounters their demands.

3. Low Absenteeism:

Staffs will have the ardor and motivation must be steady at exertion rather than spending time spent not working, when worker's compensations are properly managed. Even though some people prefer to be idle at work, when they are treated nicely, they will contribute.

4. Low Turnover:

Extended to they are preserved soundly and receive their salary in a suitable manner; employees won't want to work for any other company. As a result, there won't be much turnover among the staff. The following are some advantages of a good remuneration package for employees: 1. Stability: if our workforces have a variety of insurance preferences, they can allay some of their concerns. Finally, our staff members are currently working more comfortably. 2. An increase in confidence: Everyone wants their efforts to be recognized. If they are fairly compensated, employees would have more confidence in their skills and abilities.

As a result, their quality of presentation soars

Generally from researcher point of view insufficient benefits bringing low pleasure level and rise absenteeism and turnover in staffs, so employees today lack eagerness to get only money alone, 'Further' is what they expect. This further is accepted as worker compensations. Likewise called fringe reimbursements, member of staff inducements are non-cash form of reimbursement accessible in addition to money salary to improve employees' lives. May argument is a well created a salary and benefits strategy supports to attract, stimulate and maintain talent in an organization.

2.1.9. Employees performance

As Brown (2008) described performance as how well a person completes tasks and also the attitude with which he/she completes the tasks. According to Hersen (2004), job performance can be defined and assessed in terms of quantifiable outcomes of work behaviors such as amount of sales, numbers sold and also in terms of behavioral dimensions which may include work-related communication, decision making, problem solving among other skills. On the other hand Baldwin (2008) defines performance as carrying out actions efficiently and effectively to meet agreed job objectives by using skills, ability, experience and so forth, to perform the assigned task required by their subordinate with effectiveness and efficiency.

It also means that is the ability to achieve organizational goals more effectively and efficiently. Employee performance depends on many factors like motivation, training, good leadership, positive relationship among employees and the leaders, positive relation between co-workers in particular and the physical and the psychosocial work environment in general. The performances of public sector organizations depend on the performance of their employees. If the above things are fulfill all the employees of an organization are working as a team, where employees work in accordance with their skills and competencies and in harmonization with one another to realize organizational objectives (Khan, 2008).

According to Kinicki and Kreitner (2007) employees are more likely to bend to absent and turnover if they are not satisfied and hence de motivated to show superior performance. Employee performance is higher in happy and satisfied employees and the management found it easier to motivate high performers to arrive at firm targets. Inform that the duty of any organization managers to ensure that the organizations strive to and thus achieve high performance levels. This implies that managers have to set the desire levels of performance for any periods by setting goals and standards against which individual performance. Organizations

make sure that their employees contributing to producing high quality products and/or services through the process of employee performance management. This management process can enhance and encourage employees to get involved in planning for the organization, and therefore participate by having a role in the entire process thus creating motivation for high performance levels. It is important to note that performance management includes activities that ensure that organizational goals are being consistently met in an effective and efficient manner. Performance management can focus on performance of the employees, a department, processes to build a product or service, etc.

2. 2. Empirical Literature Review

According to Lemessa Duffera (2012) he reveals the compensation management practices of CBE, as employees perceive they are treated equally both internally and externally. In addition, most of the staffs are inspired with CBE non-financial compensation than financial compensation.

Aktar, Sachu, and Ali (2012) observed the effects of pay, educational privileges demanding job, and development of a career or business. Financial inducements (rudimentary pay and piece of bonuses) are given to employees based on their performance in 12 Bangladeshi commercial banks. According to the study, both intrinsic and extrinsic rewards have extremely relevant factors that influence employee performance. A research was also conducted by Alem Eyob (2015) on Assessment of recompense management practices in Commercial Bank of Ethiopia. Financial and non-financial compensation benefit practices of the bank are assessed from several recompense management dimensions. In doing this, the arrangement, limpidity, equity, fairness, effectiveness, litheness, and some other aspects of the existing reward practices are valued based on employees' opinion.

In contrast, Yasmeen, Farooq, and Asghar's (2013 Pakistani research According to a study on "the effects of rewards on organizational performance," there is little to no correlation between organizational success and compensation or gratuity. Though, it was showing that advancements and organizational achievement have a poor to sensible relationship. According to Eastman's (2009) research, making innovative effort is continuously preferred by interior motivation while disapproving by extrinsic inspiration. A innovative prototypical of knowledge-sharing enthusiasm was projected by Gagne (2016), and it bids design recommendations for five crucial human resource administration (HRM) practices, including employing work planning and execution and reward systems, managing styles, and training. As to Ali and Ahmed (2009), there is a typically important relationship between inspiration and

motivation/and gratification in addition to prize and acknowledgment, correspondingly. Their finding revealed that variations in worker appreciation or prizes have to be touch in what way encouraged and pleased persons were at work. Due to employee preferences for specific inducements, formal engagements undermine the viability and competency of many financial inducements (Mccollun 2003). Following that, firms must be advised to research these barriers before deciding whether to make changes to their current enticement programs. This is mostly significant for service rendering businesses meanwhile, according to Diener (2021), non-monetary rewards given on their own don't always have the same impact on task performance that money reinforcements do. For them, a composite strategy yields even better outcomes. A comparable study by Henema (2018) indicated that budgetary inducements augmented job enactment by 23%, public appreciation augmented job presentation by 17%, and reaction occasioned in an improvement of 10%. Enactment was raised by 45% when completely the three procedures of reinforcement were used concurrently. However, Henema (2018) argued that group incentive programmed typically work well in circumstances related to the commercial sector. In general, the traits of the incentive scheme, the business, the groups, and the definite crew members he assessed all affect how successful compensation is.

From the previous researcher point of view being agree both intrinsic and extrinsic rewards have extremely relevant factors that influence employee performance. While extrinsic motivations somehow have high relevant factor in business and service organization instead of intrinsic motivation .generally financial rewards are more valuable than on financial reward in most organization. But not agree Yasmeeen, Farooq, and Asghar's(2013 Pakistani research on the effects of recompenses on structural enactment/performance found that there is little or no correlation between organizational success and salary or bonus.

2.3. Conceptual Framework

Financial compensation is defined as the management of pay, reward, remuneration, or salary as mostly used by an organization. According to Grffin(2012), compensation is a monetary reward given by the organization for employee performance.

Non-financial remuneration includes any methods other than cash pay for employees, such as paid time off, business travel, recognition, health insurance, flexible scheduling, and promotions (Armstrong. 2012).

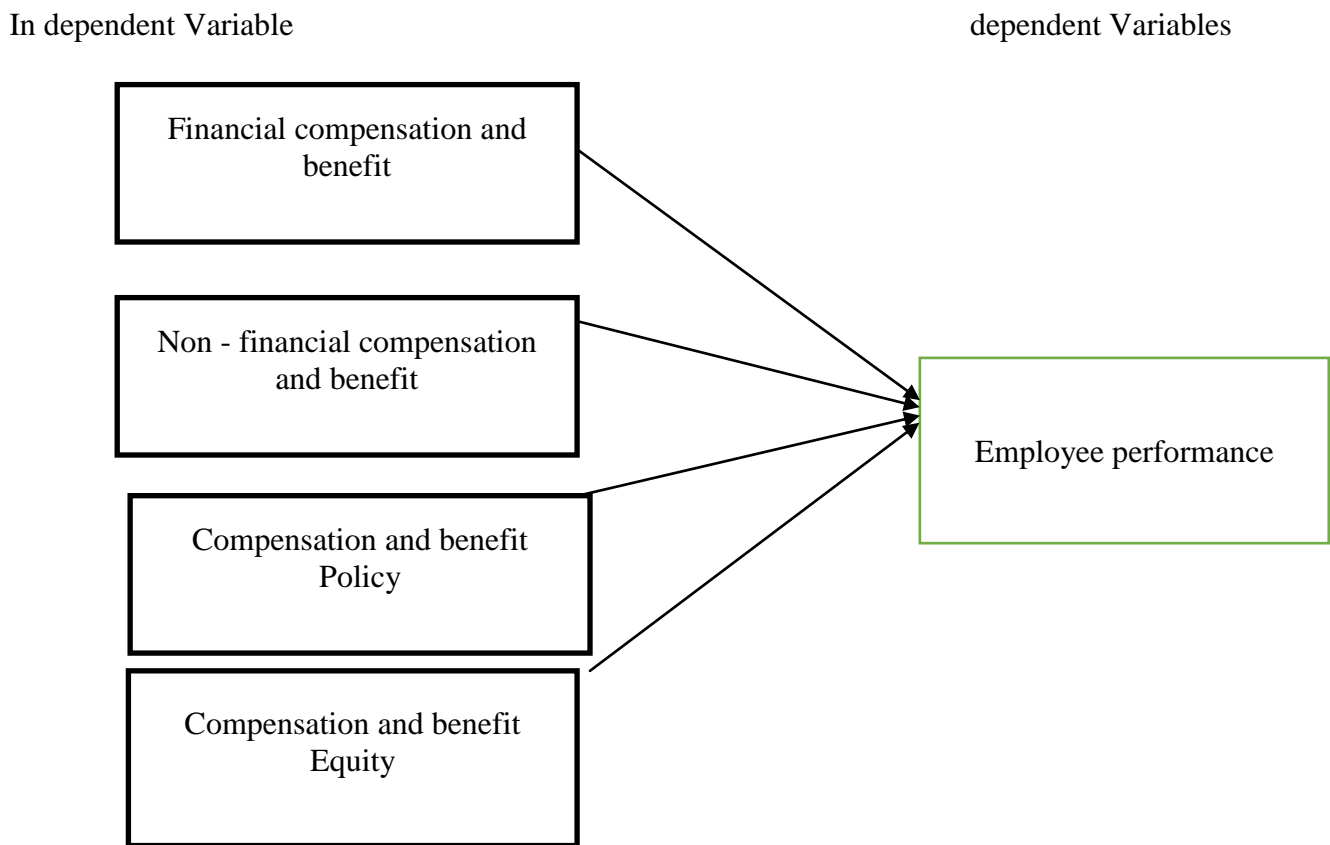
The pay and benefits policy (Hear after compensation policy) defines the less common usage of the reimbursement components in business, how they are used, and the circumstances for the employees so that the reward component can be useful in each situation. The

compensation policy is one of the most read and discussed internal regulations in the company since it influences how much each employee is paid (Martocchio, Joseph. 2017).

Equity theory endorses that a manual worker discerns their contributions to the business, what they receive in line with their expectations, and the manner in which their come-promise measurable connecting (Greenberg, J. 2010).

In a conceptual framework, relationships between study variables are organized into ideas, and these relationships are then explicitly or diagrammatically represented (Mugenda &Mugenda, 2015). The conceptual model as implies under this was designed seriously by the investigator or researcher later on reviewing the various articles or literature.

Figure 1: Conceptual Framework



As we have seen the above figure the relationship between those compensation and benefit package and employ performance the frame work show as when financial and non- financial compensation are increase employee performance will be increased then productivity will be high. As this framework sees inverse relationship between independent variable and dependent variable, when employee performance is enhanced bank profitability will be grow, then the bank pay capacity would be high so evolved from this consequence employee satisfaction will be increased.

When compensation policy are well formulated and designed as well as properly implemented employees will be more encouraged and motivated as a result of this employee's performance or productivity will be enhanced.

As this frame work sees compensation and benefit equity are properly ensured employee's satisfaction will be increased, because of this employee performance or productivity will be enhanced.

2.4. Operationalization of variables

2.4.1. Financial Compensation and benefit

As Dessler (2014, 2019) direct financial compensation is occasionally typically inadequate to the straight monetary reimbursements that the staff receives every 30 days on a dual or weekly basis as a regular payment for services rendered as employees of a certain establishment. But direct monetary reward is properly stressed within the business; it will enable to increase worker efficiency or outcome. It may even take the standard form of gratuity, in which employees of the company are given the chance to have personal stakes in the company to which they contribute and which they must maintain steadily over time in order to achieve certain divided in the form of fairness on their dividends.

2.4.2. Non - financial compensation and benefit.

Non-financial remuneration includes any methods other than cash pay for employees, such as paid time off, business travel, recognition, health insurance, flexible scheduling, and promotions. These can improve worker productivity when implemented appropriately factors (Greenwald and Fronstin 2019).

2.4.3. Compensation and benefit policy

The pay and benefits policy (Hear after compensation policy) defines the less common usage of the reimbursement components in business, how they are used, and the circumstances for the employees so that the reward component can be useful in each situation. The compensation policy is one of the most read and discussed internal regulations in the company since it influences how much each employee is paid. Every worker is curious about the arrangement of the wage and total amount of money that can be earned by the company (Ducan S. 2019).

2.4.4. Compensation & benefit Equity

Equity theory endorses that a manual worker discerns their contributions to the business, what they receive in line with their expectations, and the manner in which their come-promise measurable connecting. Compares to individuals both inside and outside the institute,' endorse in any situation they persuade it to serve as their trade group. Acknowledgments of injustice are a factor predicted to cause staff to need happenings to recuperate worth. If an employee notices a difference; they would go to remedy the unfairness. The worker might produce less or their professional standards. Obstinate inequities will reason an increase absenteeism and even turnover from the company (Adams, J.S. 2013).

2.5. Pervious research Gap

The previous researchers Mugizi,W, R, wothumio,J and Amwing that studied about compensation in 2021 they used Cross- sectional research design but this study used both descriptive and explanatory study. So it has to be a fundamental difference between the current and the previous study. And also the previous study used questionnaire for data collection instrument, but this study used both questionnaire and interview and also the current research was administered by with one supervisor but the previous study was administered by only himself without supervisor. Additionally the current study used stratified random sampling but Mugizi,W,R, wothumio, J and Amwing they used simple random sampling techniques. The other unique part of this study from Gebrlew Getachew Hailu he studied about compensation in 2017 he used only questionnaire in data collection instrument, but the current study used both questionnaire and interview.

Chapter Three

3. Research Design and Methodology

3.1. Introduction

This designates the coherent sequence of approaches and processes that would be worked in gathering information as well as the validation of the picks and their use. This would embrace the area of the investigation, research design, the target population and the sample size, the research instruments used, reliability and validity of the instruments, data collection procedure and data analysis.

3.1.1. Institutional Area

Due to the fact that traditional financial institutions largely favor urban areas with adequate physical infrastructure while under serving rural areas, Ethiopia has very poor financial service coverage. In the past, "Equbs" and "Idirs" have been unofficial organizations that are integral to community life and, to a certain extent, have met the financial demands of rural society. A cooperative bank needed to be established due to the country's formal financial institutions' resistance and limited capacity to serve rural communities, the demand-supply imbalance that prevailed in the financial market, particularly in rural areas, farmers' awareness of the benefits of organizing into cooperatives, and the growing demand for financing cooperatives.

The crucial obstacle for maintaining the cooperative institutions and, ultimately, the farmers, appeared to be finance. All of these hiccups were the catalyst for the founding and establishment of Cooperative Bank of Oromia.

Because he believed that working together is the most effective approach to combat poverty, Haile Gebre Lube, who is known as the founding father (proponent) of Ethiopia's cooperatives, offered the concept of forming the bank. The bank was formally established with a project office in 2002, and the majority of shareholders were cooperative societies. The bank started operating in March 2005 after receiving a commercial license in October 2004. The bank was registered in line with Article 304 because there are no legal requirements that permit the establishment of a cooperative bank in the nation. Thus a private commercial bank in Ethiopia is called Cooperative Bank of Oromia. Cooperative Bank of Oromia was established on October 24, 2004, with a paid-up share capital of birr 112 million and an

authorized capital of birr 300 million. The bank now has more than 630 branches across the nation, 10 million customers, and more than 11,500 employees. Among those the hole employee or population the study was consider only 1078total population in head quarter .This study was delineated only the headquarters of the bank that situated near Africa Avenue and Flamingo in Addis Ababa (Cooperative bank of Oromia annual manual, 2014).

3.1.2. Research Design

The study design creates it conceivable line of the study for the investigator to answer to the important questions. As Saunders (2019), the research design pursues the standard of the scientific manner and is behavior with in a controlled atmosphere or situation. The effectiveness of the study design depends on the study's goals, the sources of data that are available, how much it will cost to collect the data, and the amount of time that is available. Therefore, this study used deep descriptive and explanatory research design. Descriptive research design would be chosen is more applicable to assess the reality of the circumstance which allow or enable to express the implementation level of compensation and benefit packages through the process of assessing and describing the topic. Furthermore explanatory research design enables to examine the relationship between dependent and independent variables to examine untouched findings with in area of the study.

3.1.3. Research Approach

This study used both approaches, which combines quantitative and qualitative research approaches, makes it possible to establish accurate and pertinent information. Quantitative research enables to measure an impartial of arithmetical examination of statistical figures to comprehend and elucidate. Quantitative method is going to be enables to the questionnaires to be filled by the workers of the bank.

According to (Sekaran, 2019) A nuanced and comprehensive image of the phenomenon under study is constructed through the process of qualitative research, which is carried out in a natural environment. Therefore, the open-ended interview questions for administrators should use a qualitative approach and employees of the Africa Avenue and Flamingo head quarter and HRM Department at Head Office. The mixed strategy of study approach is acceptable since, as supported by Tashakkori and Teddlie (2013), it has the superior benefit of making up for the shortcomings of the other.

3.2. Population and Sampling Technique

3.2.1. Population

According to Mugenda (2015), as long as the sample was carefully chosen among the associates of a certain demographic, a sample size of 20 to 30 percent is sufficient. The population size of this study had taken or incorporated both Managers and the staff of cooperative Bank of Oromia. The population of the research had taken from Africa Avenue and Flamingo head quarter and HRM Department at Head Office as study area. Additionally, workers who worked in the bank for a less than 12 month and temporary (contract) workers had not encompassed, because it is assumed that they lack the necessary skills to discern the organization's compensation and benefits practice, strategies and performance evaluation undertakings. Therefore, 1078 permanent workers with at least one year of experienced staff members were the study's target group.

3.2.2. Sampling Technique

The researcher used Yaro Yamane's (1969) formula for calculating sample size, which was quoted in Obasi and Ekwueme (2011), Belayne wasie, Electronic commerce (2012), and Andualem Shimelis Workuneh/June, 2017. The sampling technique used in this study was stratified random sampling for quantitative data collection processes. This approach is the best suitable, most representative and accurate because it provides same likelihood of selection to be able to realize the needed representation from sampling frame/edge. The employees of the organization were stratified by their departments: like that stated below on the table. From each department had to be select respondents by using simple random sampling .But qualitative data collection processes was made purposive sampling methods by using 8 informants among 283 exact sample sizes. This technique was used for this study to hand pick or select specific respondents by using judgment sampling techniques when the researcher make designed choices in their sampling design through interview .The actual sample size from the total number or 1078 employees was 283. However this study took exact sample of 283 employees, because of to keep up accuracy and validity of the research result.

The Sample is determined using Slovin's formula (2016).

$$n = \frac{x^2 Np(1-p)}{d^2 N - 1 + x^2(1-p)}$$

Where:

$$N=1078 \quad P= 0.5= 1-P=0.5$$

$$X= 95\%= 1.69 \quad d = 0.05$$

$$\frac{1.69^2 \times 1078 \times 0.5 \times 0.5}{0.05^{2 \times 1077} + 1.69^2 \times 0.5} = 1,035 / 3.653 = 283$$

Table 3.2.2: Show sample of Population

S/N	Department	Total No of employees	Sample frame
1.	Banking operation process	158/1078 x283	41
2.	Cooperative and agricultural banking process	33/1078 x283	9
3.	Credit appraisal and portfolio mgt. process	37/1078 x 283	10
4.	Finance and facilities management process	198/1078 x283	51
5.	Human capital and projects management process	85/1078 x283	22
6.	Information system process	86/1078 x283	23
7.	Interest free banking process	54/1078 x283	14
8.	Internal audit process	46/1078 x283	12
9.	Legal service	18/1078 x283	5
10.	President office	6/1078 x283	2
11.	Retail and MSEs Banking process	22/1078 x283	6
12.	Risk and compliance Mgt. process	28/1078 x283	7
13.	Strategic and marketing process	46/1078 x283	12
14.	Technologies and Digital Banking process	193/1078 x283	51
15.	Corporate Banking process	68/1078 x283	18
	Total	1078	283

Source: Sample survey 2023

3.3. Source of Data and Data Collection Tools

3.3.1. Primary Data Sources

Both primary and secondary data sources were used for this study. Interviews and questionnaires were the main data sources. But first questionnaire was distributed to employees and management then the interview was conducted with management only. A questionnaire with closed-ended questions had been used in data collection. The uses of closed-ended questions were aid in obtaining sufficient responses and in controlling response time. That means respondents had been choose the alternative response that best fits their assessment from a list of possible ones provided by the closed-ended questions on questionnaires. On the other hand, open-ended questions had blank spaces next to them where respondents can fill in their thoughts in their own words through interviews. The main included intense of questions on the questionnaire was focused largely on the scope of compensation and benefits administration practice. To collect and administer questionnaire the researcher had been used one assistant supervisor, because of the large size of sample size. The processing and analyzing of the questionnaire was done by the researcher together with supervisor for the purpose of retaining research result accuracy. Sample employees working was receive a questionnaire with a five-point Likert scale that includes strongly disagree, disagree, neutral, agree, and strongly disagree at Africa Avenue and Flamingo head quarter and HRM Department at Head Office.

3.3.2. Secondary Data Sources

Relevant information had to be taken and assessed from recorded documents, circular reports and other records available published documents and articles, collective agreements, annual reports that comprise vigorous information about the compensation and benefits administration practices.

3.4. Methods of Data Analysis

Data psychoanalysis is the act of plotting or schematizing, elucidating/translating, and seriously considering the data gathered so that the researcher can create reliable findings and suggestions and practices of using a methodical, prearranged way for solving challenging concern in commerce company (Sekaran, 2019). The data was processed and analyzed manually and mechanically. Because manageable size of the data the researcher applied field editing rather than in house editing.

The descriptive statistical results collected quantitative information was made coded, analyzed and interpreted and the qualitative one was analyzed using content analysis based on their similarity. Cooper and Schindler (2014) remarks that the employs of percentages is significant for two reasons; 1st they make things easier data by plummeting all the numbers to range between 0 and 100. 2nd, they interpret the data hooked on standard form with a base of 100 for comparable comparisons on regression statistical result. Descriptive figures such as frequencies, percentages and tables were produced. Quantitatively, to or alleviate the problems under consideration and to the credibility of the data tabulation method was earmarked. According to Duncan C. and Dennis H. (2004), correlation coefficient can range from -1 to +1. The value of -1 represents a perfect negative correlation while a value of +1 represents a perfect positive correlation. A value of 0 correlations represents no relationship. The results of correlation coefficient interpreted as follows.

Multiple regression analysis takes into account the inter-correlations among all variables involved. This method also takes into account the correlations among the predictor scores. It is more than one predictor is jointly regressed against the criterion variable (Cohn & S,werdlik, 2002). This helps to assess the influence of compensation and benefit administration practice on employee's performance. Qualitatively, the description and explanation was under taken to the response of the respondent.

3.5. Pilot Study

To determine the questionnaires' validity and reliability, this study was pretest them. In order to prevent bias, the pre-test examination would consist 8 number of respondents had taken from the relevant Cooperative Bank of Oromia head office those had been high level of educational status qua staffs whom were participating in the primary study. During these pilot study any ambiguity, error, oversight, omission and vagues questionnaire construction were properly arranged and refined.

The cronbach's alpha result for the pilot test shows the following results.

Table 3.5: shows cronbach alpha results

Variables	Cronbach's Alpha	N of Items
Financial compensation	.802	5
Non - financial compensation	.915	5
Compensation policy	.756	5
Compensation equity	.701	5
Employee performance	.954	3

Source: Sample survey 2023

According to Sekaran (2005), if the cronbach's alpha is less than 0.7 the instrument is open to error so that low reliability and unacceptable. If the alpha value is more than 0.7, the instrument is high reliability and acceptable. As it is calculated from the pilot test the value of the variable or the elements in the pilot test the reliability of the instrument is revealed above 0.7 which is acceptable. Each element contained questions, which were designed to elicit responses. All the items in these sections had the five point Likert scales, with responses ranging from strongly disagree (1) to strongly agree (5).

3.5.1. Validity Test

According to Frankel and Wallen (2017), the level of validity is related to how closely they adhere to standards that are used to create insight or facts. It speaks of the range that a tool is being able to measure or should have measured. A measurement device's ability to change directly from appraisal of the alike constructor not directly from an inverted construct to some extent is known as concurrent validity. By contrasting the test with one that is already legitimate, it is possible to demonstrate the test's validity. A test's ability to include or refer to all of the information in a given construct is what is meant by content validity. Therefore, the

researcher checked the validity of the research instruments by asking advisors and other persons who have research knowledge.

3.5.2. Reliability test

In this study, the test-retest methodology used to evaluate the reliability or dependability of the investigation instruments. The eight responders were got the questionnaires twice over the course of a week. Test-retest reliability, parallel forms reliability, decision consistency, internal consistency, and interpreter reliability are just a few of the methods used to determine test reliability (Kumar, 2017).

The investigator was then comparing the outcomes of the two events to determine whether there is a connection between the answers (Kumar, 2005). Since it is easier to implement, the test/retest strategy is recommended over the internal consistencies method for determining dependability. In practice qualitative data was measure on one day would be strongly correlated with a measure had taken on other day then content analysis used.

3.6. Ethical consideration

The first ethical issue of this study was started from wrote litter of consent from the university and the bank was accept that question. The researcher was described no harm in this research, that study possess to the respondents, and the author was assured them that only academic research would be done with their data. The selected respondents were possess the option to reject or remove from intervene which ever throughout the study epoch, the researcher made clear. Then the respondents were not being forced to take part in the study. The decision to participate or not would had been made by the participants after they had signed informed permission. They would be given the assurance that a stringent norm of anonymity was preserved their privacy.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATIONS

Introduction

This chapter deals with analysis and presentation of the collected data from primary data source. Primary data sources mainly used are questionnaire and interview. The accurate sample size was 283 employee of the organization among 1078 total population. But Due to reserve un collectable data expectation the researcher add 7 questionnaire within 283 sample size, this means the questionnaires were distributed to 290 employee of the organization .Among selected these respondents 283(100%) returned the questionnaire and 7(2.5%) questionnaire were un collected. The researcher used simple random sampling to select employees qualified and those have more understanding about compensation and benefit practice with the organization among those stratified. The researcher conducted interview with the managers only. After collecting the distributed questionnaire, the researcher conducted with the interview. In addition, literature review part, secondary data was used in this analysis and articulated from different articles that were related to the research questions.

4.1. Employee Personal Information

Frist of all demographic characteristics of the respondents that were their gender, age, educational qualification, work experience and monthly income were analyzed and availed. Secondly, the questionnaire and interview responses for each question are analyzed as follows.

Table 4.1: Gender, age and educational qualification of respondents

No	Demographic Feature	Gender	Frequency	Percentage
1	Gender of Respondents	Male	152	53.7%
		Female	131	46.3%
		Total	283	100%
2	Age range of respondents	Age range	Frequency	Percentage
		Between 18-30	152	53.7%
		Between 31-40	50	17.7%
		Between 41-50	41	14.5%
		Between 51-59	40	14.1%
		Total	283	100%
3	Educational Background of Respondents	Educational Qualifications	Frequency	Percentage
		Diploma	40	41.1%
		Frist degree	111	39.2%
		2 nd degree and above	132	46.6%
		Total	283	100%
4	Work Experience Of respondent	Below 5 years	117	41.3%
		6 up 10	81	28.6
		Above 10 years	85	30%
		Total	283	100%
5	Employees Monthly Income	Monthly Income	Frequency	Percentage
		Below 3000	1	0.35
		From 3001- 6000	21	7.4
		From 6001- 9000	28	9.9
		From 12001- 15000	50	17.7
		Above 15000	183	64.7
		Total	283	100%

Source, Author’s Study (2023)

As table 4.1.Item no.1.reveals that among 283 (100%) respondents, 152(53.7%) and 131 (46.3%) were males and females respectively. *The researcher concluded that males and females were relatively equal. So the bank has been proceeded gender inclusiveness.*

As above table item no.2: reveals that the age the respondents among 283 (100%), 152(53.7%) and 50(17.7%) of respondents were between18-30 and between31-40

respectively. The rest 41(4.5%) and 40(14.1%) of the respondents were between 41 - 50 and between 51- 59 respectively.

From this finding the researcher can conclude that most of the employees of the bank were young and adults, energetic and easy to motivate.

As above table item no.3: shows us, regarding to the educational status of the respondents 132 (46.6%) were 1st degree holder and 111(39.2%) respondents were 2nd degree and above holders. And the remains 40 (41.1%) of respondents were diploma holders.

From the above discussion results one can conclude that most of the employees of the bank were well educated.

As shown the above table item no.4. Concerning about the experience of the respondents ample of respondents that is 117(41.3%) was below 5 years. The rest respondents that were 81(28.6%) responded as between 6 to 10 years' experience and 85(30%) of respondents were responded as above 10 years experiences.

As above Table item no.5. Show us, among all them 183 (64.7%) and 50(17.7%) of respondents have above 15000 and between 12001- 15000 monthly income respectively. And 28 (9.9%) and 21(7.4%) of respondents are between 6001- 9000 and between 3001- 6000 respectively. Among all of them the remained 1 (0.35%) have below 3000 monthly Income.

4.2. Descriptive analysis

The descriptive statistical results were presented through tables by using variables mean scores results compressed picture of the data. The reason for using descriptive statistics was to compare the different factors. Besides Likerts five scale questionnaires, interview questions were analysed using descriptive narrations through concurrent triangulation strategy. Both quantitative and qualitative data were collected concurrently and then compares the results of two methods to determine if there is convergence, differences, or some combinations. This is used to offset the weaknesses inherent within one method with the strength of the other (Sekaran.2000).

A mean of 3.51 to 5, shows that the factor in question has been adopted by the responding organizations to a large extent, a mean of 2.51 to 3.5, shows the factor in question has been adopted by the responding organizations to a moderate extent and a mean of 1 to 2.5, shows the factor in question has been adopted by the responding organizations to a small extent (Mwilu.2013).

4.2.1. Financial Compensation

In this part of study the researcher would like to assess employee’s perception towards the availability and regularly delivered of basic pay, allowance and other financial incentives and salary increment based on performance, financial compensation related to employee morale and regularity of salary scale.

Table 4.2.1: respondents’ opinion towards issues under financial compensation

No	Financial compensation		SD	DA	N	A	A D	Mean	Std. Deviat ion
1	Do you agree that the basic pay bonus, Allowance and other monetary incentives is sufficient to make the one desire working	Freq	95	94	39	37	19	2.27	1.114
		%	33.6	32.9	13.8	13	6.7		
2	the bank provide salary increment, bonus, allowance and other incentives regularly	Freq	76	114	38	38	17	2.34	1.109
		%	26.9	40.3	13.4	13.4	6		
3	Salary increment is based on my performance	Freq	37	153	55	38	-	2.34	.870
		%	13	54	19.4	13.4	-		
4	Financial Compensation and benefits affects employee morale and effectiveness / productivity of an employee	Freq	-	150	98	35	-	2.60	.714
		%	-	53	34.6	12.3	-		
5	The bank revises its salary scale with a reasonable time period	Freq	-	131	97	36	19	2.81	.912
		%		46.3	34.3	12.7	6.9		
Aggregate mean value								2.472	

Source, Author’s Study (2023)

As it is show above table 4.2.1. in item no. 1 regarding to the question of sufficient availability of basic pay, allowance and other financial incentives significant respondents that were 95(33.6%) and 94(32.9%) responded as strongly disagree, disagree and 39(13.8%) of

respondents was respond as neutral. The other respondents that were 37(13%) and 19(6.7%) of respondents respond as agree and strongly agree respectively.

As table 4.2.1: result indicated that the mean value of sufficient availability of basic pay, allowance and other financial incentives was (2.27) this result according to Mwilu (2013) small extent.

As its show item no.2 the above table concerning the issue of regularly delivering salary increment, bonus, allowance and other incentives plenty of respondents that were 114(40.3%) of respondents were responded as disagree and 76(26.9%) of respondents were responded as strongly disagree, 17(6%), 38 (13.4%) and 38(13.4%) of respondents were respond as strongly agree, agree and neutral respectively.

The mean result of about the question of regularly delivering salary increment, bonus, allowance and other incentives was (2.34) and this finding according to Mwilu (2013) small extent.

As its show item no.3 the above table majority of participants that is 153 (54%) of responded as disagree regarding to the idea of in the implementation of salary increment based on individual performance in the bank. The other respondents that were 37(13%) responded as strongly disagree, 38(13.4%) responded as agree and 55(19.4%) respond as neutral about the question of the implementation of salary increment based on individual performance in the bank.

The average value of the question of the implementation of salary increment based on individual performance in the bank was small extent that is (2.34). So, as the result depicted the implementation of salary increment is not based on individual performance.

As indicated item no.4.the above table 150(53%) of respondents are responded about that the issue of financial compensation and benefits affects employee morale and effectiveness in the bank were disagree. The rest respondents that were 35(12.37%) respond as agree and 98(34.6%) respondents are responded as neutral.

The aggregate mean result of concerning the compensation and benefits that affects employee morale and effectiveness in the bank is (2.60) which is moderate extent. From this the research can concluded that the bank is practiced the compensation and benefits that affects employee morale and effectiveness fairly (moderately).So the researcher concluded that the rising and decreasing amount of financial compensation and benefit coverage is not the cause of turnover and absenteeism, and also it is not motivational factor for the employees

As displayed item no.5.the above table the question asked whether the bank has reasonable timely salary scale revision or not, plenty of respondents that is 131(46.3%) were responded

as disagree. The other respondents that were 97(34.3%) responded as neutral, 19(6.9%) respondents responded as strongly agree and 36(12.7%) of respondents are respond as agree regarding to whether the bank has reasonable timely salary scale revision or not.

The mean result value of about the reasonable timely salary scale revision of the bank is (2.81) which is moderate extent.

Generally the aggregate mean value of the variable of financial compensation was (2.472) which low extent according to Mwilu (2013). From this finding one can generalized that the bank is not practiced in a good manner regarding to regularly delivered sufficient basic pay, allowance and other financial incentives and salary increment execute based on individual performance and also financial compensation related to employee morale and no regular implementation on salary increment, bonus and allowance.

Regarding to interview question about financial compensation and benefits administration practices look like at CBO, in line with the finding of descriptive results and the interviewee discussion findings depicted that the bank has not sufficient basic pay, allowance and other financial incentives and salary increment execute based on individual performance, the bank has not timely reasonable salary scale revision and also the bank does not make timely reasonable salary scale revision and also financial compensation and benefit was not affect employee morale and no regular implementation on salary increment, bonus and allowance. So the researchers concluded that the bank is not practiced sufficiently the financial compensation and benefits practices.

According to Gebrielu Getachew Hailu, (2017) Considering some dimensions of extrinsic rewards, majority of the respondents are not satisfied with the list of benefits that they receive, most of the respondents think that the bank doesn't revise its salary scale with a reasonable time period and the current pay system doesn't encourage better performance and much more than half of the participants disagreed that salary increment is based on their performance.

4.2.2. Non - Financial Compensation

It is important to see that practice and the implementation of non- financial compensation on employee. This section will show the practice of job design in terms of job rotation; flexible work schedule and flexible work schedule, good co- worker relation and this part assess good supervision, better working environment, fair employee treatment and regular employee praise.

Table .4.2.2: the practice and the implementation of non- financial compensation.

No	Non-Financial compensation		SD	DA	N	A	SA	mean	S/Devi ation
1	Job design in terms of job rotation, flexible work schedule and job sharing is part of the non-financial compensation are practiced at CBO	Freq	116	101	12	24	30	2.12	1.118
		%	41	35.7	4.2	8.5	10.6		
2	Good co- worker relation and good supervision is part of the non-financial compensation are practiced at CBO	Freq	62	161	6	24	30	2.29	1.106
		%	21.9	56.9	2.1	8.5	10.6		
3	Do you agree that better working environment like seating, lighting, noise, recognition and Career development or promotions are properly implemented CBO	Freq	6	205	12	18	42	2.59	1.103
		%	2.1	72.4	4.2	6.4	14.8		
4	My manager treats all employees fairly	Freq	-	71	158	30	24	3.02	.835
		%	-	25.1	55.8	10.6	8.5		
5	I am praised regularly for my work	Freq	-	95	164	12	12	2.79	.711
		%	-	33.6	58	4.2	4.2		
Aggregate mean value								2.562	

Source, Author’s Study (2023)

As displayed above table 4.2.2: item no.1. whether respondents believed that bank implement job design in terms of job rotation, flexible work schedule and job sharing, plenty of respondents that is 116 (41%) and 101(35.7%) are responded strongly disagree and disagree respectively. Significance of respondent that is 30(10.6%) and 24(8.5%) were respond strongly agree and agree. The remained 12 (4.2%) of respondents are responded neutral about the bank implement job design in terms of job rotation, flexible work schedule and job sharing.

The aggregate mean result of concerning the bank implements job design in terms of job rotation, flexible work schedule and job sharing is (2.12) which is low extent according to

(Mwilu2013). From this finding one can generalized that the bank has not good implementation in job design in terms of job rotation, flexible work schedule and job sharing. As it is show the above table item no.2.concerning the issue of good co- worker relation and good supervision, plenty of respondents that is 161 (56.9%) were respond disagree and 62 (21.9%) were strongly disagree. Ample respondent that is 30(10.6%) and 24(8.5%) are responded strongly agree and agree respectively. A few of respondent that is 6 (2.1%) are answered neutral.

The mean result value of about the bank has good co- worker relation and good supervision is (2.29) which is low extent. From this finding one can generalized that the bank has not good co- worker relation and good supervision.

As it is show the above table item no.3. were asked for their opinion properly implementation of better working environment like seating, lighting, noise, recognition and Career development at the bank, majority of respondents that is 205(72.4.%) were respond disagree and a few of respondent that is 6(2.1%) are responded strongly agree. Significance of respondents that is 42(14.8 %) are responded strongly agree and 18(6.4%) of respondents are responded agree. But the other 12 (4.2.%) of respondents answered neutral about proper implementation of better working environment like seating, lighting, noise, recognition and Career development at the bank.

The mean result value of about the proper implementation of better working environment like seating, lighting, noise, recognition and Career development is (2.59) which is moderate extent. From this result one can generalized that the bank has good co- worker relation and good supervision.

As it is show the above table item no.4. Whether respondents believed that there were or not fair treatment by the supervisor, most of respondent that is 71(25.1%) are responded disagree and 158(55.8%) of respondents are responded neutral. Significance respondents that is 30(10.6%) are responded agree and 24 (8.5%) of respondents are responded strongly agree about employee fair treatment by the supervisor.

The average value of the question about the level of employee fair treatment by the supervisor is (3.02) which is s moderate extent. From this result one can generalized that the bank has fair treatment.

As displayed above table item no.5. Whether respondents believed that employee praised regularly them work performance, majority of respondents that is 95 (33.6%) were respond disagree and 164 (58%) of respondents are responded neutral. The remained of respondent that is 12 (4.2%) are equally respond strongly agree and agree respectively.

The mean result value of about employee praised regularly their work performance is (2.79) which is low extent. From this finding one can generalize that the bank has not good co-worker relation and good supervision.

Generally the aggregate mean value of the variable of non-financial compensation was (2.562) which is moderate extent according to Mwilu (2013). From this finding one can generalize that the bank is in a good manner regarding to the practice of job design in terms of job rotation; flexible work schedule and flexible work schedule, good co-worker relation and assessment of good supervision, better working environment, fair employee treatment and regular employee praise.

Regarding to interview question about non-financial compensation and benefits administration practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the bank has good job design in terms of job rotation; flexible work schedule and flexible work schedule, good co-worker relation and assessment of good supervision, better working environment, fair employee treatment and regular employee praise. And the bank is relatively more effective in providing intrinsic prizes than extrinsic.

So the researchers concluded that the bank was sufficiently practiced on the non-financial compensation and benefits practices. And also the researchers concluded that the bank is relatively more effective in providing intrinsic prizes than extrinsic, employees are motivated by non-financial compensation or intrinsic motivation factors relatively.

According to Ryzhova (2013) argued workforces are tremendously inspired to monthly rewards. But Most of researchers magnified extrinsic motivation that has been high motivational factors as compare as intrinsic motivation. For instance, a wage rise is necessary to be very important for workers' happiness according to a Tanzanian study (URT, 2010). According to Held, K. M. (2012) as stated on this study in literature review part the challenged the primacy of extrinsic motivating value by arguing that money is not the only factor in determining employee pleasure.

4.2.3. Compensation policy

It is important to see that necessary of *compensation policy*. This part will assess employee's perception towards the employee involvement on the design of total reward strategy and it shows availability of good compensation and benefit administration policy, availability of pertinent incentive plans, enough budget projection approach or policy and assessment of salary market movement control policy.

Table .4.2.3.availability of compensation policy:

No	compensation policy		SD	DA	N	A	SA	Mean	Std. Deviation
1	Do you agree that employee involve in the design of total reward strategy at CBO	Freq	87	74	109	9	4	2.18	.957
		%	30.7	26.1	38.5	3.2	1.4		
2	Does your organization have good compensation & benefit administration policy	Freq	69	117	85	4	8	2.17	.911
		%	24.4	41.3	30	1.4	2.8		
3	Does your organization have pertinent incentive plans	Freq	47	126	100	6	4	2.27	.812
		%	16.6	44.5	35.3	2.1	1.4		
4	Do you agree organization have enough budget projection approach or policy	Freq	18	124	129	10	2	2.48	.701
		%	6.4	43.8	45.6	3.5	.7		
5	Does your organization have salary market movement control policy?	Freq	61	173	41	4	4	2.00	739
		%	21.6	61.1	14.5	1.4	1.4		
	Aggregate mean value							2.22	

Source, Author's Study (2023)

As Table 4.2.3.item no.1.reveals, regarding to the question of employee involve in the design of total reward strategy, most87 (30.7%) and 74 (26.1%) of respondents are responded strongly disagree and disagree respectively. And plenty of respondents that are 109 (38.5%) were answered neutral. The remained 4(1.4%) and 9 (3.2%) of respondents are responded strongly agree and agree respectively. But among them 109 (38.5%) of respondents are respond neutral.

The mean result of about the question of employee involve in the design of total reward strategy was (2.18) and this finding according to Mwilu (2013) is small extent.

So this revealed most of employees are not involve in the design of total reward strategy at bank.

As the above Table item no.2.reveals, when respondents asked about the bank has good compensation & benefit administration policy; Majority of respondents that is 117 (41.3%) are answered disagree and 69(24.4%) are responded strongly disagree. Ample of a respondent

that 85(30%) were respond neutral. Among them few of respondents that is 8(2.8%) and 4(1.4%) are responded strongly agree and disagree respectively.

The mean result value of the bank has good compensation & benefit administration policy is (2.17) which is low extent. From this finding one can generalize the bank has not good compensation & benefit administration policy.

As the above Table item no.3.reveals, when respondents asked about the bank has pertinent incentive plans; most of respondents that is 126(44.5%) are answered disagree, and 47(16.6%) are strongly disagree. Significance of respondent that 100(35.3%) were respond neutral. The remained 4(1.4%) and 6 (2.1) are strongly agree and agree respectively.

The mean result value of about the bank has pertinent incentive plans is (2.27) which is low extent. From this finding one can generalized that the bank has not pertinent incentive plans.

As the above Table item no.4.reveals, when respondents asked about the bank has enough budget projection approach or policy; most of respondents that is 124(43.8%) answered disagree and 18(6.4%) are responded strongly disagree. Majority of respondents that is 129(45.6%) are responded neutral.

Among them few 2(0.7%) and 10(3.5%) are answered strongly agree and agree respectively.

The mean result value of about the bank has enough budget projection approach or policy is (2.48) which is low extent. From this result one can generalized that the bank has not enough budget projection approach or policy.

Most of respondents respond As the above Table item no.5.reveals,when respondents asked about the bank has salary market movement control policy; Most of respondents that is 173(61.1%)disagree and answered 61(21.6%) are answered strongly disagree. Significant respondent that is 41(14.5%) are answered neutral. Among them few respondents that is 4(1.4%) are equal answered strongly agree and agree respectively.

The average value of the question about the bank has salary market movement control policy (2.00) which is moderate extent. From this result one can generalized that the bank has not salary market movement control policy

Generally the aggregate mean value of the variable of the availability of compensation policy was (2.22) which is low extent according to Mwilu (2013). From this finding one can generalized that the bank is not in a good manner regarding to the employee involvement on the design of total reward strategy, compensation& benefit administration policy, pertinent incentive plans, enough budget projection approach or policy and regular salary market movement control policy.

Regarding to interview question about non- financial compensation and benefits administration practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings reflects that bank hasn't good compensation & benefit administration policy, the employee are not involve in the design of total reward strategy, the bank has not pertinent incentive plans and enough budget projection approach or policy, as well as hasn't salary market movement control policy.

So the researcher concluded that composition and benefits policy practices are low at Bank.

According to Shreme(2018), the compensation policy is one of the most read and discussed internal regulations in the company since it influences how much each employee is paid. Every worker is curious about the arrangement of the wage and total amount of money that can be earned by the company. The compensation policy is that the key instrument to discovering out the specifics about the components of reimbursement and the approach used to obtain the most cash possible.

4.2.4. Compensation&/benefit equity

This part will assess employee's perception towards, a creation of satisfied and motivated employee associated with fair and equitable Compensation and benefit administration program. And this section will show the practice of fair and equitable Compensation and benefit administration program. And also practical incident of turnover and absenteeism as result of unfair and inequitable Compensation and/benefit administration

Table .4.2.4.level of Compensation&/benefit equity

No	compensation equity		SD	DA	N	A	SA	Mean	Std. Deviation
1	I have fair and equitable compensation &/benefit in the bank	Fre	76	60	142	2	-	2.26	.863
		q							
		%	26.9	21.2	51.2	0.7	-		
2	Do you agree that fair and equitable Compensation and benefit administration program is a create satisfied and motivated employee explicitly	Fre	73	123	87	-	-	2.05	.752
		q							
		%	25.8	43.5	30.7	-	-		
3	unfair and inequitable Compensation and/benefit administration practice practically leads to turnover and absenteeism in the bank	Fre	50	138	95	-	-	2.16	.699
		q							
		%	17.7	48.8	33.6	-	-		
4	I am happy with the compensation and/ benefit administration practice of CBO	Fre	20	135	128	-	-	2.38	.615
		q							
		%	7.1	47.7	45.2	-	-		
5	Compared to the Banking Industry the Bank offers better salary and benefit packages	Fre	73	185	25	-	-	1.83	.564
		q							
		%	25.8	65.4	8.8	-	-		
	Aggregate mean value							2.14	

Source, Author's Study (2023)

As the above Table 4.2.4.item no.1.Discloses, when respondents asked about the bank has fair and equitable compensation&/benefit in the bank, most 76 (26.9%) and 60 (21.2%) of respondents are answered strongly disagree and disagree. Among them most 142 (51.2%) of

respondents are responded neutral relatively. But few of respondents that is 2 (0.7%) are answered agree.

The mean result value of about the bank has fair and equitable compensation &/benefit is (2.26) which is low extent. From this finding one can generalized that the bank has not fair and equitable compensation &/benefit.

As displayed above table item no.2. Discloses, when asked about the positive impact of fair and equitable Compensation and benefit administration program on employee motivation; Majority 123 (43.5%) of respondents are disagree and 73(25.8%) of respondents were respond strongly disagree. Remained 87(30.7%) are answered neutral respectively. But none of strongly agrees and agree.

The average value of the question about the positive impact of fair and equitable Compensation and benefit administration program on employee motivation is (2.05) which is low extent . From this finding one can generalized that the bank fair and equitable Compensation and benefit administration program has low impact on employee motivation.

As it is show the above table item no.3. Discloses, when asked about unfair and inequitable Compensation and benefit administration program practically leads to employee turnover and absenteeism; plenty of respondents that is 138(48.8%) are responded disagree and 50 (17.7%) were respond strongly disagree. Among all of them the remained 95(33.6%) are answered neutral. But similar to question no.2.none of strongly agree and agree.

The average value of the question about un fair and inequitable Compensation and benefit administration program practically leads to employee turnover and absenteeism is (2.16) which is low extent . From this finding one can generalized that unfair and inequitable Compensation and benefit administration program was not practically leads to employee turnover and absenteeism.

As it is show the above table item no.4. Discloses, when asked about employee happiness on compensation and/ benefit administration practice in the bank; majority of respondents that is 135(47.7%) were respond disagree and 20(7.1%) of respondents are responded strongly disagree. The remained most 128(45.2%) of respondents are answered neutral. none of strongly agree and agree.

The average value of the question about employee happiness on compensation and/ benefit administration practice in the bank is (2.38) which is low extent. From this finding one can generalized that employee not happiness on compensation and/ benefit administration practice in the bank.

As it is show the above table item no.5. Discloses, when asked about offers better salary and benefit packages as compere as the industry; plenty of respondents that is 185 (65.4%) were respond disagree and 73(25.8%) of respondents are answered strongly disagree. Among all of them the remained 25(8.8%) were respond neutral.

The mean result value of about the bank offers better salary and benefit packages as compere as the industry is (1.83) which is low extent. From this finding one can generalized that the bank offers better salary and benefit packages as compere as the industry was low.

Generally the aggregate mean value of the variable of the equity level of compensation and benefits practices was (2.14) which is low extent according to Mwilu (2013). From this finding one can generalized that the equity level of compensation and benefits practices was low.

Regarding to interview question about the equity level of compensation and benefits practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the result indicates there was no fair and equitable compensation &benefit like better salary, in the bank and Compared to the Bank industry, equitable Compensation and benefit administration program has low impact on employee motivation, that unfair and inequitable Compensation and benefit administration program was not practically leads to employee turnover and absenteeism. And this also most of employees were not happy with the compensation and/ benefit administration practice.

Generally the researcher concluded that the equity level of compensation and benefits practices is low. So there was no fair and equitable compensation &/benefit in the bank.

4.2.5. Employees' performance

This section would assess employee's perception towards timely employee work accomplishment; improvement of employee efficiency and also this part will analyses the employee acknowledgment from customer.

Table .4.2.5.level of employees' performance

No	Employees' performance		SD	DA	N	A	SA	Mean	Std. Deviation
1	I finish my work on time as it required	Freq	37	38	37	76	95	3.54	1.107
		%	13.1	13.4	13.1	26.9	33.6		
2	My efficiency is increase time to time	Freq	48	55	19	76	85	3.48	1.137
		%	17	19.4	6.7	26.9	30		
3	My customers are acknowledging me to the service which provides to them	Freq	22	36	35	57	133	3.88	1.105
		%	7.8	12.7	12.4	20.1	47		
Aggregate mean value								3.633	

Source, Author's Study (2023)

As displayed in Table 4.2.5.item no.1. Above 95(33.6%) and 76(26.9%) of respondents in the accomplishment of work on time; answered strongly agree and agree, 37(13.1%) and 38(13.4%) are strongly disagree and disagree respectively. Among them 37(13.1%) of respondents answered neutral.

The mean result value of employee accomplishment of work on time is (3.54) which is moderate extent. From this finding one can generalized that the employee accomplishment of work on time was high.

As displayed in above Table item no.2. Concerning the issue in the enhancement of employee efficiency, most of respondents that is 85(30%) and 76(26.9%) are responded strongly agree and agree respectively. And most 48(17%) and 55(19.4.9%) of respondents are answered strongly disagree and disagree. Among them the remained 19(6.7%) of respondents answered neutral.

The average value of concerning about enhancement of employee efficiency is (3.48) which is moderate extent. From this finding one can generalized that the enhancement of employee efficiency was high.

As displayed in Table 4.5 item no.3. Show us 133 (47%) and 57(20.1%) of respondents in the employee acknowledged by customer related to they provide service for them are answered strongly agree and agree. Ample of respondents that is 22(7.8%) and 36(12.7%) are responded strongly disagree and disagree respectively. Among all of the remained 35(12.4%) of respondents are answered neutral.

The mean result value of concerning employee acknowledged by customer related to they provide service is (3.88) which is moderate extent. From this finding one can generalized that the employee acknowledged by customer related to they provide service was high.

Generally the aggregate mean value of the variable of the employee performance was (3.633) which is moderate extent according to Mwilu (2013). From this finding one can generalized that employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to they provide service was high.

Regarding to interview question about the level of employee performance look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to they provide service was high.

As the result depict the researcher conclude that the employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to them provide service was high.

According to Baldwin (2008) and Brown (2008), defines performance as carrying out actions efficiently and effectively to meet agreed job objectives by using skills, ability, experience and so forth, to perform the assigned task required by their subordinate with effectiveness and efficiency. Performance as how well a person completes tasks and also the attitude with which he/she completes the tasks.

4.3. Results of Inferential Statistics

In this section Pearson's Product Moment Correlation Coefficient, simple regression and multiple regression analysis was computed. With the help of these statistical tools, conclusions are drawn with regard to the sample and decisions are made with respect to the research questions.

4.3.1. Pearson's Product Moment Correlation Coefficient

Pearson's Product Moment Correlation Coefficient was used to determine the relationship between work environments dimensions (physical and psychosocial work environment) and

employee performance. The following section presents the results of Pearson's Product Moment Correlation on the relationship between independent variables and dependent variable. The table below indicates that the correlation coefficients for the relationships between performance and its independent variables therefore, correlations are the measure of the linear relationship between two variables. Correlation coefficients are used to indicate the strength and direction of relationship. The p-value also indicated the probability of this relationship's significant.

Table.4.3.1. Correlation between compensation and benefit factors and employee performance

Correlations

		Financial Compensation	Non-financial Compensation	Compensation policy	Compensation Equity	Employee performance
Financial Compensation	Pearson Correlation	1	.894**	.658**	.754**	.870**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	283	283	283	283	283
Non- financial Compensation	Pearson Correlation	.894**	1	.299**	.659**	.882**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	283	283	283	283	283
Compensation policy	Pearson Correlation	.658**	.299**	1	.339**	.888
	Sig. (2-tailed)	.000	.000		.000	.000
	N	283	283	283	283	283
Compensation Equity	Pearson Correlation	.754**	.659**	.339**	1	.758
	Sig. (2-tailed)	.000	.000	.000		.000
	N	283	283	283	283	283
Employee performance	Pearson Correlation	.870**	.882**	.888	.758	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	283	283	283	283	283

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

As the above table 4.3.1 indicate that, there is positive and significant relationship between financial compensation and employees performance ($r = .870$, $p < 0.05$). The correlation result showed that non-financial compensation and employees performance, compensation policy and employees performance, and compensation equity and employees performance shows positive and very strong significant relationship since the r value .882, .888, and .758 $P < 0.05$.

This according to Alwadael (2010) the 'r' value greater than 0.75 indicates very strong association between the two variables. Standing from this point this finding showed that the existence of strong association between compensation and benefit factors and employee performance.

Based on this result compensation and benefit factors is a vital to enhance the performance of employees. In line with this study the past study Ismail (2010) revealed the existence of strong relation compensation and benefit factors and employee's performance, compensation and benefit factors strongly influences employee's performance.

Therefore, this indicate that according to Alwadael (2010) compensation and benefit factors has very strong relation with employee performances. The finding result showed that strong and positive relation between dependent and independent variables, which means when a compensation and benefit factor is good (conducive) employee performance, is increase. This finding confirms to the previous studies Shrestha (2007) described the existence of positive relationship between compensation and benefit factors and employees performance. This means that improving compensation and benefit factors result in decrease complaints, absenteeism and increase performance. Vischer (2008) knowing the compensation and benefit factors is vital and considered to be the most important issues in the contemporary and future organizations to achieve its objective. In consistent with this study, the previous study by Gitah, (2014) show that the existence of direct and positive relationship between employees performance with compensation and benefit factors.

4.3.2. Multiple Regression

In order to determine how compensation and benefit factors can influence employee performance multiple regressions was used.

Table 4.3.2: Multiple regression models of compensation and benefit factors.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.945 ^a	.893	.892	.30627

a. Predictors: (Constant), Compensation equity, Financial compensation, non- Financial compensation and Compensation policy

Source: SPSS output from survey data, 2023

Table 4.3.2.revealed that, the correlation between the observed value of performance and the optimal linear combination of the independent variables (compensation equity, financial compensation, non-financial compensation and compensation policy) is 0.945, as indicated by R. In addition to this R square and adjusted R square value of the multiple regressions is 0.893 and, 0.892 respectively. This means that 89.3% of employee performance is explained by compensation and benefit factors, while 10.7% of variation in employee performance can be attributed to other variables which are not considered in this study. This represents a good fit since the rule of thumb has it that an R-square between 60% and 69% represents a good model according to Dawsen (2009).

4.3.2.1. Analysis of Variance /ANOVA/

Table 4.3.2.1 ANOVA Analysis

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1256.332	4	314.083	926.925	.000 ^b
Residual	3242.898	278	11.665		
Total	4499.230	282			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), Compensation equity, Financial compensation, non-Financial compensation and Compensation policy

Source: SPSS output from survey data, 2023.

The F-statistic of 926.199 at 4 and 278 degrees of freedom (df) is statistically significant at 99% confidence level; which implies the variation in employee performance that is explained and influenced by compensation and benefit factors is statistically significant.

Table 4.3.2.2 Coefficient Analysis

Coefficients

Model	Un standardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	3.085	1.307		2.360	.001
1 Financial Compensation	.473	.054	.446	8.709	.000
Non- Financial Compensation	.206	.047	.237	4.390	.000
Compensation policy	.346	.078	.005	.083	.004
Compensation Equity	.270	.092	-.042	-.760	.002

a. Dependent Variable: Employee performance

Source: Survey Data (2023)

The beta value is a measure of how strongly predictor (independent) variable influences the criterion (dependent) variable. The beta weight is the average amount the dependent variable increases when the independent variable increases by one standard deviation (all other independent variables are held constant).

Here unstandardized beta coefficient value was used since many researchers and practitioners like Dawson (2009) and Gitah (2014) were recommended to use it. The findings presented also shows that taking all other independent variables at zero, a unit increase in financial compensation factors will lead to a .473 improve in employees’ performance. A unit increase in non- financial compensation, will lead to a .206 improve in employees performance, a unit increase in compensation policy will lead to a .346 improve in employee’s performance and a unit increase in compensation equity will lead to a .270 improve in employee’s performance.

4.3.3. Checking the Assumption

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. To determine whether the relationship between the independent variable organizational culture (Involvement, Consistency, Adaptability and Mission) and the dependent variable that is employee performance normality, linearity, multicollinearity and homoscedasticity.

4.3.3.1. Normality Test

In order to test the normality of data, Kolmogorov-Smirnova and Shapiro-Wilk tests of normality are used and conducted on SPSS 20. According to Field (2009), when the test is non-significant ($p > 0.05$) it shows that the distribution of the sample is not significantly different from a normal distribution or if the Significant value of the Shapiro-Wilk Test is greater than 0.05, the data is normal. Whereas if it is below 0.05, the data is significantly deviate from a normal distribution. Accordingly, the result of test showed in table below implies that, all variables were found to be normal and the presence of normality was accepted at $p > 0.05$.

Table: 4.3.3.1. Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	Df	Sig.
Financial Compensation	.127	15	.200*	.955	15	.605
Non- Financial Compensation	.103	15	.200*	.964	15	.761
Compensation policy	.207	15	.082	.925	15	.233
Compensation Equity	.132	15	.200*	.917	15	.176

4.3.3.2. Multi Col linearity Test

In order to check the presence of a problem that is associated with a lack of stability of the regression coefficients the researcher conducted multi collinearity test.

As it depicted in Table 4.3.2.3: below there was no series problem since the value of tolerance for all independent variables [Compensation equity, Financial compensation, non-Financial compensation and Compensation policy is greater than 0.1(Tolerance > 0.1) and all VIF is less than 10 (VIF< 10) Jeeshim and Kucc (2002).

Table 4.3.3.2: Multi col linearity test of independent variable

Model		Collinearity Statistics	
		Tolerance	VIF
1	Compensation equity	.443	2.257
	Financial compensation	.207	4.842
	Non-Financial compensation	.660	1.514
	Compensation policy	.657	1.522

a. Dependent Variable: ORGP

Source: Survey Data (2023)

CHAPTER FIVE

5. SUMMERY AND CONCLUSION

5.1. SUMMARY

Personal Information:

Among all 283 (100%) respondents, 152 (53.7%) and 131 (46.3%) are male and females. So male and females are relatively equal and most of employees are between young and adult. And also among all them 283 (100%), 152 (53.7%) and 50(17.7%) of respondents are between 18-30 and between 41-50 respectively. So the bank ought to be continuing the encouragement of gender inclusiveness because females are more decision maker and they have creative mentality than male. And the bank encompasses more energetic, educated and also experienced young and adult employees.

Financial compensation and benefit:

Regarding to the question of sufficient availability of basic pay, allowance and other financial incentives significant respondents that were 95(33.6%) and 94(32.9%) responded as strongly disagree, disagree.

Even if the bank has not sufficient basic pay, allowance and other financial incentives and also the bank does not make reasonable timely salary scale revision as well as salary increment execution was not based on individual performance, but financial Compensation and benefits are not affects employee morale and effectiveness. Because majority of respondents that is 150 (53%) are respond disagree the question raised compensation and benefit affect employee morale. So this indicates the rising and decreasing amount of compensation and benefit coverage is not affect employees moral and effectiveness, especially different incentives rather than basic salary. That means except basic salary some part of incentives is not motivational factor for the employees.

According to Gebrielu GetachewHailu, (2017) Considering some dimensions of extrinsic rewards, majority of the respondents are not satisfied with the list of benefits that they receive, most of the respondents think that the bank doesn't revise its salary scale with a reasonable time period and the current pay system doesn't encourage better performance and much more than half of the participants disagreed that salary increment is based on their performance. Similar to the previous researcher, as the finding shows. Generally the aggregate mean value of the variable of financial compensation was (2.472) which low extent according to Mwilu (2013). From this finding one can generalized financial compensation and benefits administration was not sufficient. Regarding to interview question about financial compensation and benefits administration practices look like at CBO, in line with the finding of descriptive results, the interviewee discussion findings depicted that the bank has not sufficient basic

pay, allowance and other financial incentives and salary increment was not execute based on individual performance, the bank does not timely reasonable salary scale revision and also financial compensation related to employee morale and no regular implementation on salary increment, bonus, allowance.

Non- financial compensation and benefit:

As the finding revealed whether respondents believed that bank implement job design in terms of job rotation, flexible work schedule and job sharing, plenty of respondents that is 116 (41%) and 101(35.7%) are responded strongly disagree and disagree. And among all of respondents that is 161 (56.9%) were respond disagree and 62 (21.9%) of respondents are responded strongly disagree about the bank has good co- worker relation and good supervision. But Even if the above result is negative the aggregate mean value of the variable of non-financial compensation was (2.562) which is moderate extent according to Mwilu (2013). From this finding one can generalized that non-financial compensation was in a good manner.

According to Ryzhova (2013) argued workforces are tremendously inspired to monthly rewards. But Most of researchers magnified extrinsic motivation that has been high motivational factors as compare as intrinsic motivation. For instance, a wage rise is necessary to be very important for workers' happiness according to a Tanzanian study (URT, 2010). According to Held, K. M.(2012) as stated on this study in literature review part he challenged the primacy of extrinsic motivating value by arguing that money is not the only factor in determining employee pleasure. Similar to the previous study, regarding to interview question about non- financial compensation and benefits administration practices look like at CBO in this study, in line with the result of descriptive results, the interviewee discussion findings revealed that the bank has good job design in terms of job rotation; flexible work schedule, good co- worker relation and assessment of good supervision, better working environment, fair employee treatment and regular employee praise And most of employees said the bank is relatively more effective in providing intrinsic prizes than extrinsic. So the researchers concluded that the bank is practiced sufficiently on the non - financial compensation and benefits practices. And also the bank is relatively more effective in providing intrinsic prizes than extrinsic and motivated by non-financial compensation or intrinsic motivation factors relatively.

Compensation and benefit policy:

According to (Shrme. 2018), the compensation policy is one of the most read and discussed internal regulations in the company since it influences how much each employee is paid. Every worker is curious about the arrangement of the wage and total amount of money that can be earned by the company. The compensation policy is that the key instrument to discovering out the specifics about the

components of reimbursement and the approach used to obtain the most cash possible. As the finding shows practically, when respondents asked about the bank has good compensation & benefit administration policy; Majority of respondents that is 117 (41.3%) are answered disagree and regarding to the question of employee involve in the design of total reward strategy, most 87 (30.7%) and 74 (26.1%) of respondents are responded strongly disagree and disagree respectively and when respondents asked about the bank has pertinent incentive plans; most of respondents that is 126 (44.5%) are answered disagree about availability of compensation policy.

As the result depict generally the aggregate mean value of the variable of the availability of compensation policy was (2.22) which is low extent according to Mwilu (2013). From this finding one can generalized that the bank is not in a good manner.

Regarding to interview question about non- financial compensation and benefits administration practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that bank hasn't good compensation & benefit administration policy, the employee are not involve in the design of total reward strategy, the bank has not pertinent incentive plans and enough budget projection approach or policy, as well as hasn't salary market movement control policy.

So the researcher concluded that composition and benefits policy practices are low at Bank.

Compensation and benefit equity:

As the result indicates generally the aggregate mean value of the variable of the equity level of compensation and benefits practices was (2.14) which is low extent according to Mwilu (2013). From this finding one can generalized that the equity level of compensation and benefits practices was low.

Regarding to interview question about the equity level of compensation and benefits practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the result indicates there was no fair and equitable compensation & benefit like better salary, in the bank and Compared to the Bank industry. But unfair and inequitable Compensation and benefit administration program was not practically leads to employee turnover and absenteeism as the finding indicated. And also most of employees were not happy with the compensation and/ benefit administration practice.

Generally the researcher concluded that the equity level of compensation and benefits practices is low. So there was no fair and equitable compensation &/benefit in the bank.

Employee Performance:

According to Baldwin (2008) and Brown (2008), defines performance as carrying out actions efficiently and effectively to meet agreed job objectives by using skills, ability, experience and so forth, to perform

the assigned task required by their subordinate with effectiveness and efficiency. Performance as how well a person completes tasks and also the attitude with which he/she completes the tasks.

Even if most 95(33.6%) and 94(32.9%) of respondents are responded about sufficient availability of basic pay, allowance and other financial incentives strongly disagree, disagree respectively. Regarding to interview question about the level of employee performance look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to they provide service was high. And also the aggregate mean value of the variable of the employee performance was (3.633) which is moderate extent according to Mwilu (2013), and 150(53%) of respondents are responded asked about financial Compensation and benefits affects employee morale and effectiveness at the bank were disagree. That means rising and decreasing amount of compensation and benefit coverage is not affect employees moral and effectiveness. And also most of employees are more educated, experienced and matured. That is why employee performance was high.

The correlation between the observed value of performance and the optimal linear combination of the independent variables (compensation equity, financial compensation, non-financial compensation and compensation policy) is 0.945, as indicated by R. In addition to this R square and adjusted R square value of the multiple regressions is 0.893 and, 0.892 respectively. This means that 89.3% of employee performance is explained by compensation and benefit factors, while 10.7% of variation in employee performance can be attributed to other variables which are not considered in this study.

UN standardized beta coefficient value was used since many researchers and practitioners like Dawson (2009) and Gitah (2014) were recommended to use it. The findings presented also shows that taking all other independent variables at zero, a unit increase in financial compensation factors will lead to a .473 improve in employees' performance. A unit increase in non- financial compensation, will lead to a .206 improve in employees performance, a unit increase in compensation policy will lead to a .346 improve in employee's performance and a unit increase in compensation equity will lead to a .270 improve in employee's performance.

5.2. Conclusion

Financial compensation

As the finding depict Regarding to interview question about financial compensation and benefits administration practices look like at CBO, in line with the finding of descriptive results and the interviewee discussion findings depicted that the bank has not sufficient basic pay, allowance and other financial incentives and salary increment execution was not based on individual performance, the bank does not make timely reasonable salary scale revision. And also no regular implementation on salary increment, bonus, allowance. Thus inadequate practice of financial compensation and benefit was not affect employee morale. That means financial compensation and benefits are not motivational factor for the employees. That is why employee performance was good in addition to most of employees are more educated, experienced and matured. So the researchers concluded that the bank is not sufficiently practiced on the financial compensation and benefits practices.

Even if the bank has not sufficient basic pay, allowance and other financial incentives and also the bank does not make reasonable timely salary scale revision as well as salary increment execution was not based on individual performance, but financial Compensation and benefits are not affects employee morale and effectiveness. Because majority of respondents that is 150(53%) are respond disagree that the questions are raised related to employee morale. So the researcher concluded that the rising and decreasing amount of financial compensation and benefit coverage more of different incentives were not the cause of turnover and absenteeism, and also except basic salary some part of incentives are not motivational factor for the employees. And also the researcher ensured that most of employees have been a sense of ownership that had a reason to support a root cause of establishment of the bank.

Non- financial compensation:

As the finding revealed the aggregate mean value of the variable of non-financial compensation was (2.562) which is moderate extent according to Mwilu (2013).Regarding to interview question about non- financial compensation and benefits administration practices look like at CBO, in line with the result of descriptive results, and the interviewee discussion findings revealed that relatively as compare as financial compensation practice, the bank had been good job design in terms of job rotation; flexible work schedule, good co- worker relation and assessment of good supervision, better working environment, fair employee treatment and regular employee praise, even if per item most of respondents answered no sufficient no- financial compensation practice. And the bank is relatively more effective in providing intrinsic prizes than extrinsic. So the researchers concluded

that the bank was sufficiently practiced on the non - financial compensation and benefits practices. And also the researchers concluded that the bank is relatively more effective in providing intrinsic prizes than extrinsic, and also relatively they are more motivated by non-financial compensation or intrinsic motivation factors.

Compensation policy:

As the finding shows the bank haven't good compensation & benefit administration policy and most of employee are not involve in the design of total reward strategy. And also the bank has not pertinent incentive plans and enough budget projection approach or policy, as well as the bank does not make salary market movement control policy. Generally the researcher confirmed there is no good compensation & benefit administration policy, pertinent incentive plans, enough budget projection approach or policy. Employees are not involved in the design of total reward strategy.

Compensation equity:

As the finding revealed Regarding to interview question about the equity level of compensation and benefits practices look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the result indicates there was no fair and equitable compensation & benefit like better salary, in the bank and Compared to the Bank industry. And also most of employees were not happy with the compensation and/ benefit administration practice.

Generally the researcher concluded that the equity level of compensation and benefits practices is low. So there was no fair and equitable compensation &/benefit in the bank.

Employee performance:

The aggregate mean value of the variable of the employee performance was (3.633) which is moderate extent according to Mwilu (2013). Regarding to interview question about the level of employee performance look like at CBO, in line with the result of descriptive results and the interviewee discussion findings revealed that the employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to they provide service was high.

As the result depict the researcher conclude that the employee accomplishment of work on time, enhancement of employee efficiency and employee acknowledged by customer related to them provide service was high.

5.3. Recommendation

Male and females are relatively equal in this study, and most of employees are between young and adult and they are energetic and easy to motivate. So the bank ought to be continuing the encouragement of gender inclusiveness and encompass more energetic, educated and experienced young and adult employees.

The bank has not sufficient basic pay, allowance and other financial incentives. So the bank should be improving these benefit packages coverage.

The implementation of Salary increment is not based on individual performance, so salary increment should be carried out based on individual performance in the bank.

The international practice indicates us intrinsic prizes or reward is more effective than extrinsic motivation factors and employees are motivated by non-financial compensation or intrinsic motivation factors relatively. So practically the bank is sufficiently practiced on the non - financial compensation and benefits practices' especially the bank more effective in providing intrinsic prizes or reward. This practice should be implementing continuously.

In line with the result of descriptive results, the interviewee discussion findings revealed that relatively as compare as financial compensation practice, the bank has good job design in terms of job rotation; flexible work schedule and flexible work schedule, good co- worker relation and assessment of good supervision, better working environment, fair employee treatment and regular employee praise. But practically there is no that match enough. So board of directors should be improving specially the above non- financial compensation and benefit practice.

The international practice indicates us the compensation policy is one of the most read and discussed internal regulations in the bank since it influences how much each employee is paid. Every worker is curious about the arrangement of the wage and total amount of money that can be earned by the company. But most of employees are not involve in the design of total reward strategy, and also the bank has not pertinent incentive plans and enough budget projection approach or policy, as well as they haven't salary market movement control policy.

Generally the bank has not good compensation & benefit administration policy. So board of directors should be made attentive follow on the implementation of compensation and benefit administration policy extent to formulating good policy. And they ought to be facilitating employee active participatory circumstance on policy design.

According to (Adams, J.S. 2013), Compares to individuals both inside and outside the institute,' endorse in any situation they persuade it to serve as their trade group. Acknowledgments of

injustice are a factor predicted to cause staff to need happenings to recuperate worth. But there was no fair and equitable compensation & benefit and even if as Compared to the bank industry.

And also most of employees are not happy with the compensation and/ benefit administration practice. So the bank should be improving the implementation of compensation and benefit administration practice in terms of ensuring fairness and equitability.

Even if most of employees answered asked about sufficient availability of basic pay, allowance and other financial incentives are insufficient, but most of respondents answered they accomplish them works timely, and their efficiency are increase time to time and customers acknowledging them highly. Generally employee performance is high at the bank. So the bank out to be find the ways more to enhance employee performance as match, associated with implementing good compensation and benefit administration practice.

Generally as the whole compensation and benefit administration package coverage is low in the bank. So board of directors ought to be improve compensation and benefit administration practice seriously, and the bank should be improve the way how to manage the implementation of compensation and benefit practice that associated to motivational factors for employees, because, practically compensation and benefit administration practice is more important factor for one organization growth.

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Appendixes

St. Mary's University College School of Graduate Studies

Master of Business Administration

Questionnaire to be filled by Employees of cooperative bank of Oromia

1. Introduction

Dear Participant,

I am Biniam Alemayehu, a graduate student at St. Mary's University. I am in the process of completing my studies towards a Master of Degree in Business Administration (MBA), and this research study forms part of the Requirements of the qualification.

The purpose of this questioner is to assess and conduct a research on the Compensation and benefit administration practice of cooperative bank of Oromia CBO

As you are an employee of the bank you are required to give proper and correct response to the following question. I promise you that your responses will not be disclosed in any way and extreme secrecy will be maintained. Hence, I request your genuine company for the successful undertaking of the study and your valuable response is highly appreciated.

Thank you in advance!

Note

- A. These questioners are used only to conduct a research on compensation and benefit administration practice of CBO.
- B. It is not necessary to write your name on the questioner.
- C. For question which requires specific answer put the thick "✓" or "✗" mark on the box provided.

2. Personal Information

1. Your sex

Male Female

2. Age

A. 18 -30

B. 31 -40

C. 41 -50

D. 50-59

3. Educational background

- A. Less than 12
- B. 12 complete
- C. Diploma
- D. First Degree
- E. Second degree and above

4. Work Experience and position

NB: you are requested to write your position and select experience from the list only you have in the current organization/bank.

☞ Your position: _____

- ☞ Year of Service: (1) below 5 years
- (2) 6 – 10 Years (3) Above 10 Years

5. Monthly Income/Salary

- A) Below 3000
- B) From 3001 – 6000
- C) From 6001 – 9000
- D) From 9001 – 12000
- E) From 1201 – 15000
- F) Above 15000

Section – 2 Financial Compensation, Non-Financial Compensation, *compensation policy* compensation &/benefit equity, and employees' performance

Instructions: Please tick (✓) the number that you feel most appropriate, using the scale from 1 to 5 (Where 1 =strongly disagree, 2 = disagree, 3 = neutral, 4 = agree and 5 = strongly agree).

No	Items	SD(1)	D(2)	N(3)	A(4)	SA(5)
1.	Financial Compensation					
1.1.	Basic pay bonus, Allowance and other monetary incentives are sufficient to make the one desire working					
1.2.	The bank provide salary increment, bonus, allowance and other incentives regularly					
1.3.	Salary increment is based on my performance					
1.4.	Financial Compensation and benefits affects employee morale and effectiveness / productivity of an employee					
1.5.	The bank revises its salary scale with a reasonable time period					
2.	Non-Financial Compensation					
2.1.	Job design in terms of job rotation, flexible work schedule and job sharing is part of the non-financial compensation are practiced at CBO					
2.2.	Good co- worker relation and good supervision is part of the non-financial compensation are practiced at CBO					
2.3.	Better working environment like seating, lighting, noise, recognition and Career development or promotions are properly implemented CBO					
2.4.	My manager treats all employees fairly					
2.5.	I am praised regularly for my work					
3.	<i>compensation policy</i>					
3.1.	My manager encourage to involve in the design of total reward strategy at CBO					
3.2.	The bank has good compensation & benefit administration policy					
3.3.	The bank has pertinent incentive plans					

3.4	The bank has enough budget projection approach or policy					
3.5	The bank has salary market movement control policy					
4.	compensation &/benefit equity					
4.1	I have fair and equitable compensation &/benefit in the bank					
4.2.	Fair and equitable Compensation and benefit administration program is a create satisfied and motivated employee explicitly					
4.3.	Unfair and inequitable Compensation and/benefit administration practice practically leads to turnover and absenteeism in the bank					
4.4.	I am happy with the compensation and/ benefit administration practice of CBO					
4.5.	Compared to the Banking Industry the Bank offers better salary and benefit packages					
5	Employees' performance					
5.1.	I finish my work on time as it required					
5.2.	My efficiency is increase time to time					
5.3.	My customers are acknowledging me to the service which provides to them					

Thank you very much!!!

Interview questions

1. What are financial compensation and benefits practices look like at CBO?

2. What are the non-financial compensation and benefits practices currently look like at CBO?

3. What is the current composition and benefits policy practice look like at CBO?

4. How to evaluate the equity level of compensation and benefits practices at CBO?

4. How do you evaluate the performance of employee at CBO?

**Coopbank
Head Office Employees**

Process&Gender	Total No of Employees
Banking Operations Process	158
Cooperative and Agricultural Banking Process	33
Corporate Banking Process	68
Credit Appraisal and Portfolio Management Process	37
Finance and Facilities Management Process	198
Human Capital and Projects Management Process	85
Information Systems Process	86
Interest Free Banking Process	54
Internal Auditor Process	46
Legal Services	18
President Office	6
Retail and MSMEs Banking Process	22
Risk and Compliance Management Process	28
Strategy and Marketing Process	46
Technologies and Digital Banking Process	193
Grand Total	1078



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ድገራዎረቃ ት/ቤት

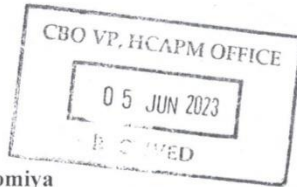


06 JUN 2023
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School of Graduate Studies

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Ref No SGS/2331/2023

Date: June 05, 2023



TO: Cooperative Bank of Oromiya
Addis Ababa

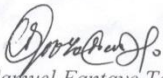
Subject: Requesting Cooperation for data collection

Biniam Alemayehu ID No. SGS/0145/2014B is a post graduate student in the Department of Business Administration (MBA). He is working on his Term Paper "The Assessment of Compensation & Benefit Administration Practice: In the Case of Cooperative Bank of Oromiya" and would like to collect data from your institution.

Therefore, I kindly request your office to allow him to access the data he needs for his research.

Any assistance rendered to him is highly appreciated.

Sincerely,


Samuel Fantaye Tessema
Guidance Counselor and Thesis Coordinator



Director - HCSS
Please cooperate
06 June 2023

②
Ate Senit
Ate Hundia
June 2022

③
Go all staff
For bank support