

**AN ASSESSMENT OF THE CONTRIBUTION OF EMPLOYEE MOTIVATION
IN PROVIDING QUALITY CUSTOMER SERVICE IN THE BANKING SECTOR,**

A CASE OF AKIBA COMMERCIAL BANK PLC, TANZANIA.

ROSE GODWIN LYIMO

**A DISSERTATION SUBMITTED IN PARTIAL FULLFILLMENT FOR THE
REQUIREMENTS OF MASTER DEGREE IN HUMAN RESOURCE
MANAGEMENT OF THE OPEN UNIVERSITY OF TANZANIA**

2015

CERTIFICATION

I, the undersigned, certify that I have read and hereby recommend for acceptance by the Open University of Tanzania, a dissertation titled, **Contribution of Employee Motivation in Providing Quality Customer Service in the Banking Sector, A case of Akiba Commercial Bank** in partial fulfillment of the requirements for the Award of the Degree of Master of Human Resources Management.

Dr Salum S. Mohamed

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DECLARATION

I, **Rose Godwin Lyimo**, do hereby declare that this dissertation is my own original work and that it has not been presented and will not be presented to any other university for a similar or any other degree award.

Signature

Date

DEDICATION

This research is dedicated to my lovely husband Alex W Kimario, my son Wilbard Alex Kimario and lovely daughter Alexandria Alex Kimario.

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ABSTRACT

This study explores the contribution of employee motivation in providing quality customer service in Tanzania banking sector; a case of Akiba Commercial Bank PLC. Specifically to identify types and the level of employees' motivation that enhancing the provision of Quality customer service in ACB, to investigate the factors that motivate employees to provide quality customer service, to assess demotivating factors that leading to poor customer service delivery in ACB. A sample size of 90 respondents was used. Questionnaires, interviews and other secondary sources were used to collect data. Quantitative approach was used and both non- probability and probability sampling administered among employees and customers of ACB in order to ensure maximum representation of all levels of employees from different departments. In this light the study sets to identify the most ranked factors leading to employee motivation and finally the demotivational factors inhibiting employee motivation and measures to remedy the situation. The customer service of the ACB employees is likely to increase the number of customers who buy the bank services. Bank clients revealed that they are getting good customer service from the bank employees and they are comfortable with bank services. Hence they hope to bring their relatives and friends to the bank to enjoy different services. The study recommend that the management of ACB should make sure that customers and employees are satisfied so as to build a sense of loyalty to the organization. Having been loyal and satisfied, the employees can create a state of assurance of having satisfied customers as a result of good quality customer service. Management should also make sure that it improves working environments and working machines equipments. Staff should be motivated so as to improve service quality, staffs loan should be of long term

compared to now where the longest staff loan term is 5years.The management should think of extending loan term to 20 years.

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LIST OF ABBREVIATIONS

ACB	Akiba Commercial Bank
ANC	Antenatal Care
HF's	Health Facilities
HW's	Health Workers
NMB	National Microfinance Bank
PLC	Public Limited Company

CHAPTER ONE

INTRODUCTION

1 Background of the Problem

The commercial banks play important roles in worldwide economies and their employees are the best sources of delivering good services to their customers. Excellent services provided and offered by employees can create a positive perception and ever lasting image in the eyes of banks' customers. The motivation of a bank's employee plays a major role in achieving high level of satisfaction among its customers (Petcharak, 2004).

Mills (2007) posits that employee motivation is the level of energy, commitment, and creativity that a company's workers apply to their jobs. According to him, in the increasingly competitive business environment of recent years, finding ways to motivate employees has become a pressing concern for many managers. In fact, a number of different theories and methods of employee motivation have emerged, ranging from monetary incentives to increased involvement and empowerment (Mills, 2007). Vroom (1978) argues that, employee motivation can sometimes be particularly problematic for small business, where the owner often spends so many years building a company that he/she finds it difficult to delegate meaningful responsibilities to others.

Sergiovanni (1967) insists that banks should be mindful of such pitfalls, for the effects of low employee motivation on small business can be devastating. Some of the problems associated with unmotivated workers include complacency, declining morale, and

widespread discouragement. If allowed to continue, these problems can reduce productivity, earnings, and competitiveness in a small business (Shahzad, 2008).

On the other hand, Olomi (2009) comments that banks can also provide an ideal atmosphere for fostering employee motivation, because employees are able to see the results of their contributions in a more immediate way than in large firms. Besides increasing productivity and competitiveness, Lee (1988) pins that, a highly motivated work force can allow a small business owner to relinquish day- today operational control and instead concentrate on long-term strategies to grow the business. He further argues that, productivity improvement is of major concern to managers as one way of countering escalating costs.

In service organizations in which the client or customer is directly involved in the production functions improved performance can be secured by viewing the client/customer as a partial employee. This proposition in turn leads to the suggestion that productivity gains can be realized for services by expanding conventional motivation concepts to include the client or customer (Mills, 2007).

Moreover, a business that institutes effective ways- whether tangible (such as a financial bonus) or intangible (say, a plum assignment for an upcoming project) – of rewarding employees for good work can be an invaluable tool in employee retention. Bennell (2003) says that people who enjoy working tend to thrive in organizations that create positive work environments. The increasing global competition for the best employees brought about by shortfall in new work force entrants in many advanced service company. They thrive in environments where they can make a difference, and where most people in the organization are competent and pulling together to move the company forward.

Appropriately structured reward and recognition programs are important, but not exclusive, components in this mix. Because of all that business all over the world today is very challenging. Internal and external operating environment factors continue to challenge corporate performance and revenue growth. Mohamed *et al* (2010) comment that, in a competitive business climate more owners are looking at improvement in quality while reducing cost. Meanwhile a strong economy has resulted in a tight job market. So while small businesses need more from their employees, their employees is looking for more out of them. Employee reward and recognition programs are one method of motivating employees to change work habits and key behaviors to benefit a small business (Grimald, 2005).

To stay profitable in the highly challenging and competitive global market economy, all the factors of production-men, machine and materials- should be wisely managed. Among the factors of production the human resource constitutes the biggest challenge because unlike other inputs employee management calls for skillful handling of thoughts, feelings and emotions to secure highest productivity. Employee motivation delivers long- term benefits in the form of higher productivity. A motivated employee is a valuable asset, delivers immense value to the organization in maintaining and strengthening its business and revenue growth (Lee, 1988).

However, in recent years, most of the private institutions looking at the banking industry as an example have tried to position themselves with good models of improving customer services of their employee which usually cannot be separated with employee motivation. Quality Digest (1998) highlights a correlation between happy employees and satisfied

customers. It would seem that if people feel good about their jobs, their happiness would be reflected in the quality of their work and in positive feedbacks from their customers.

However, in recent years private institutions have started to look at the banking industry as an example of improving customer services of their employees which usually cannot be separated from employee motivation.

1 Statement of the Research Problem

Human resources are the source of competitive advantage for the business rather than access to capital or use of technology (Shenkel, 2004). It is important to argue that attention needs to be paid to the nature of this resources and its management, as this impacts human resource behavior and consequently organization's performance. Boxall and Steeneveld (1999) argue that there is no need to prove the relationship between firm critical influence on performance and labor management as it is evident that the quality of human resource management is a critical influence on the performance of the firm.

Concern for strategic integration, commitment flexibility and quality, has called for attention for employees motivation and retention. Given this perception, the principal in an organization feels unable to predict an agent's behavior in any given situation and so brings into play various measures to do with incentives. Thus getting employee identification with respect to the organization, and thus increasing their commitment level. As an approach to mediate the employment contract, elements of human resources strategy can offer a way of ensuring an efficient transaction process that enables both parties to get committed towards the fulfillment of each other needs. The fundamental problem, dealt with is what drives or induces people to exploit their potential resources in the way they do in organizations (Gibson, Ivancevick, Donnelly, 2004).

Motivation in many organizations is a challenging phenomenon. A good number of bank employees in ACB experience an internal upheaval, that is, they feel demotivated and unsatisfied. Private organizations are losing a lot of money as a result of non-compliance of good customers service (Mwaikabile 2012). Akiba Commercial Bank conducted a meeting with few loan customers to observe the level of services they get from the bank in 2012. It was discovered that customers were complaining about poor services rendered by different banks in Tanzania (Ishengoma, 2012). Some bank staff especially loan officers have been reported by the customers on their habit of lengthening loan processing. The other case is of NMB bank staff in 2013, were reported to the senior management for having the habit of complicating loan services unnecessarily.

Given the case, the relationship between employee motivation and good customer service has not been fully researched and identified. To improve service quality and productivity in any department or organization, the optimum effective way is to improve the employee morale and motivation. Amstrong (1954) found that the link between employee motivation and customer services in private organization is not well identified and established. This is the gap of knowledge which this research set out to address.

1 Objectives of the Study

1 General Objective

This research assess the contribution of employee motivation in providing quality customer service in the banking sector.

1.1.2 Specific Objectives

1. To identify types and the level of employees' motivation that enhancing the provision of Quality customer service in ACB

2. To investigate the factors that motivate employees to provide quality customer service
3. To assess demotivating factors that leading to poor customer service delivery in ACB

1 Research Questions

This research used the following research questions.

1. What are types and the level of employees' motivation that enhancing the provision of Quality customer service in ACB?
2. What are the factors leading to employee motivation at ACB?
3. What are the demotivational factors that lead to poor quality customer service at ACB?

1 Significance of the Research

The study enabled the researcher to meet the academic requirements of her Master in Human Resource Management (MHRM). The findings of the study are important sources of other researchers who might be interested in the same or related field. The study is helpful in formulating empirical literature reviews. In other words the study serves as an outlet for new ideas and insight.

The research also contributes to the provision of good knowledge to be used in solving the existing customer complaints and problems in the banking industry. Furthermore the study will assist the policy makers in preparing good policies on providing good customer services and also help motivate employees so that they provide good and quality customer services.

The research revealed weaknesses in the existing customer services in the banking industry and provided strategies designed to eliminate those weaknesses. The study shall help bank managements and shareholders to grasp the need for better customer care services by drawing good plans on improvement and profit.

Academically, the study adds value to the existing body of knowledge especially in the field of employee motivation and customer services. It helps in deterring sources of poor employee motivation by different private sectors and poor customer services. This helps private organizations especially the banking sector to critically evaluate themselves by reflecting the kind of employee motivations offered to their employees, reliability and credibility of these employee wellbeing and applicable procedures in relation to employee motivation.

This study is useful to the banking industry to improve its approaches towards employee motivation and good customer service. On the party of the customers, the research helps them realize themselves as an important part of the welfare of the banking industry to exist as they deposit their cash. The banks use the same amount in lending to businesses to make profits. On the part of employees who are the key player on services provided by the bank, the research helps them to realize themselves as an integral part of customer satisfaction.

1 Scope of the Study

The study was carried out in ACB head office and all branches located here at Dar es Salaam. It examined the impact of employee motivation on customer service, that is, what factors motivate employees to provide good customer services at ACB.

1 Organization of the Study

This study is presented into five chapters. The first chapter is an introduction which covers the background to the problem, statement of the problem, objective of the study, scope and organization of the study. Chapter two is comprised of conceptual definition, theoretical literature review, empirical literature review, research gap, conceptual frame work and theoretical framework. Chapter three focused on research methodology including research design, area of study, population of the study, sample size and sampling procedures, data collection methods, data collection tools, reliability and validity of the data, data presentation and analysis and study expecting result of the study. Chapter four covers the analysis, and discussions of findings. Chapter five is comprised of summary, conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

2 Introduction

This chapter briefly discusses both theoretical and empirical reviews related to this study. This is not meant to be an exhaustive review of the literature. Nevertheless, it aims to familiarize the basic assumption about the contribution of employee motivation in providing quality customer service in Tanzanian banking sector.

The researcher identified gaps in the existing literature in order to ascertain the direction of the research. First and foremost, the researcher discusses employee motivation in general as explained by other researchers, academicians, authors, institutions, and experts.

Secondly, the researcher discusses key elements pertaining to employee motivation with reference to the provisions of quality customer service. Lastly the researcher discusses empirical studies conducted on motivation practices in the world, Africa and Tanzania.

2 Conceptual Definitions

2 A bank

The term bank is derived from the French word “banco” which means a Bench or Money exchange table. In old days, European money lenders or money changers used to display (show) coins of different countries in big heaps (quantity) on benches or tables for the purpose of lending or exchanging. A bank is a competent body which deals with money. It may also offer other financial services.

Oxford Dictionary defines a bank as “an establishment for custody of money, which it pays out on customer’s order.”

A bank can also be defined as a financial institution which deals with deposits and advances and other related services. it receives money from those who want to save in the form of deposits and it lends money to those who need it (Gaurav, 2011).

Definition according to what the bank performs by Zhang and Longyi (2009),

- Accepts money and collects cheques for their customers
- Honour cheques or orders drawn on them by their customers
- Keep current account
- Recognized as a bank within a community context

Banking and Financial Institution Act S.3 (1991)

A bank is a financial Institution authorized to receive money on current account subject to withdrawal by cheque. Banking and Financial Institution Act (2006), An entity that is engaged in the banking business.

2 Motivation

Motivation is concerned with the factors that influence people to behave in certain ways. It is about setting the direction and then taking a course of action which will ensure that you get there. Motivation can be described as goal-directed behavior. People are motivated when they expect that a course of action is likely to lead to the attainment of a goal and valued reward-one that satisfies their needs (Armstrong, 2004).

According to Hoy and Miskel (1987), employee motivation is the complex forces drives, needs, tension states or other mechanism that starts and maintains voluntary activity directed towards the achievement of a personal goals.

Mullin (2006), refers motivation to the forces within a person that affect his or her direction, intensity and persistence of voluntary behavior. He added that motivated employees are willing to exert a particular level of effort (intensity), for a certain amount of time (persistence) toward a particular goal or direction. Motivation of employees is all about the factors that influence employees to behave in certain way.

Motivation in simple term may be understood as a set of forces that cause people to behave in certain ways. It is how behavior gets started, is energized, is sustained, is directed, is stopped and what kind of subjective reactions is present in organization while all this going on (Jones, 1965).

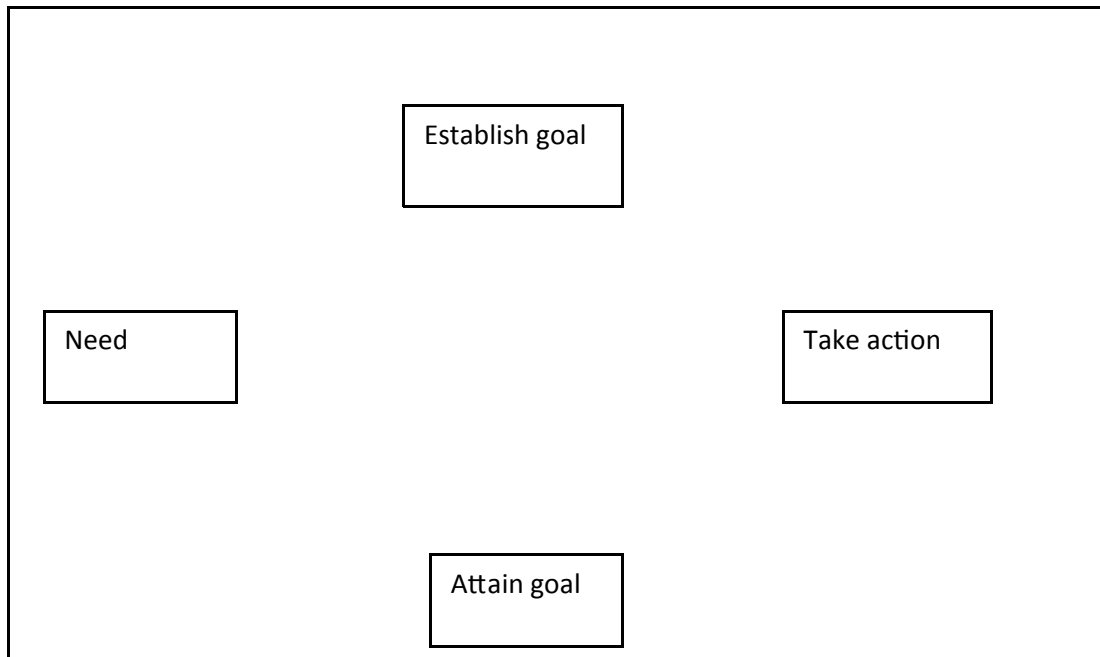


Figure 2.1 The process of motivation

Source: Armstrong, M. (1996)

2 Motivated Employees

Motivated employees are those who have made a conscious decision to devote considerable effort to achieve something that they value. What they value will differ greatly from one individual to another. There are a variety of ways of motivating employees, including the fear of losing a job, financial incentives, self fulfillment goals, and goals for organization or groups within the organization. Williams (2010).

3.1.3 Employee Satisfaction

Employee satisfaction or job satisfaction is quietly simply, how content or satisfied employees are with their jobs. It is typically measured using an employee satisfaction survey. (Gupta, 2005)

Armstrong, et al (2004) established that the following were the influences on employee satisfaction and commitment and employee satisfaction:

1. Relationship with manager – 63 per cent.
2. Relationship with colleagues – 60 per cent.

3.1.4 Customer Service

Customer service is the service provided to customers before, during and after purchasing and using goods and services. Good customer service provides an experience that meets customer expectations. It produces satisfied customers (Kotler, 2003).

3.1.5 Quality Service

Kotler (2003) explains that the quality of services should start from need of the customers and end at customer's expectation. This means that good quality perception is not based on the services provider but on the point of view or perception of the customer. Customer's perception of services is a comprehensive assessment of a service benefits.

Zeithaml (1996) explains that the quality of services is the excellence or superior service delivery process to those with consumer expectations. They mentioned two main factors that affect the quality of service namely: expected services and perceived services.

If the services is received as was expected then the services is good or satisfactory but if the services exceed the expectations then will be very satisfied customer and perceived services quality is good. If the services received is lower than expected then the perceived poor quality of services. According to Fitzsimmons & Fitzsimons (2001) quality of services depends on the services provider's ability to consistently meet the needs and desires of consumer.

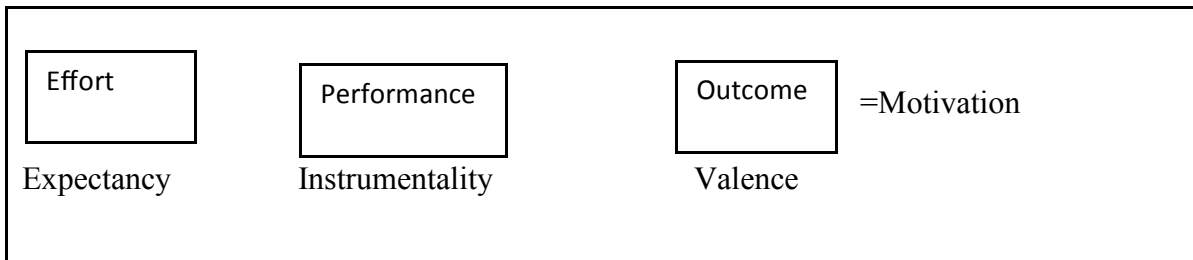
2.3 Theoretical Literature Review

2.3.1 Expectancy Theory

The expectancy theory was formulated by Vroom (1964). The theory states that an employee will be motivated to exercise higher level of effort when they believe that effort will lead to good performance appraisal and good performance appraisal will lead to organization rewards such as bonus, salary or promotion and that rewards will satisfy the employees' personal goals. This theory is based on three concepts namely: Valence, expectancy and instrumentality. Valence refers to the outcome that an employee expects to obtain after accomplishing a certain goal. Expectancy refers to the expectations of employees that they will be able to accomplish a given task and therefore they deserve to get reward. Instrumentality is the faith by employee that the attainment of certain tasks will result in later rewards. According to Vroom, the decision to perform or not at the job by employees will depend on the level of motivation.

Motivation level is influenced by valence, expectancy and instrumentality. The expectancy theory is used to predict the choices that individuals make among the different tasks. In addition the theory helps organizations to understand the importance of appreciating employees work and as result their employees will perform better and hence become more loyal to the organization. The expectancy theory is too simplistic in nature (Lawler, 1968). Since it assumes that when an employer increases financial rewards like bonus and salary, then will result in increase of employees productivity which is not true. In addition, the theory only works when employees believe the rewards is beneficial to the immediate needs. Its predictive power might be low for complex tasks and uncertain environment. Though the theory only focuses on the extrinsic motivational factors and ignores intrinsic

motivational factors which are also important (Wabba and House, 1974), it can be adopted to back up the study. This is because it is related to equity principles as shown below.



Source researcher

2.3.2 Goal Setting Theory

The theory was advanced by Locke (1968s). He proposed that intentions to work hard towards goal are a major source of working motivations. That is goals tell can employee on what to be done and how much effort will be needed and setting hard goals produce higher level of out cut. According to Locke, goal setting involves establishing specific, measurable, attainable, realistic and time – targeted goals. All these motivate employees to achieve the goal. The goal setting theory is use by managers to raise incentives for employees so as to work effectively. Also, the theory may lead to letter performance by increasing motivation and efforts. Sometimes organizational goals are in conflict with the managerial goals and hence, can affect the organizational performance. The theory is relevant to my study because it is concerned with working motivation in employment. Because of this, it safeguarded the interests of this study.

2.3.3 Mc Cleland's Acquired Needs Theory

The theory was put forward by Mc Cleland's (1958) the theory states that an individual's needs are acquired over time through learning. These needs are categorized into three namely: need for Achievement, need for power and need for affiliation. Need for

Achievement is the desire to succeed in competitive situation. Need for power is the desire to control and influence others. Need for affiliation is the desire to be liked by others and develop a sense of belonging by joining informal groups in the organizations.

Mc Clelland's acquired needs theory provides a clear picture for the managers to know which type of job is suitable for the employee the managers who have strong power needs are more successful than those with lower need (Wagner and Swanson, 1979). In addition the theory provides an understanding for the managers on how to deal with different types of employees. The managers can use knowledge acquired from the theory to replace employees to different types of work according to the three needs categorized by Mc Clelland.

Though Mc Clelland's acquired needs theory serves little purpose in the public sector. The theory applies to employee motivation basically on job assignment of the employees. Hence it t served as a guide to this study.

2.3.4 Alderfer's ERG Theory

ERG theory was propounded by Alderfer (1969). The theory states that an employee is motivated by more than one need. According to this ERG theory, human needs can be categorized into three namely: Existence needs, relatedness needs and growth needs. Existence needs include physiological and safety needs such as food, shelter, thirst, safe working condition as so on. Relatedness needs include social and external esteem needs. Growth needs include self – esteem and self – actualization.

ERG theory is more flexible when compared to Maslow's hierarch of needs theory, since it allow more flexibility of movement between needs. The theory also helps managers to

recognize that employees have many needs to satisfy at the same time. In addition, the hierarchical structure of ERG theory is supported by different researchers (Wanous and Zway, 1977). The theory considers the issue of safe working condition which is part of employee motivation practices and therefore it safeguarded the study.

2.3.5 McGregor's theory X and Theory Y

Theory X and theory Y were developed by McGregor (1960). According to McGregor, theory X managers assumes that employees are lazy and avoid work if they can. This requires managers to supervise and control employees so as to achieve organizational goals. Theory Y, managers assume that employees are self – controlled and self – motivated. In Mc Gregor's theory Y, employees believe that doing a good job is a strong motivation. Theory X and theory Y many help focus managers thoughts on the different ways people relate to work. In addition, theory X and theory Y are easy to understand. However, McGregor's theory X and theory Y is too simplistic and then it lacks good sample representative and hence it could not safeguard the interest of this study.

2.3.6 Maslow's Hierarchy of Needs Theory

The theory was propounded by Maslow (1954). The theory states that human needs are arranged in hierarchical order and the lower needs must be satisfied before the higher needs. According to Maslow there are five needs which include physiological needs, safety needs, social needs, esteem needs, and self-actualization. Physiological needs are those needs which protect human beings from danger. These needs include law, order, security and stability. Esteem needs are those needs for things that reflect one self. These include status, achievements, social reconviction and accomplishment. Self actualization is the

highest level of Maslow's hierarchy of needs. In this level, people have self-awareness and they are more concerned with personal growth.

Maslow's theory creates awareness of emotions. It is this strength that supports researchers in using the theory (O'Connor and Batel, 2007). This theory also focuses on the individual's own experience. It outlines the fundamental aspects of motivation; hence it served the interests of the study.

2.3.7 Reinforcement Theory

Reinforcement theory was formulated by Skinner (1974). The theory states that employees' behavior is determined by its consequences. Skinner provided two methods of eliminating undesirable employees' behavior. These methods include positive reinforcement and negative reinforcement. Positive reinforcement refers to giving positive response to an employee when shows desirable behavior. Negative reinforcement refers to rewarding an employee by removing undesirable behaviors.

Reinforcement theory is used to motivate employees in an organization, praise and attention (Skinner, 1974) Also reinforcement theory is easy to apply to organizational management. This is due to the fact that when employees join an organization their behaviors can be rewarded positively or negatively. Therefore, it is easy to encourage or negatively. Therefore, it is easy to encourage or remove employees' responses by manipulating the stimuli (Operant Conditioning 2006). Moreover, there is employee involvement on various decisions making and hence they cannot work poorly on given task (Redmond, 2010).

However, reinforcement theory ignores internal motivation which is also important to be considered (Redmond, 2010). The punishment aspect of reinforcement can be complicated to apply well (Butterfield, 1996). The theory explains the issue of employment practices specifically about pay promotions and rewarding and therefore serves as a guide in this study.

2.3.8 Ouchi's Theory Z

Theory Z was put forward by Ouchi (1981). Theory Z is a management style combining American management style and Japanese management style. Ouchi observed that American management style is based on individualism while that of Japanese is based on Collectivism. According to Ouchi, theory Z management style could lead to greater employees' job satisfaction low rate of cutover, high quality of products and better financial performance for American firms adopting Theory Z management practices. Organizations which are based on theory Z get benefits both in terms of employee satisfaction, motivation as well as in terms of financial performance. However, it is under whether theory Z will have impact on management practices in America and around the world. This study adopted this theory because it explains about employee job satisfaction which is part of the study.

2.3.9 Adam's Equity Theory

The theory was developed by Adams (1963). The theory states that employees make comparison of their inputs and outcomes. Inputs (I) refers to what an employee contributes to the job. Employee input consists of factors such as skills, ability, hard work, effort, loyalty, commitment and experience (Redmond, 2010). Outcomes (O) refer to what an employee receives in return for the work performed. These outputs consist of factors such

as salary, benefits, security, insurance and recognition (Redmond, 2010). Employees judge equity by comparing their outcome – input ratio 0/1 with comparison other.

Comparisons other refer to a person with whom we compare ratio. Equity occurs when the outcome-input 0/1 of a person and comparison other are perceived as being equal. Inequity occurs when the two ratio are perceive as being unequal. Based on Equity theory when employees perceive inequity they can be predicted to quit the job.

According to this theory, it is essential that workers perceive that they are properly compensated for the amount of time and effort they put into their jobs in order for workers to achieve maximum efficiency. Equity theory is being supported by several research studies over the years. For example, the effects of underpayment inequity in organization are strongly supported (Pinder, 2008). The equity theory also predicts behavior in underpayment conditions.

This was been observed and confirmed by Greenburg (1990) when conducted research on underpayment conditions. In addition, this theory provides awareness that job design can affect employee satisfaction. However, the theory has a weak relationship between job satisfaction and job performance. The job factors which were considered by Herzberg lack tangible measure (Northouse, 2010). Also, the methodology used by Herzberg was not scientifically sound (Northouse, 2010). This theory is related to compensation and addresses factors which can motivate employee at a workplace and therefore, the study used this theory as a guide based on both hygiene and motivator factors.

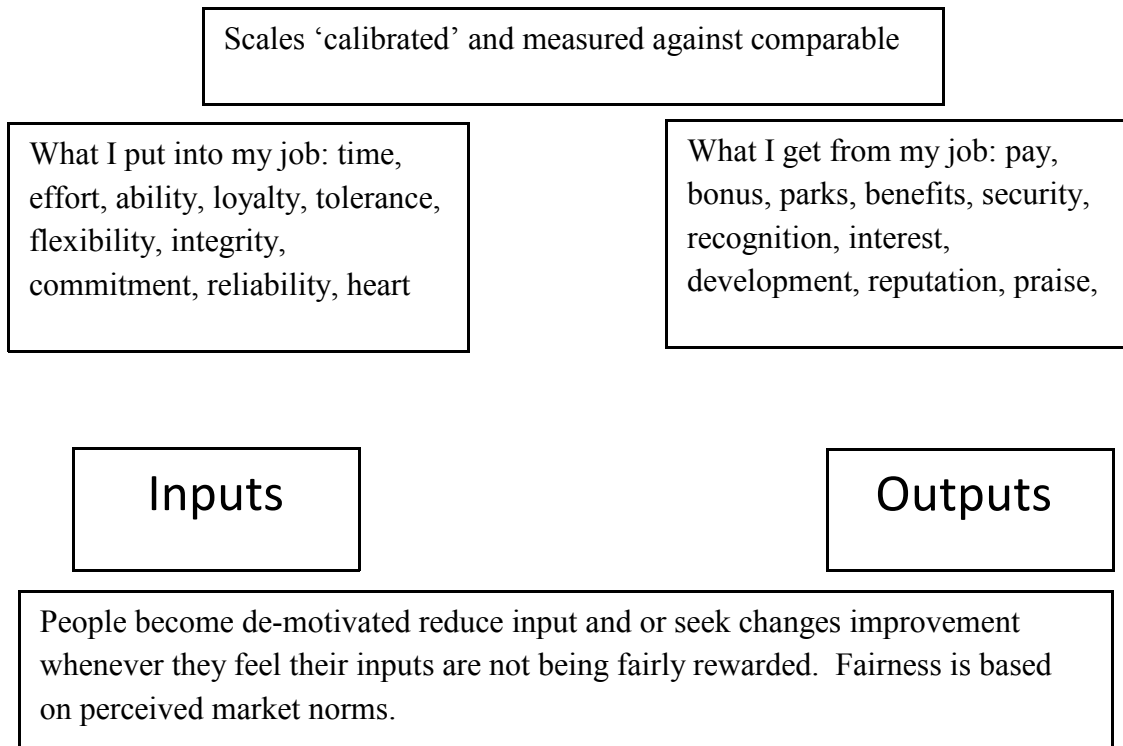


Figure 2.2 Adams' Equity Theory diagram – job motivation

Source: Adam, J. (1963)

Both Adam's Equity Theory and Herzberg's Two Factor Theory illustrate matters of compensation and working conditions of employees at a workplace which is the interest of this study hence our study adopted all these two theories to back up the study.

2.3.10 Herzberg's Two Factor Theory

This theory was propounded by Herzberg (1959). According to Herzberg, there are some job factors related to job satisfaction while other job factors associated with job dissatisfaction. These job factors are known hygiene and motivator factors respectively. Hygiene factors are those factors which enable motivator at workplace such as pay, company policies status, working condition, relationship with supervisors and job security.

Motivator factors are those factors which create job satisfaction. Motivator factors include recognition, responsibility, achievements, advancement and growth. The Two-Factor theory helps managers to make sure that the work is stimulating and rewarding so that employees are motivated and hence can perform better. Focusing on motivator factors can improve the quality of work. This theory also emphasizes on utilizing the employee's skills and competencies so as to attain organizational goals. In addition, this theory provides awareness that job design can affect employee satisfaction. However, the theory has a very weak relationship between job satisfaction and job performance.

Both Adam's Equity Theory and Herzberg's Two-factor theory illustrate matters pertaining to pay, working conditions, job satisfaction and personal growth of employees at a workplace, which is the interest of this study. Hence, our study adopts all these two theories to back up the study.

2.3.11 Characteristics of Motivation Systems

The concept of motivation has three basic characteristics. These characteristics are effort, persistence and direction (Chandan, 2000). The amount of effort put into the job identifies the strength of the person's work-related behavior. Employees who are hard workers are those who reflect high motivation; hence, high motivation is crucial for both individual success and organizational achievement. The second characteristic of motivation is persistence in effort. Most employees tend to reduce their effort when they see that there is no motivation, which is usually goal-oriented; employees direct their effort toward a higher goal they select in order to be motivated. Motivation is continuously goal-oriented, which is permanent and may become an integral part of the employee if he or she decides to be persistent in putting efforts on what she/he is doing in the organization.

The third characteristic of motivation is direction. Persistent hard work of an employee determines the quantity of effort while direction determines the quality of the anticipated output. All employees' efforts are to be directed towards achievement of the predetermined goals of department which in turn influences the persistent effort of employees and result in expected outcomes (Chandan, 2000).

Motivation is a result of interplay among three groups of factors which are the influences operating within the individual, influences like goals, values and needs, influences operating within the organization which involve structure, technology, physical facilities, and nature of the job, and other forces operating in the external environment like culture, customs and norms of the society.

2.3.12 Importance of Motivation.

Motivation is one of the most crucial factors that determine the efficiency and effectiveness of an organization. All organizational facilities will remain useless unless people are motivated to utilize these facilities in a productive manner. Motivation is an integral part of management process and every manager must motivate subordinates to create in them the will to work (Gupta, 2005).

Moreover, individual performance is determined by motivation which is the desire to do the job, ability, capability to do the job, and the work environment including tools, materials and information needed to do the job. It is important for leaders to ensure better working environment that are stress free and ensure training to those who lack ability to enhance high performance of organizations (Griffin, 2002).

It is important to motivate employees because it is a significant aspect in performance. Similarly, motivating employees alone cannot result in high performance unless accompanied by ability and better work structure. One of the prime functions of management is to design and improve work system with right activities, right resources at the right time. To achieve the best performance from motivated employees, management must provide stable and consistent system that allows employee growth leading to high level of performance (Chandan, 2000).

Moreover, (Gupta, 2006) outlined the importance of motivation as follows: Motivation is an effective instrument in the hands of management to maximize efficiency of operations. A worker may be very competent but no activity can take place until the individual is willing to perform that activity. What employees do depends largely on how much and why they want to do. Motivated employees give greater performance than demotivated ones.

Motivation inspires employees to make best possible use of different factors of production. They work whole heartedly to apply their abilities and potential in minimizing waste and cost. The enterprise can make maximum use of physical and financial resources. Higher motivation leads to job satisfaction of workers. Opportunities for need satisfaction make employee loyal and committed to the organization. As a results labor absenteeism and turn over are low.

2.3.13 Problems Facing Employee Motivation

The implementation of motivational system is faced by a number of problems, among these problems is lack of understanding of motivational theory, inadequate funds, conflicting goals, insufficient involvement of the concerned parties, lack of transparency on the existing motivational programmes as well as outdated motivational programme (Ngirwa, 2005).

Motivation is difficult phenomenon to understand such that most employees and managers fail to understand it. As designer and implementers of the motivation programme, managers face problems of discovering motives in people and prepare a programme that would match with those of the heterogeneous workforce that is matching jobs to people (Mponeyza, 2007).

Furthermore, cognitive theories based on employee needs like the hierarchy of needs theory, the Energy Relatedness Growth theory and the two factor theory are difficult motivational theories to understand. This is because they are too psychological to individual employee thinking and feeling. The theories cannot be measured with any scientific precision. No one is sure whether needs do exist or not. This leads to making inference only that people need certain things through their actions and what they say (Ngirwa, 2005).

Inadequate funds is another problem that inhibiting some organizations to design attractive motivational packages .Shortage of funds produces vicious cycle such that an organization cannot give satisfactory motivational packages ,and due to poor motivation, employees dislike their jobs and reduce morale to work which in turn leads to lower level organizational performance, poor quality of service provision to its customer as well as

declined in collecting enough money for both individual and organizational success (Mwakabalile,2007).

Conflicting goals is also among the problems which involves conflicts of interests between employees and management within the department. Most motivational programmes fails to meet the requirement of its employees because, managers who are the key leaders, designers and implementers of motivation systems put individual interests first while neglecting organizational interest. Similarly, this occurs to employees who expect to be satisfied by ensuring that their primary goal of needs fulfillment is accomplished. Hence, the two parts collide and reduce organizational development strategies (Ngirwa, 2005).

Most public organizations also face problems in motivating employees due to lack of transparency. This always leads to ineffective motivational programmes. Everything is treated as confidential such that even matters that are for employees benefits are not disclosed leading to dissatisfaction and distrust to the management. However, outdated motivational programmes should be avoided because, if the organization system uses past regulations, it will not be possible for such organization to meet its employee equipments. Hence it is important for motivation system to be dynamic and change with fast technological advancement.

2.3.14 Factors affecting Employee Service Quality

Gupta (2006) suggests that, apart from the factors that affect the context of motivation, there are also several factors that affect service quality directly. The nature and the impact of these factors on performance are described below.

2.3.14.1 Nature of Work

The job itself exercises a significant influence in employee service quality. Modern technology has made most of the factory jobs repetitive, monotonous, dull and unchallenging. As a result most workers do not take interest in the job and look upon it as a source of income. These adversely affect the quantity and quality of output. Social scientist has developed the technique of job enrichment and job enlargement to make jobs more interesting and challenging.

2.3.14.2 Work Environment

Good physical working condition such as right temperature, adequate lighting, proper ventilation, noise free atmosphere have positive effects on the motivation and performance of employee in providing quality customer service.

3.1.5.3 Supervision

The famous Hawthorne experiments conducted by Mayo, (1933) have revealed that the attitude and behavior of the supervisor exercise significant influence on productivity of workers on the shop floor. Considerate supervisors who respect the feelings and values of workers and work groups can secure better cooperation and output from workers. Therefore, supervisors should learn to live with informal groups of workers and should develop skills to win the cooperation of informal leaders.

3.1.5.4 Monetary Rewards

One of the most important factors which a worker look for in the job is the monetary reward in the form of wages and allowances. Other things being equal, he is likely to prefer the job which offers him a higher income. When such income is secured (job

security) his anxiety removed and he can concentrate fully in his work. Money not only satisfies physiological and security needs but is also a source of status and prestige in society.

Therefore, monetary reward has significant impact on employee motivation and performance. Management should ensure its employee fair wages comparable to that paid for similar work in other organization. Money acts as a better motivator when additional reward is directly linked with performance.

2.3.14.5 Workers' Participation in Management

Research on motivation reveals that majority of workers are capable of creativity and self control if they are allowed to participate in various matters relating to organizational performance. Motivation and performance participation reflects a genuine faith in human nature and provides dignity to workers.

2.3.14.6 Relationship between Motivational and Individual Quality customer service

Individual quality service is generally determined by three things: motivation, which is the desire to do the job; ability the capability to do the job; and the work environment that are the tools, materials; and information needed to do the job. If an employee lacks ability, training for such employee is necessary or he or she may be replaced by a more competent employee. The environmental problem can be adjusted so as to promote higher performance in service quality. Motivating employees should necessarily lead to performance because without it organizations may experience inefficiencies hence poor quality of service (Griffin, 2002).

Torrington et al (2005) emphasized on the importance of linking people-management practices and organizational performances as a means to motivate employees. These academicians insist on formulating human resources and policy practices that result in employee service quality, high performance and not affecting the bottom line.

Graham (1998) also identified about seven critical people-management policies likely to motivate employees. These policies include: emphasis on employment security, recruiting the right personnel, extensive use of self-managed teams and decentralization; high wages solidly linked to organizational performance, high spending on training, reducing status differentials, and sharing information.

However, the way an individual behaves at work can be looked at the abilities, experiences, goals and values, energy and the expected rewards. Individuals who have necessary abilities and experience as well as goals similar to those that an organization has, are ready to work wholeheartedly by exerting their energy if the rewards are attractive, hence through abilities the future of individual performances can be predicted (Chandan, 2002).

Graham (1998) investigated on the relationship between effort, reward and performance. They discovered that two factors determine the amount of effort put into a job. The factors are firstly, the extent to which the psychological and monetary rewards obtained from doing the job fulfills the employee needs for security, esteem, independence, and personal development. The other factor is the employee expectation that putting great deal of effort into the job will lead to the achievement of satisfying rewards. Thus, the more attractive an employee considers a particular reward, and the higher the probability that exertion of

effort will lead to that expected reward, then the more is the effort the individual will put into his or her job organizational betterment (ibid).

Furthermore, there is a close relationship between job satisfaction and performance in a sense that job satisfaction is an effective response towards various one's job facet. An individual can be relatively satisfied with one aspects of his or her job and dissatisfied with one or more other aspects (Kreitner & Kinink, 2001). Job satisfaction is said to be a result of five predominant models which are need fulfillment, discrepancy, value attainment, equity and dispositional or genetic components (ibid).

Need fulfillment models propose that satisfaction is determined by the extent to which the characteristic of a job allows an individual to fulfill his or her needs this means that if employee needs are not met it affects not only satisfaction but also performances and subsequent turnover. Need fulfillments correlate with job satisfaction because without it an organization can not succeed in retaining its employees?

The discrepancy model however proposes that satisfaction is a result of met expectations. These are the expectations that an employee expected to revive from his job. The expectations may base on good pay and promotional opportunities. When an expectation is greater than what an employee receive, an employee can be dissatisfied; and when he attains above expectations he will be satisfied.

Value attainment as another model may results in satisfaction if employee perception on the work outcome is relative to the input. This means, if they see that the reward they receive is not equal to the effort they put in the work they will be not be satisfied.

Managers should enhance employee satisfaction by structuring the work environment and its associated reward and recognition to reinforce employee's values. The equality model however contends that satisfaction is a function of how fairly an individual is treated at work. Satisfaction is the perception that work outcome is relative to inputs. Employee satisfaction is a result of fair promotions and pay.

The dispositional or genetic components model of satisfaction attempts to explain that job satisfaction is a function of both personal traits and genetic factors. The model implies that stable individual differences are important in explaining job satisfaction as well as the work environment characteristics.

Kreitner, & Kinicki, (2006) added that job satisfaction can bring about motivation due to the fact that there is a positive relationship between motivation and job satisfaction because employee satisfaction with good supervision leads to high quality job. Managers are advised to enhance employee motivation through job involvement, organizational commitment by encouraging a satisfactory working environment.

2.3.14.7 Motivation through Job Enrichment

Job enrichment is a non-financial technique of motivation. It is an outgrowth of Herzberg's' two factor theory of motivation. It is based on the assumption that factors surrounding the work are not effective motivators of behavior. In order to motivate employees the job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth. Job enrichment is an attempt to design job in such a way as to build in the opportunity for achievement, recognition, responsibility and

personal growth. It provides a worker greater autonomy and responsibility in carrying out a complete task and with timely feedback on his performance and quality.

Job enrichment involves designing jobs with variety of work content that requires a high level of knowledge and skill. It provides a meaningful work experience and greater responsibility for planning and controlling his/her own performance. It requires decentralization of decision making authority to the worker. The task is redefined, restructured and broadened in scope and responsibility. The worker gets the freedom and discretion in scheduling his work. Job enrichment is said to be a key to higher motivation and productivity. It removes the labor management distinction. It creates a self-managed job where the worker himself plans and controls his tasks. It offers job satisfaction in the whole man (Gupta, 2005).

2.4 Empirical Literature Review

This part explained the various past studies in relation to the research.

2.4.1 Empirical Studies in the World

Angelo (2008) conducted a research focused on Service Quality, Empowerment and Ethics in the South African Hospitality and Tourism Industry in South Africa. On his research he revealed that in order to survive in high competitive environment, empowerment is seen as an innovative means of enhancing the creativity of employees so as to make them provide exceptional service to highly demanding customers.

Amaanda (2011) on her study titled The Impact of Employee Motivation and Empowerment on Delivering Service Quality to Enhance Customer Satisfaction in Namibia revealed that management is required to show an attitude of interest, recognition and

appreciation for differences between themselves and employees. “Management need to recognize the legitimacy of their employees and make efforts in understanding them”.

Okan, Safakli and Mustafa (2012), did a study on Universality of Factors motivating employees in Banking Sector of Northern Cyprus. Their study revealed that the most important factors motivating employees are equitable wage and promotion, extended healthy benefits and working environment. Furthermore when compare with a similar study in Finland, it is found that the most important factor motivating employees in both countries is wage. The study was conducted in a developed country while a researcher study is focused in the banking sector located in Tanzania as a less developing country.

Maxmillian, (2009) in his research on Motivation- Away to Retain key Employees in Slovak came up with the observation that people are a common and essential element of any organisation and constitute its human resources, who use their creative powers and work skills, create new values reflecting in the prosperity and competitiveness of the organisation. Hence the success of the organisation depends primarily in the satisfaction of its employees. This study concentrated more on employee motivation which is part of our study and hence the researcher adopted it to the study.

Alsabri in his study on Impact of Employee Motivation on Banking Effectiveness in India (2012), observed that banking sector is characterized by high competition and in order to survive in the market place employees must be motivated and satisfied. Therefore banks should design their rules, policies and banking structures which give employee to work well and appreciate them on their task fulfillment and achievement. This study was conducted in another country which has different working environment from that of

Tanzania and hence there was need to conduct study in Tanzanian context. In addition this study concentrated more on employee working in banking sector while our study focuses on employee motivation.

2.4.2 Africa Related Studies

Hays and Arthur (1999) did a research on Gaining Competitive Service Value through Performance Motivation in Minesota revealed that employee motivation and vision is focus the mechanism through which organisayonal learning is antecedent, empoyee motivation and vision is the mediator and perceived service quality is the quesequent. Also the research findings indicated that employee motivation and vision have a significant positive effect on perceived service quality. Organisation Service Learning has significant positive effect on perceived service quality and finally the effect of organisational service learning or perceived or service quality essentially disappears when the effect of employee motivation and vision is accounted for. The above study shows that, there is a gap from the fact that it was conducted in a developed country while the selected bank is located in developing African country.

Owusu (2012) conducted study on the effects of motivation on employee job performance in Ghana. The purpose of the study was to analyze and determine the motivational package that influences the performance of employee at Ghana Commercial Bank. The bank achieved its corporate goals as well as employee performance simply because the company was using extrinsic motivation package which covers periodic enhanced salaries to employees, fringe benefits and promotions. In this study the researcher found a conformity of ideas regarding the issue of motivation, however the researcher noticed the

variations in terms of motivation . So there is a need to conduct a research in order to reveal these differences in Tanzanian banking industry.

Diedr`re M'Oller (2007) conducted a study on Customer Service Expectations in Retail Banking in Africa. The study assessed customer expectations baseue of smd on service quality factors for retail banks across the countries in Africa. The study revealed that service expectations in Africa are not are not static. Service expectations do change over time and this change is evident over relatively short period of time.

Liang (2010) conducted a study on The Employees Role on Service Delivery in China. The purpose of the study was to analyse the human resource strategies for improving the employees quality and quantity and comparing the differences in highlighting the service delivery through people in China hotels. The study revealed the important role of employee in service quality delivery play and came up with a developed theory to be applicable in othe cases.

In a study carried out in Mali to understand factors that motivate healthy workers in Mali and match their performance with the implementation of performance management. The study revealed that healthy workers in Mali are mainly motivated by salary followed by responsibility, training and reccognition which were found to be the most important attributes. (Kohn, 1987: 2). This however has relevance to our study because it explains the role of employee service delivery in Mali. Due to the environmenal and geographical , differences, therefore there is a need to carry out a research.

Opu (2008) of Uganda conducted a research paper titled Motivation and work performance, observed that in order to motivate people and organisation needs to first must have the baseline that is the hygiene factors in place and then the motivators will be used to motivate and in the absence of the baseline motivation is a reason not possible to achieve. This category of study is too limited in terms of understanding of motivation and performance hence it cant be adopted to our study.

2.4.3 Tanzania Related Studies

Buguza (2013) using correlational and regression analysis, conducted a study on the Impact of Employee Motivation on Job Performance in Tanzania Banking Sector. The purpose of the study was to examine the impact of employee motivation in the banking sector. The study revealed that people use bank services to save their gain because they believe it is a secured place for keeping their money. The study also shows that salary increment has had an impact on job performance. It has made the employees to work hard and provide good services to its esteemed customers.

It is further concluded that presence of team work among employees of Tanzania Postal Bank has an impact on job performance. The above study shows that there is an industrial gap from the fact that it was conducted in Tanzania Postal Bank(public bank) while the case in this study is at Akiba Commercial Bank, a purely private bank.

Emiliana (2012) using descriptive method of reasoning, conducted a study on Assessment of Customer Satisfaction of Loan Products in Financial Institutions in Dar Es Salaam municipals of Kinondoni and Temeke. The aim of the study was to determine the levels of customer satisfaction. Her study revealed that customer satisfaction in all the process of

loan provision is not perfectly attained but is evidently that customer satisfaction increases the number of customers to the financial institutions. Therefore will increase income of the institutions and will also increase customer loyalty to the financial institutions. Hence, Employees should be motivated so they can deliver good services to customers as the most valuable tool in the today's loan provision processes.

Godfrey (2012), in his research on Supply-related drivers of staff motivation for providing intermittent preventive for malaria during pregnancy in Tanzania provides that conditions related to staffing level, healthy infrastructure and essential supplies being among the key determinants or drivers of front line HWs motivation to deliver ANC services in both private and public HFs. Efforts of the government to meet the maternal health related Minimum Development goals and targets for specific interventions needs to address challenges related to HWs motivation to perform their duties at their work places. This study deals much with Health matters, a subject which is different from the employee motivation, hence it can not be adopted to our study.

Ngimbundzi in (2009) did a cross-sectional research on Job Satisfaction among Secondary School teachers observed that teachers in Njombe district are satisfied with social benefits, meaningfulness of the job and support from the administrators job dimensions. However, teachers are least satisfied with the aspects in the job characteristics dimensions like recognitions from community, co-workers, autonomy/freedom, responsibility, work itself and job security. This work is strictly non-conformistic to employee motivation. It deals much with teachers' satisfaction in secondary school. Therefore it can not be employed in our study.

The study done by Melkidezek (2008) on Motivation of healthy workers in Tanzania Muhimbili hospital which gives a conclusion that many workers at all levels were not satisfied with the task they perform due to a variety of factors such as salary. Hence introduction of rewarding system comensurate with performance, improved communication at all levels and introduction of measures to demonstrate concern for the workers welfare. The matters pertaining to Health are not related to our study hence it cannot be considered in this research.

2.5 Research Gap

Having seen the above discussions, one can see that much have been done on employees motivation. The study by Emiliana (2012) used descriptive method of reasoning, conducted a study on Assessment of Customer Satisfaction of Loan Products in Financial Institutions in Dar Es Salaam municipals of Kinondoni and Temeke. Godfrey (2012), in his research on Supply-related drivers of staff motivation for providing intermittent preventive for malaria during preginancy in Tanzania. Liang (2010) conducted a study on The Employees Role on Service Delivery in China. Diedr`re M`Oller (2007) conducted a study on Customer Service Expectations in Retail Banking in Africa. These research shows various findings and some are not clear because diferent researchers focused on different variables, organisation etc. Therefore the question still remains as to why organisations especially the banking industry still experience poor customer service and customer complaints just because of lack of employee motivation.

2.6 Conceptual Framework

This is an analytical tool with several variations and contexts. It is used to make conceptual distinctions and organise ideas. Strong conceptual frameworks capture something real and do this in a way that is easy to remember and apply. This study used

independent variables which are Motivation attributes such as salary increment, recognition, team work, promotion, fringe benefit, employee car scheme, employee car loan scheme, housing loan scheme, and training and a dependent variable was quality customer service. Figure 2.3 explains this in graphical way.

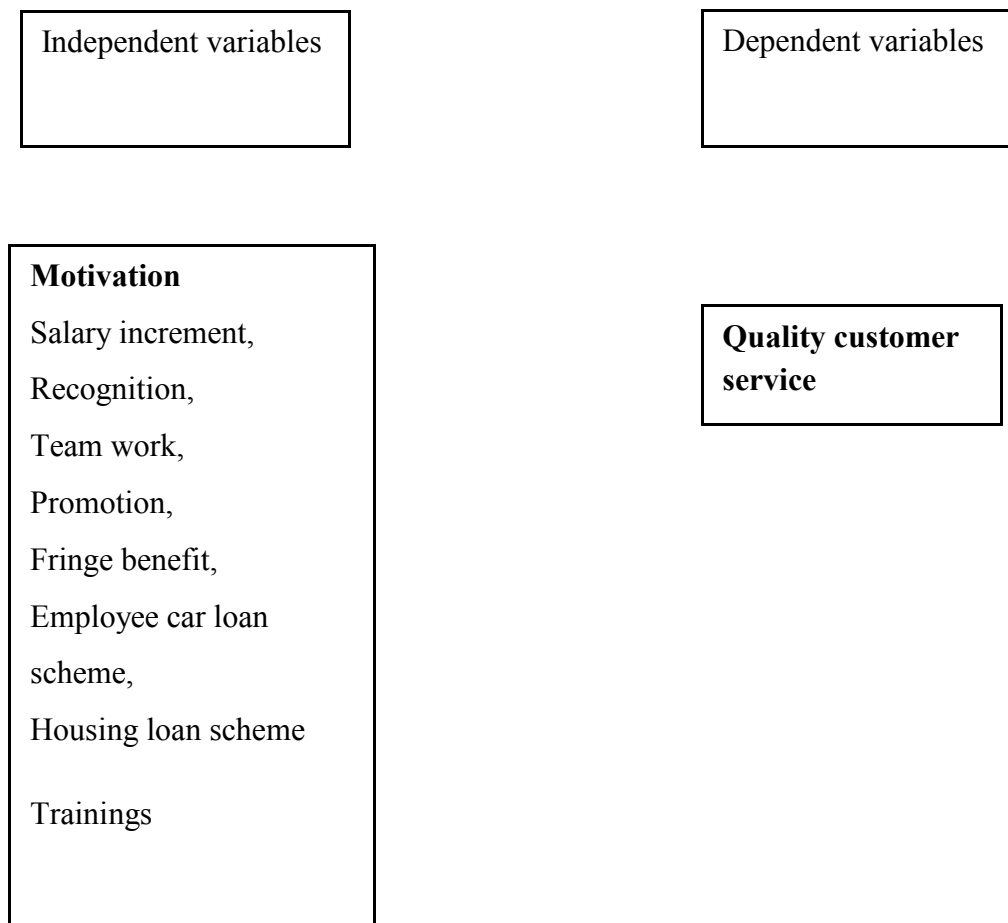


Figure 2.3 Conceptual framework of the study

Source: Own developed model

2.7 Theoretical Framework

As indicated in figure 2.3 in the conceptual framework the two variables are interrelated and there is no way they can be separated. Dependent variables are variables that researcher measured in order to establish change or impact created on them.

Salary increment is the foremost motivating strategy to every employee as people usually think of high earning. Good salary attracts employees and can be used as a factor to sustain employees. It can also be used as a self-motivating strategy where by employees will work hard and perform better to get good salary. Salary increment can be provided in different ways like performance bonus, gain sharing, profit sharing and skills based rewards. All these are categorized in different ways but mean all the same that end up with good performers will get good salary.

From the conceptual framework above, recognition is the most important and effective incentives for improved performance. According to (Ricks et al.) recognizing self-motivated, self-managed and highly productive individuals will encourage and help the continuation and the development of the above features in the employees which will result

Team work was created because the employees needed a better and simple way to do their work. Every organization is now encouraging team work among employees and through team work employees' performance is improving and also when employees are working in a team it is easier to set down their different ideas in accomplishing a certain activity and come out with one common idea which helps and simplifies performance of that activity, like wise in problem solving it is easy to settle down a shared problem than to do it on your own.

Effective teams should have the following characteristics; should have clear goals, must have a result-driven culture, must have competent team members, must have unified commitment, must have a collaborative climate, must have high standards that are

understood by all, the team members, also the team must receive external support and encouragement and the last a team must have principled leadership.

Every employee in any working place dream positive on growth carrier wise as well as financially. That is how employee need and desire being promoted to reach that destiny. By being promoted employees feel to be recognized and their contribution to the institution is seen by the management. Therefore they will work hard and with commitment after being promoted that will increase profit and wellbeing of the institution. Fringe benefit includes types of non wage compensation provided to employees in addition to their normal wages or salaries. This also can motivate employees to provide quality service as they get what they desire. Monetary incentives are very attractive one and convincing thus is good to be used in motivating employees.

Employees car loans and housing loan scheme are also very attractive as many employees need to live in good houses and to have good transport all are basic hence if provided to employees may ensure sustainable quality service and good performance of the organization. This is to say if employees are assured of good houses and transport especially here in Dar Es Salaam they will settle their mind and concentrate with the job only that will provide happy employees who will provide quality service to customers.

Training is very essential part of any organization which has good strategic goal. The purpose of training is to sharpen the skills that employees already has and to add new skills to them which will enable them to perform better and to deliver quality service. With the rapid change of market needs and technology organizations management must be aware every time of what is taking place in the market that will ensure the well being of the institution. A good example here is introduction of mobile banking in banking industry.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

Research methodology is the way of doing research. This involves the methods, techniques and/or a plan on how to conduct research. Design is an approach or a plan on how to conduct research. Research designs includes experiment, surveys, case study grounded theory, and ethnography and action research. This chapter explains the steps and logic that was generally adopted by the researcher in studying her research problem along with the logic behind.

Kothari (1990) defined research methodology as the arrangement of conditions for collecting and analysis of data in manner that aims to combine relevance to the purpose with economy in procedure.

This study used survey design in which data were collected by using questionnaires. It designed into eight sections starting with research design, where a particular design of this research was conducted. Second section is the area of the study refers to the place where this study was conducted, and section three includes total population. Section four is sample size and sampling procedures. Section five contains all data collection methods followed by data collection tools. Section seven contains data reliability and validity and section eight presents and analyses the collected data. This is where we expected the result of the study.

3.2 Research Design

This research is a case study of Akiba Commercial Bank. It aimed to find out the contribution of employee motivating in providing quality customer service in the banking sector. To do this study, questionnaires were designed in a way that helped archive study objectives. The reason of using the case study is that it is comprehensive, descriptive and situational. It was easier and flexible during data collection. It also saved money and time and enabled to go further in different aspects of the events. Moreover, it gave a researcher power to produce effects in the variables under the study (Cooper and Schindler, 2006)

Furthermore, ACB was selected as a case study in this research because this institution was established long time with good strategies of providing good customer service quality than other banks and one of the core values of the bank is integrity. But the level of service quality is not as good as they receive complaints from customers and others continue to leave to other banks. Hence ACB was chosen so as to find out factors motivating employees in the banking sector. In 2013 June the branch manager of Kijitonyama branch found customer complaints in suggestion box on how solidarity loans clients were mistreated by loan officers.

3.3 Area of the Study

The study was conducted in Dar es Salaam, whereby data was collected at ACB Head office at Amani Place building, opposite Serena Hotel and Metropolitan Branch located at Kijitonyama at Letysia Towers near Science and Technology building. The researcher decided to use ACB as area of the study because she is an employee of ACB. Therefore that will simplified the process of collecting data and minimize costs of getting necessary information needed.

3.4 Study Population

In this study the population comprised of ACB Senior Management officials, bank clients, supporting staffs and public representatives for the purpose of getting required information. ACB comprised of 458 employees.

3.5 Sample Size and Sampling Techniques

3.5.1 Sample Size

In this study a sample of 96 respondents were used in which a total of 96 questionnaires and interview guides were prepared to the employees and clients of ACB in order to ensure maximum representations of all levels of employees from different departments and avoid any possible biases. This included key informers who are Human Resource Manager and General Manager Operations as well as Branch Manager and Product Manager of loans from ACB head office and the metropolitan Branch.

Table 3.1 Sample Size

SN	Respondents	Number	Technique used	Tool used
1	Key informants	5	Purposive sampling	Questionnaires/ interview
2	Branch manager	5	Purposive sampling	Questionnaires/ interview
3	Bank officer (branch	17	Simple random sampling	Questionnaires
4	Head office staffs	39	Simple random sampling	Questionnaires
5	Bank clients	15	Simple random sampling	Questionnaires
6	Public representatives	15	Simple random sampling	Questionnaires
Total		96		

Source: Researcher

3.5.2 Sampling Techniques

According to Kothari (2004), sampling is defined as selection of parts of aggregate of the totality based on which a judgment about the aggregate or totality is made. It is a process of selecting a group of people, events, behaviour, or other elements with which to conduct a study. An important issue influencing the choice of a sampling technique is whether a sampling frame is available, that is, a list of units comprising the study population.

This research used both simple random sampling and purposive technique in picking up respondent from the population of ACB. Simple Random Sampling technique was used to give out accuracy of relevant information/data on time. Simple Random Sampling is the simplest form of random sampling which forms the model for all the basic results of sampling theory. Units in the study population have an equal chance of being selected (Kothari, 2004) simple random samplings were used to 5 branch bank officers, ordinary employees. 35 office staff, 21 bank clients and 25 public representative

Purposive sampling was used to obtain the required information from the 5 branch officer and 5 key informants who had that information according to the knowledge of the researcher. This information was difficult to obtain from individual respondents who were selected randomly since they needed clarification, experience and personal understanding of the respondents who were selected.

3.6 Data Collection Methods

For much research, data collection using questionnaires and interviews are often efficient and effective methods of data collection. Using questionnaires it was easy to get the respondents feedback within a short period of time without costing them much time. However this study made use of both primary and secondary data. Primary data were

contained through questionnaires and secondary data from books and journals, library work, books and related reports on employee motivation and customer service.

3.7 Data Collection Tools

Both questionnaire and interview are used in data collection.

3.7.1 Questionnaire in Research

Questionnaire as a tool of data collection was employed. A questionnaire consists of a number of questions printed or typed in a definite order in a form or set of forms (Kothari, 2006). It involved both closed-ended and open-ended questions giving respondents an opportunity to select the appropriate answers, at the same time the opportunity to express without any limitations all issues concerning customer satisfaction. The choice of using questionnaire in data collection was given greater priority because of its advantages over other methods, as it is an efficient method with the ability to capture more information from the source. Questionnaires were used to Bank officer, Head office staffs, Bank clients and Public representatives

The method involved sending questionnaires to respondents and requesting them to answer questions and returning them back. The researcher decided to use questionnaires because they were useful to the respondents who were not easily approachable and they also gave them enough time to give out their opinions about the matter in discussion.

3.7.2 Interview

Interviews were used to collect information from some of respondents when seem to be convenient. In this research, one interview schedule was used, which targeted key informants and bank managers. The reason behind the choice of the interview technique

was to safeguard time to the managers and to allow easy obtainability of the information. The focused interviews were used as the researcher had visualized while conducting the interview, but those who were interviewed were free to talk about the topic openly. Interview guide were used to 5 branch managers and 5 key informants

Moreover interviews were conducted through guided questions used. Interview was conducted at ACB where there was applicability of the respondents and collection of data. It was preferred for a simple reason that interview was flexible and some few questions needed flexibility and justifications. High response rate was considered and completeness because interviews data collection was a sure way to complete the questions.

3.8 Reliability and Validity of the Data

According to Carmines and Zeller, (1979) reliability of a research instrument concerns the extent to which the instruments yields the same results in repeated trials. Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable.

3.8.1 Reliability of Data

This is the degree to which an assessment tool produces stable and consistent results (Howell et al, 2005). To this study reliability was accomplished by asking informants same questions at different times and observed whether they gave out same answers. Also by using two different ways of data collections (questionnaires and interview questions) contributed a lot to get reliable data in this study

Although unreliability is always present to a certain extent, there will generally be good deal of consistency in the result of the quality instrument gathered at different times. The tendency toward consistency found in repeated measurements is referred to as reliability (Carmines & Zeller, 1979).

3.8.2 Validity of Data

This is the traditional criteria for validity rooted in a positivist tradition, and to an extent, positivism has been defined by a systematic theory of validity. Within the positivist terminology, validity resided amongst, and was the result and culmination of other empirical conceptions: universal laws, evidence, objectivity, truth, actuality, deduction, reason, fact and mathematical data to name just a few (Winter, 2000).

Joppe (2000) provides that, validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit "the bull's eye" of your research object? Researchers generally determine validity by asking a series of questions, and were often look for the answers in the research of others. This study used both primary and secondary data so as to investigate contribution of employee motivation in enhancing quality customer service in ACB. The study is qualitative in nature. Interview questionnaires and various documents were used in collecting the needed information.

3.9 Data Analysis Method

Quantitative and qualitative data analysis was used in conducted this study. Descriptive statistical method of data analysis was used for qualitative data. With this method data was described, organized in sample table to get the main characteristics of sample data. For qualitative data it was obtained from observation and open questions data was

organized to find out the relationship between employee motivation and customer service quality in the banking industry. Answers from respondents were checked and compared for validity. They were edited for accuracy and completeness, classified and tabulated for easy analysis and interpretation.

In editing the researcher went through all completed questionnaires to check and omit errors where necessary in order to evaluate the collected data if they were consistent or not. Data were classified according to their characteristics and nature and according to the hypotheses, so that they were related to and then represented in a form of statistical tables. The data collected were summarized and analyzed in a readable and easily interpretable form.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSIONS OF FINDINGS

4.1 Introductions

This chapter comprises of presentation, analysis and Discussion of findings which resulted from the research on the “assessment of the contribution of employee motivation in providing quality customer services in ACB”. The data were obtained from the respondents through questionnaires and interview covering the following aspects: the role of employee motivation in enhancing Quality customer service at ACB, factors leading to employee motivation at ACB, attitude of the employees towards motivation practices in ACB, and measures taken to minimize factors leading in to poor Quality Customer Service of ACB employees. The researcher revealed the following.

4.2 Respondent Rate.

The sample size of 96 respondents were expected to be used in this study, whereas out of 96 questionnaires and interview conducted at the field, 90 responses were collected from the questionnaires and interview, this represent a response rate of 93.7% of total distributed/conducted interview and questionnaires. However some of employees were on leave and others were out of the office and other respondents did not return the questionnaires provided on time regardless of the effort made by the researcher to convince them from time to time.

Table 4.1 Response Rate of the Respondents

Response Rate	Distributed Questionnaire s	Collected questionnaire s	Actual Percentage
Key informants	5	5	100
Branch manager	5	4	80
Bank officer (branch	17	17	100
Head office staffs	39	39	100
Bank clients	15	13	86.7
Public representatives	15	12	80
Total	96	90	93.75

Source: Field Data

4.3 Presentation of the Study Findings

The characteristics of the respondent were based on sex, age distribution, education level, duration of employment and working experience.

4.3.1 Sex Respondents

The results in table 4:2 indicate that 38 (42.2%) of the respondents were male and 52 (57.8%) of the respondents were female. The study was interested to use sex in order to get balance and accurate data because when employees or Customer are to be considered has to comprise all sexes. The results showed that the majority of people who use bank services are female and have a habit to save money in banks than males. This implies that the policy of ensuring equal opportunities between male and females employees is not well stipulated especially in its actual implementation. However the sex aspect was not an area of the researcher since it is less related to employee motivation practices.

Table 4.2 Sex Respondents

Variables	Frequency (N)	Percentages (%)
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Male	38	42.2
Female	52	57.8
Total	90	100

Source: Field data.

4.3.2. Age of Respondents

The study results in table 4.3 indicate that age group between 21 – 25 years were 15 (16.7%) of the respondents; 26 – 35 years were 49 (54.4%) of the respondents; 36 – 50 years were 20 (22.2%) of the respondents and above 51 were 6 (6.7%) of the respondents. The results showed that majority of the respondents were young age between 26– 35. This age structure implies that such kind of people are very mobile due to the factor that, most of them are seeking for green pastures. This age group also is being searched by most of the organisations since they believe that such age group is very productive.

Table 4.3 Age of Respondents

Age	Frequency (N)	Percentages (%)
21 – 25 years	15	16.7
26 – 35 years	49	54.4
36 – 50 years	20	22.2
51 and above	6	6.7
Total	90	100

Source: Field data.

4.3.3 Level of Education

The results in table 4.4 show that 43 (47.7%) of the respondents were degree holders; 27 (30%) of the respondents were Diploma holders; 15 (16.7) of the respondents were Secondary leavers and finally 5 (5.6%). The results entail that most of them are skilled and knowledgeable hence their responses are to be relied upon due to the fact that, they are

capable of understanding on various concepts which were asked and also the employees who are qualified.

Table 4.4 Education Level

Variables	Frequency (N)	Percentages (%)
Primary	5	5.6
Secondary	15	16.7
Diploma	27	30.0
University	43	47.7
Total	90	100

Source. Field data.

4.3.4 Work Experience of Respondents

The results in table 4.5 indicate that most of respondents had working experience between 0 – 5 years which was 31 (47.7%) of the respondents, followed by respondents who had working experience of between 6 – 10 years which was 19 (29.3%), then followed by those who had working experience between 11 – 15 years which was 8 (12.3%) of the respondents. Those who had 16 years and above were 7 (7.7%) of the respondents. This implies that majority of respondents had worked for personable period of time since most of them had working experience between 0 – 5 years hence they are in position to understand the working condition and environment of the school.

Table 4.5 Work Experience of Respondents

Variables	Frequency(N)	Percentages (%)
0 – 5 years	31	47.7
6 – 10 years	19	29.3
11 – 15 years	8	12.3
16 years and above	7	7.7
Total	65	100.0

Source: Field data

4.3.5 Experience of Respondents on Turnover

The results in table 4.6 indicate that out of 65 respondents, 36 (55.4%) had experience Employees leaving the ACB before their contracts end and 29 (44.6%) of the respondents had not experienced employees leaving the ACB before their contract end. This implies that at this ACB most of the employees are leaving before their contact end.

Table 4.6 Respondents Experience of Employee Turnover

Variables	Frequency (N)	Percentages (%)
Yes	36	55.4
No	29	44.6
Total	65	100.0

Source: Field data.

4.4 Types and the level of Employees' Motivation

4.4.1 Most Effective Motivation Packages Available at ACB

The question was posed to the respondents to mention the most effective motivation available at ACB. The findings as shown in table 4.7 show that 54(83.1%) of respondents said one of the effective motivation package available at ACB is training opputunity followed by working condition as 42(64.6%) of respondents indicated, 32(49.2%) of respondents said promotion and availability of incentive packages and 21(32.3%) of respondents said involvement in decision making.

Table 4.7 Most Effective Motivation Packages Available at ACB

No	Variable	Frequency (N)	Percentage (%)
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1	Training opportunities	54	83.1
2	Promotion	32	49.2
3	Working conditions	42	64.6
4	Involvement in decision making	21	32.3
5	Availability of incentives packages	32	49.2

Source: Field data.

4.4.2 Training Opportunity at ACB

The question was asked to the respondents if they have attended any seminar conducted by ACB. The findings as at table 4.8 show that 51(56.7%) of respondents had attended seminar and 39(43.3%) of respondents had not attended any seminar conducted by ACB.

Table 4.8 Training Opportunity at ACB

Attending a seminar offered	Frequency(N)	Percent (%)
Yes	51	56.7
No	39	43.3
Total	90	100.0

Source: Field data.

The findings from table 4.8 above indicate that it is almost a half of respondents who have attended seminar offered by ACB. ACB offer seminar to the customer who apply for loans especially group loans. Before giving them loan, the applicant should attend the seminar as per their project on how to control the money and use it to the intended purpose. For the case of employees raining is important as it expands and increases the knowledge and hence pay raises which enable employees to live a better life. It is obvious that motivation

alone cannot result to high performance, hence training is necessary to equip employee on new technologies and skills.

4.4.3 Level of Customer Satisfaction with Service Quality at ACB

The public representative and bank client respondents were asked on the level of satisfaction with service quality provided by ACB. The findings show that 12(48%) of respondents said it is good, 3(12%) of respondents said it is fair and very good, 6(24%) of respondents said poor, 1(4%) of respondents said very poor as shown in table 4.9.

Table 4.9 Level of Customer Satisfaction with Service Quality ACB N=25

Level of Satisfaction with service quality	Frequency	Percent
Very Good	3	12.0
Good	12	48.0
Fair	3	12.0
Poor	6	24.0
Very poor	1	4.0
Total	25	100.0

Source: Field data.

The findings from table 4.9 above indicate that customers are satisfied with the quality of the service offered by ACB as 12% and 48% of respondents said very good and good respectively and 12% said it is fair. It implies that the customers are satisfied with service quality offered by ACB.

4.4.4 Level of Customer Satisfaction with Complaint Handling at ACB

The question was posed to public representative and bank client respondents on the level of satisfaction with complaint handling at ACB. The findings shows that 11(44%) of

respondents said good, 5(20%) of respondents said very good, 4(16%) of respondents said poor and fair and 1(4%) of respondents said very poor as shown in table 4.10.

Table 4.10. Level of Customer Satisfaction with Complaint Handling at ACB. N=25

Level of satisfaction with complaint handling	Frequency	Percent
Very Good	5	20.0
Good	11	44.0
Fair	4	16.0
Poor	4	16.0
Very poor	1	4.0
Total	25	100.0

Source: Field data.

The findings from table 4.10 above indicate that respondents are satisfied with the way customer complaint are handled as 44% of respondents said good and 16% said fair. This implied that customers complaints handling at ACB is fair and keeps good relationship between customers and the bank

4.5 The Factors Leading to Employees' Motivation at ACB

4.5.1 Presentation of Findings on Current Salary

Respondents were asked to rank on the likert scale their level of agreement on salary increment and allowances they get whether enables them to perform the best of their capacity hence employee motivation. The study results in table 4.11 show that, 9 (13.8%) of respondents strongly disagreed 9 (13.8%) of the respondents disagreed 12 (18.5%) of the respondents were not sure, 30 (46.2%) of the respondents agreed while, 7 (7.7%) the respondents strongly agreed. The result revealed that 27.6% of all respondents did not agree with the statement that current salary increment and allowance enable them to perform the best of their capacity hence employee motivation.

Table 4.11 Current Salary Increment and Allowances Enable to Perform the Best

Variables	Frequency (N)	Percentages (%)
Strongly disagree	9	13.8
Disagree	9	13.8
Not sure	12	18.5
Agree	30	46.2
Strongly agree	5	7.7
Total	65	100.0

Source: Field data.

4.5.2 Current Fringe Benefits that ACB employees get,

Respondents were asked to give their opinions on whether their current fringe benefits increase quality customer service at ACB? The results in table 4.12 indicate that 7 (10.8%) of the respondents strongly disagree, 29 (44.6%) of the respondents disagreed and 9 (13.8%) of the respondents were not sure, 13 (20.0%) and 7 (10.8) strongly agreed of the respondents agreed. This reveals that the current fringe benefits offered to employees are not sufficient to motivate them so as to work hard hence quality customer service.

Table 4.12 Current Fringe Benefits that ACB Employees get Increase Quality Customer Service

Variables	Frequency (N)	Percentages (%)
Strongly disagree	7	10.8
Disagree	29	44.6
Not sure	9	13.8
Agree	13	20.0
Strongly agree	7	10.8
Total	65	100.0

Source: Field data.

4.5.3. Presentation of Findings on the Current Staff recognition

The respondents were asked on whether current staff recognition increase employee motivation, their responses in table 4.13 indicate that 10 (15.3%) of the respondents disagreed, 28 (43.1%) disagree, 4 (6.2%) of the respondents were not sure, 18 (27.7%) of the respondents agreed and 5 (7.7%) of the respondents strongly agreed. The results implies that 58.4% of the respondents are not satisfied with the way staff are recognized hence reduce their morale.

Table 4.13 Current Staff Recognition Increase Motivation.

Variables	Frequency (N)	Percentages (%)
Strongly disagree	10	15.3
Disagree	28	43.1
Not sure	4	6.2
Agree	18	27.7
Strongly agree	5	7.7
Total	65	100.0

Source: Field data.

4.5.4 Current Employees Car Scheme Contribute to Employee Motivation

The respondents were asked to rank level of agreement on linker scale on whether Current Employees Car Scheme contribute to employee motivation at ACB. The findings in table 4.14 indicate that, 29 (44.6%) of the respondents strongly agreed. 17 (26.2%) of the respondents disagreed, 8 (12.3%) of the respondents were not sure and 11 (16.9%) of the respondents agree. The results implies that 70.8% of the respondents are not satisfied with the current car loan scheme hence reduce their morale.

Table 4.14 Employees Satisfaction with Current Salary Increment.

Variables	Frequency (N)	Percentages (%)
Strongly disagree	29	44.6
Disagree	17	26.2
Not sure	8	12.3
Agree	11	16.9
Strongly agree	0	0.0
Total	65	100.0

Source: Field data.

4.5.5 Presence of Team Work

The question was posed to the ACB employees respondents if the team work present at ACB contribute to the employee motivation. From the table 4.15 indicates that, 14 (21.5%) of the respondent strongly disagree, 31 (47.7%) of the respondents disagreed, 8 (12.3%) of the respondents were not sure, followed by 12 (18.5%) of the respondents agreed and no respondent who strongly agreed. The results reveal that the team work which comprises ordinary employees and management does not contribute to the employee motivation.

Table 4.15 Presence of Team Work

Variables	Frequency (N)	Percentages (%)
Strongly disagree	14	21.5
Disagree	31	47.7
Not sure	8	12.3
Agree	12	18.5
Strongly agree	0	0.0
Total	65	100.0

Source: Field data.

4.5.6 Current Housing Loan Scheme.

The respondents were asked to give their views in relation to current housing loan scheme, their responses were as follows. 12 (18.5%) of the respondents strongly disagreed, followed by 28 (43.1%) of the respondents disagreed, then followed by of (10.7%) of the respondents were not sure on whether there is attractive salary or not, 18 (27.7%) of the respondents agreed and there was no respondent who strongly agreed that there is attractive salary and benefits in the ACB. The result implies that 61.6% of the respondents

do not agree with the current housing loan Scheme. The results are shown in Table 4.16 attractive salary and benefits.

Table 4.16 Current Housing Loan Scheme

Variables	Frequency (N)	Percentages (%)
Strongly disagree	12	18.5
Disagree	28	43.1
Not sure	07	10.7
Agree	18	17.7
Strongly agree	0	0.0
Total	65	100.0

Source: Field data.

4.5.7 Promotion Practices at ACB increase Employee Motivation

The question was asked to the respondents if the current promotion practices at ACM increase employee motivation hence increase employee's performance. The findings from table 4.17 indicate that, 16 (24.6%) of the respondents strongly disagree, 23 (35.4%) of the respondents disagreed, 9 (13.8%) of the respondents were not sure, 13 (20.0%) of the respondents agreed and 4 (6.2) of the respondents strongly agreed.

Table 4.17 Promotion Practices at ACB increase Employee Motivation

Variables	Frequency (N)	Percentages (%)
Strongly disagree	16	24.6
Disagree	23	35.4
Not sure	9	13.8
Agree	13	20.0
Strongly agree	4	6.2
Total	65	100.0

Source: Field data.

4.6 The Demotivational Factors that lead to Poor Quality Customer Service

4.6.1 Job Insecurity of Employees at ACB

The respondents were asked to give their opinions on **Job insecurity** of Employees in ACB, their responses were as follows: 30 (46.2%) of the respondents agreed, 25 (38.5%) of the respondents were strongly agree, 4 (6.2%) of the respondents disagree and not sure and 2 (3.1%) of the respondents strongly disagreed. The result implies that most of the respondents agreed with the statement that job security at a ACB is among the demotivational factor to employees as 84.7% of respondents indicated. This shows that the employees are demotivated as they are not secured at work and hence poor quality customer service as shown in table 4.18.

Table 4.18 Job Insecurity of Employees in ACB

Job insecurity of Employees	Frequency(N)	Percent (%)
Strongly Agree	25	38.5
Agree	30	46.2
Not sure	4	6.2
Disagree	4	6.2
Strongly disagree	2	3.1
Total	65	100.0

Source: Field data.

4.6.2 Employees Feeling under-valued

The respondents were asked to give their opinion if employees are feeling under-valued at Akiba Commercial Bank (ACB). The findings at table 4.19 show that 39 (60%) of the

respondents agreed, 10 (15.4%) of the respondents were strongly agree, 9 (7.7%) of the respondents disagree, 5 (7.7%) of the respondents were not sure and 2 (3.1%) strongly agreed. The study implies that 75.4% of the respondents agreed with the statement that employees of ACB are feeling under- valued and that increase demotivational hence poor service quality.

Table 4.19 Salary Policies and Current Economic Condition

Salary policies	Frequency(N)	Percent (%)
Strongly Agree	10	15.4
Agree	39	60.0
Not sure	5	7.7
Disagree	9	13.8
Strongly disagree	2	3.1
Total	65	100.0

Source: Field data.

4.6.3 Poor Leadership at the Organization

The respondents were asked if Poor leadership at the organization contribute to the demotivation of ACB employees. The responses were presented in table 4.20 which indicates that 28 (43.1%) of the respondent agreed, 23 (35.4%) of the respondent were strongly agreed, 6 (9.2%) of the respondents disagreed with the statement, 5 (7.7%) of the respondents were not sure, and 3 (4.6%) of the respondents strongly disagreed. This result implies that poor leadership at the organization hinders the employee to provide quality customer service.

Table 4.20 Poor Leadership at the Organization

Poor leadership at the organization	Frequency(N)	Percent (%)
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Strongly Agree	23	35.4
Agree	28	43.1
Not sure	5	7.7
Disagree	6	9.2
Strongly Disagree	3	4.6
Total	65	100.0

Source: Field data.

4.6.4 Unrealistic Workload at ACB

The respondents were asked if unrealistic workload is a factor which can demotivate employees in a particular organization. The findings were given as presented in table 4.21 which shows that 37 (56.7%) of the respondents agreed, 16 (24.6%) of the respondents were strongly agreed, 6 (9.2%) of the respondents disagreed and 4(6.2%) of respondents were strongly disagree and 2(3.1%0 of respondents were not sure. The result implies that employees are not comfortable with the targets setting at ACB which lead to the underperformance of the majority employees hence demotivation of employees due to unrealistic workload .

Table 4.21 Unrealistic Workload at ACB

Unrealistic workload	Frequency(N)	Percent (%)
Strongly Agree	16	24.6
Agree	37	56.9
Not sure	2	3.1
Disagree	6	9.2
Strongly disagree	4	6.2
Total	65	100.0

Source: Field data.

4.6.5 Lack of Career Vision at ACB

The question was posed to the respondents about the Lack of career vision among the employees of Akiba Commercial Bank. The findings at table 4.22 show that 25(38.5%) of respondents were strongly agree and agree 7(10.8%) of respondents disagree with statement, 5(7.7%) of respondents were not sure and 3(4.6%) of respondents were strongly disagree. This reveals that employees of ACB have no room to develop career wise as 76.9% of the respondents agreed with the statement.

Table 4.22 Lack of Career Vision at ACB

Lack of career vision	Frequency(N)	Percent (%)
Strongly Agree	25	38.5
Agree	25	38.5
Not sure	5	7.7
Disagree	7	10.8
Strongly disagree	3	4.6
Total	65	100.0

Source: Field data.

4.7 Discussions of Findings

4.7.1 Discussion on the Types and the Level of Employees' Motivation

It was found that most of the employees know the effective motivation packages available at ACB, these packages are training opportunities, promotion, working conditions, involvement in decision making, availability of incentives packages. It is true that every concern requires physical, financial and human resources to accomplish the goals. It is through motivation that the human resources can be utilized by making full use of it. This can be done by building willingness in employees to work. This will help the organization in securing best possible utilization of resources. The level of a subordinate or an

employee does not only depend upon his qualifications and abilities but in to get best of his work performance or quality of service , the gap between ability and willingness has to be filled. This will help in improving the level of performance of subordinates. This will also result into increase in productivity, reducing cost of operations, and improving overall efficiency.

With regard to training/ seminar offered at ACB to employees and customers, it was observed that almost a half of respondents have attended seminar offered by ACB as 56.7% of respondents indicated. ACB offer seminar to the customer who apply for loans especially group loans. Before giving them loan, the applicant should attend the seminar as per their project on how to manage and control the money as well as to use it for the intended purpose. For the case of employees training is important as it expands and increases their knowledge and hence pay raises which enable employees to live a better life. It is obvious that motivation alone cannot result to high performance, hence training is necessary to equip employee on new technologies and skills. This is supported by Valaries et al (2009.363). who said, in order for a business organizations to ensure their growth it is their sole responsibility to ensure the training and development of their workforce so as to deliver quality and efficient service. Training and development are significant essentials in ensuring the effective and beneficial performance of employees. Through training, employees acquire specific knowledge and skills to ensure that they perform their work more effectively. One of the manager had the following comments regarding training

..... “ it is true that at Akiba Commercial Bank we always offer training to our staff, but it is only when we find that there is a group of employee who need refreshers training or the important duty to be performed by a certain group of employees. This is because trainings are very expensive as we usually outsource trainers and expertise who provide trainings to our employees and customers”.

Satisfied with the way customer complaint are handled as 44% of respondents said good and 16% said fair. This implied that customers complaints handling at ACB is fair and keeps good relationship between customers and the bank

On the matter of service quality employees and customer are satisfied with the quality of the service offered by ACB as 48% of respondents said very good and good and 12% said it is fair though it is not in large extent, still there some employees and customers who are not happy with service delivery at ACB. Likewise Verma (2008. 267) argued that Quality of service has been described to be one of the major contributing factors needed in enhancing customer satisfaction. This is due to the basic fact that it assists goes to create customer loyalty whilst increasing revenue for the organization if effectively and efficiently practiced. But in order to enhance the research this concept was separated into two different words (i.e.) quality and service. Quality itself has been defined as basically relational and an uncompleted procedure of building, including the sustenance of relationships through assessing, anticipating and satisfying stated and implied needs. Additionally, this term (i.e. quality) is the careful observation of the supplier's work output by customers.

Level of satisfaction with complaint handling at ACB, The findings indicated that respondents are neither satisfied with the way customer complaint are handled as 44% of respondents said good and 16% said fair. This implied that customers complaints handling at ACB is fair and keeps good relationship between customers and the bank. One of the manager had the following comments regarding complaint handling at ACB

..... *“About customer complaints here at ACB, we normally do our best to minimize and if possible to eliminate customer complaints we receive from suggestions boxes provided to all branches. Customers are free to put their suggestions, complaints and recommendation in these suggestion boxes. After receiving complaints we arrange a meeting with branch staffs to discuss and find the better ways to solve the address problem. In case one of the staff found and proved to be alleged the management always take disciplinary measures upon him or her”.*

4.7.2 Discussion of Findings on Factors Leading into Employee Motivation

In attempt to possibly contribute to one of the most important issues facing organisations and their employees before today and possibly in the foreseeable future this study assessed the contribution of employee motivation in providing quality customer service in Tanzania banking industry with a case of ACB. In this study many respondents' ranked motivational factors like Salary, job satisfaction, recognition, promotions and expectation, fringe benefits, loans, and training. The findings in this study revealed that some few respondents were satisfied with salary increment and allowances for their well-being. Nonetheless as good number of employees commented that salary increment has more potency as a job dissatisfies than a job satisfies. According to the employees, salary and benefit they get are of minimum value to cover the cost of maintaining a certain standard of living and well being.

With regard to adequate of salary, it was observed that major concerns of most bank workers were inadequate of salary. Good salary attracts employee and can be used as a factor to sustain employees. Likewise Parker and Wright (2001) suggest that people have to believe that the pay they earn is fair in relation to the work they do. They also must feel that their compensation in salary, incentives and benefits, compares favourably with the

realities of the market, especially in companion to people doing the same work in similar circumstance. The aim of this study lies on the fact that salary, incentives and benefits are hygiene factors. According to Herzberg, once the hygiene factors are addressed then motivator factors will create job satisfaction. However some are satisfied with factors contributing to employee motivation where others are strongly not accepting the factors as being instrumental for their motivation.

Another factor leading to employee motivation was salary associated with loans. Majority of the employees felt that the salary and allowances are not concurrently related to general performance of an employee. A few respondents defended the idea according to which the salary and car or house loans are according to employee performance.

4.7.3 Discussions of findings on the Demotivational Factors

It has been revealed from the study that most of the employees have the factors that demotivate them. This was evidenced when employees were asked to rank their level of agreement on whether the job insecurity is a factor demotivate them. The findings from table 4.19 shows that 84.7% of respondents agreed that job insecurity is one of the demotivational factor as people are working without assurance of their future in an organization. Lack of career vision can give rise to feelings of insecurity. All employees want to feel a sense of security and longevity in their roles and an employer must help to facilitate this with regular coaching and objective setting. By doing this will increase loyalty of its staffs hence will increase efficiency as well as quality customer service.

With regard to Employees Feeling under-valued it was observed that most of the employees of ACB about 75.4% as shown in table 4.19, the respondents agreed with the

statement that employees of ACB are feeling under-valued and that increase demotivational hence poor service quality. If an employee feels to be undervalued and find that their efforts are not recognised or appreciated, they will soon begin to lack energy and commitment in their role. It is important to celebrate successes and give credit where credit is due. Study done by Alsabri (2012) who commented that, banks should design their rules, policies and banking structures which give employee to work well and appreciate them on their rank fulfilment and achievement. However, this study was conducted in developed country which has different working conditions from that of Tanzania yet there is similarity to our study due to the fact that the Tanzanians employees are dissatisfied with the hygiene factors. Strategies and policies of the ACB went correlated with physical working conditions and feel undervalued in which others recommended it good to their job where others denied it following the above said policies.

In the case of Poor leadership at the organization, this result implies that poor leadership at the organization hinder the employee to provide quality customer service as 78.5% of respondents as indicated from table 4.20. Effective leadership is an essential factor in the motivation of staff. If strong leadership is lacking or is negatively affecting the outlook of the team – certain employees may start to feel demoralized. Leaders must have a flexible, inclusive approach to manage team and be able to communicate clearly whilst instilling confidence and focus. If a particular team or individual is lacking motivation in the business, it may be due to a lack of good management or leadership skills. Supported by Armstrong, (2003,261) who argued that, it will be of great dis-service to underestimate the merits associated with the concept of empowerment. This is basically due to the fact that this concept assists business executives to discharge some of their leadership responsibilities. It also aids employee to influence other working colleagues in pursuit of

organizational objectives. In addition, this concept embodies certain benefits such as sustenance of creativity and a decrease in bureaucratic obstacles. Organizations which have implemented this concept make their internal and external customers more satisfied. This concept may further result in the achievement of overall organization efficiency, customer satisfaction and preservation, profitability and growth of the organization. The main demerit in the concept of empowerment is the potential for misuse and abuse of power if not well supervised or monitored.

Finally employees had to say something on the lack of career vision at ACB. A large number 76.9% of employees as shown in table 4.22 were unhappy due to the fact that lack of career vision at ACB is a factor leading to the demotivational of employees at ACB. In the majority of cases, money is merely one part of an employee's motivation. Most people want to have clear career objectives in place to feel that there is progression for them within their organisation. Career visioning can be a useful process in setting clear, long-term goals for an employee so that they can proactively work towards projected outcomes.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter covers the summary of the study, highlights policy implication as well as recommendations for further studies.

5.2 Summary of Major Findings

This study was carried out on assessment of the contribution of employee motivation in providing quality customer service in ACB. Customer behavior on satisfaction of services offered is of great meaning to Financial Institutions which offer different service products. The failure to provide quality customer services that match with the customer needs will lead to customers not to buy products available in the bank. The objective of the study was to assess the contribution of employee motivation in providing quality customer service, a case study of Akiba Commercial Bank PLC.

The findings show that at ACB there are effective packages which motivate employee for better service quality offered by organization as 54(83.1%) of respondents said one of the effective motivation package available at ACB is training opportunity followed by working condition as 42(64.6%) of respondents indicated, 32(49.2%) of respondents said promotion and availability of incentive packages and 21(32.3%) of respondents said involvement in decision making. On the other hand 56.7% of respondents indicated that it is almost a half of respondents who have attended seminar offered by ACB. ACB offers seminar to the customers who apply for loans especially group loans. The customers are

satisfied with the quality of the service offered by ACB and 48% of respondents said that they are satisfied with the way customer complaints are handled. 44% of respondents said good this implied that customers complaints handling at ACB is fair and keeps good relationship between customers and the bank

The result revealed that 27.6% of respondents did not agree that current salary increment and allowance enable them to perform the best of their capacity hence employee motivation, however, 29 (44.6%) of the respondents disagreed that the current fringe benefits offered to employees are not sufficient to motivate them so as to work hard hence quality customer service. 58.4% of the respondents are not satisfied with the way staff are recognized hence reduce their morale. Likewise the results implies that 70.8% of the respondents are not satisfied with the current car loan scheme hence reduce their morale.

The results reveals that the team work which comprise ordinary employees and management does not contribute to the employee motivation as (47.7%) of the respondents disagreed. However, in the views in relation to current housing loan scheme 28 (43.1%) of the respondents disagreed with the current housing scheme loan used at ACB.

The findings show that Job insecurity of Employees at ACB demotivate employee as 30 (46.2%) of the respondents agreed, that job in security at a ACB is among the demotivational factor to employees as 84.7% of respondents indicated. However, 39 (60%) of the respondents agreed that they are demotivated by not secured at work and hence poor quality customer service. Poor leadership at the organization contribute to the demotivation of ACB employees as indicates by 28 (43.1%) of the respondent who were strongly agreed but 37 (56.7%) of the respondents agreed that Lack of career vision

among the employees of Akiba Commercial Bank. The findings show that 25(38.5%) of respondents said they strongly agree

5.3 Implications of the Findings

Research findings have shown that employee motivation can be an effective tool in improving customer service in banking sector. Findings of the study suggested that monetary incentives packages which affect directly life expenses of employees can be even more effective tool in customer service quality of bank employees. Employers often assume that there are some employees who are able to provide quality customer service themselves while others lack the ability to do so and that is what they call self motivation.

The study has implication towards managers that they should be fair and careful when measuring employee's service. Any form of biasness and errors should be avoided and make sure that employees are rewarded accordingly. Managers should always embark on continuous incentives and rewards program to their staffs and this should include personal acknowledgement by letters or e-mail to staffs. This will encourage staffs to provide quality customer service and will help managers to achieve their branch and department targets and hence bank performance.

The findings also have implications to employers that they must know what kind of incentives packages motivates their employees. This is because employees differ on priorities and needs as well as level of life. Some of them are extrinsic and others are intrinsic motivated.

5.4 Conclusion

In relation to the specific objectives it is concluded most of the employees know the effective motivation packages available at ACB, these packages are training opportunities, promotion, working conditions, involvement in decision making, availability of incentives packages. It is true that every concern requires physical, financial and human resources to accomplish the goals. The training offered by ACB is basically to the employees and customers who apply for loans especially group loans. Before giving them loan, the applicant should attend the seminar as per their project on how to manage and control the money applied. It is obvious that motivation alone cannot result to high performance, hence training is necessary to equip employee on new technologies and skills.

Quality of service has been described to be one of the major contributing factors needed in enhancing customer satisfaction. The more or better the quality of the product offered with the best customer service the more the customers become loyal and satisfied hence increase in purchase of the product and profit of the bank. There are factors which demotivate employees, job insecurity, lack of career vision can give rise to feelings of insecurity, feeling under-valued was observed that most of the employees of ACB agreed with the statement that employees of ACB are feeling under-valued and that increase demotivational hence poor service quality, poor leadership at the organization hinder the employee to provide quality customer service.

Effective leadership is an essential factor in the motivation of staff. Leaders must have a flexible, inclusive approach to manage team and be able to communicate clearly whilst instilling confidence and focus. Conclusively, the findings reveal that, the long-term

survival of any organization depends largely on the motivation of its employee be it financial or non financial. Therefore organizations should be willing to continuously and on regular basis, undertake employees surveys such as this one in order to understand what their employees expect from their current job. The result of such exercise could prove useful for the organization, because knowing what their employees want and in efforts in meeting these needs facilitate a mutual working environment for both the employees and its management.

5.5 Recommendations

Basing on the findings of the study, the researcher recommended that: Management should think of increasing new motivational packages which influence performance at the bank. Sales employees and credit officers are the most productive staffs hence the management has to think on how can motivate them by giving them transport allowances or car loans to simplify field where they go to visit customers and they spend most of working hours there.

Motivation should be given mostly to the employees and once employee perform well then reward and recognition should be given accordingly. Reward and motivation to employees who exceeded their target and performance and for those who succeeded in challenging assignment is of no doubt and by motivating them will encourage others to perform like them.

Management should also make sure that it improves working environments and working machines equipments. By doing so employees will be comfortable in saving clients and level of employee the image of the bank will portray type of employee working in that

office. This also can be seen as motivational techniques to promote service quality in ACB.

Recognition and promotion is another way management can use to influence service quality in ACB whereby currently promotion goes slowly that there are other staffs who have been working with ACB for more than 5yrs but not yet promoted. At the same time there others who are about 3years in ACB who are already promoted. So indicators and factors for promotion in ACB are not clear it is seen as the issue of management decisions. So the management should be open on this and state it well to staffs on how employee qualifies for promotion.

The study further recommends that in order to motivate staffs to improve in service quality staffs loan should be of long term compared to now where the longest staff loan term is 5years. The management should think of extending loan term to 20 years and security free because already the staff is working with the bank.

Moreover the management should invest on staff training both indoor and outdoor trainings. This will sharpen skills of its staffs and will improve service quality by acquiring new knowledge and new exposure of what other competitors doing in the market. When a bank is assured of skilled staffs this is real motivational to employees because their comfortable of service they provide to customers and they do it comfortably. Then new employed staffs will learn to the senior employees, will also reduce turnover of staffs.

5.6 Limitations of the Study

The major limitation a researcher faced when accomplishing this study included limited time. Time allocated for this research was very short and high preparation costs. The cost

incurred to prepare this study includes stationeries, transport, internet and consultation fees are very high to the extent that one has to stop working and organizing for finances so that can be able to get the project going.

It was also difficult to reach certain potential people with valuable information for this study. For instance, it had been a long process to obtain an appointment and even when the appointment was secured the researcher could not meet with some of those people. Another limitation was that the researcher administered 90 questionnaires to respondents but questionnaires were not returned in appropriate time. To managed them, brief telephone interviews with key informants were organized did not exceed 15-25 minutes as it is difficult to schedule longer period with busy people

In the case of expenses financial support was secured from my husband that helped me a lot to do this study, plus personal. Friends in ACB helped to get accurate data on time that helped to reduce expenses of making follow up.

5.7 Suggestion for Further Studies

This dissertation covered a small part of selected theories of motivation and it was possible to deepen the study in order to get a detailed framework and discover more motivational packages for service quality. More investigation into the relationship between employee motivation and service quality should be reached further. Lastly designing an objective way to measure job performance is also suggested to further studies.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE TO THE AKIBA EMPLOYEES

This study aims at collecting information that will be used in a dissertation to be submitted in partial fulfillment of the requirements for a Degree of Masters in Business Administration in the Business School of Open University of Tanzania. The General objective of this questionnaire is to determine the effect, if any, of Employee Motivation practice in Akiba Commercial Bank. I hereby request you to take some few minutes to respond to the questions, so that will enable me acquire information which will help to come up with findings for the study. The information from this questionnaire will be used for Academic purposes and will be confidential.

PART I: General Information.

Please answer the following questions by putting a tick (V) against or filling the blank where necessary.

1. Sex (a) Male () (b) Female ()

2. Age of the Respondent
 - (a) Between 21 and 30 years ()
 - (b) Between 31 and 40 years ()
 - (c) Between 41 and 50 years ()
 - (d) above 51 years. ()

3. What is your highest level of Education?

- (a) Diploma ()
- (b) Degree ()
- (c) Primary ()
- (d) Secondary ()

4. For how long have you been working with Akiba Commercial Bank?

- (a) From 0 – 5 years ()
- (b) Between 6 – 10 years ()
- (c) Between 11 – 15 years ()
- (d) 16 years and above. ()

5. Have you experienced Bank employees leaving the ACB before their contracts end?

- (a) YES () (b) NO ()

6. If yes (in question 5) what would be the reasons for employee the ACB before their contracts end?

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7. If no, (in question 5 above) what would be the reasons for not leaving the said bank before their contracts end?

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PART II: Types and the level of employees' motivation that enhancing the provision of Quality customer service in ACB

8. Do ACB have training/seminar opportunity to its employees and customers?

(a) Yes ()

(b) No ()

If the answer is yes what types of training and seminar offerd by ACB

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PART III: Factors leading to employee motivation at ACB

Please rate how strongly you agree or disagree with each of the following statement by placing a tick (V) in the appropriate box.

1 = Strongly disagree 2: = Disagree 3: = Not sure 4: = Agree 5: = Strongly agree

9. With the current salary increment and allowances I get, enables me to perform the best of my capacity?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

10. With the current fringe benefits that ACB employees get, have increased quality customer service at ACB?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

11. With the current staff recognition I get have they increased my commitment?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

12. Current car scheme I get, is satisfactory to my well-being?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

13. Presence of team work at ACB increase my job performance

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

14. Presence of attractive house loans increase my job commitment.

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

15. Salary and house loan scheme provided are according to employee's performance.

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

16 Do current staff promotion at ACB increase commitment?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

Part IV: The Demotivational factors that lead to poor quality customer service at ACB

17. Do job insecurity at ACB demotivate employees service quality?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

18. Do employees feel undervalued at ACB demotivate them toward work performance?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

19. Do poor leadership at ACB demotivate employees service quality?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

20. Do unrealistic work load at ACB demotivate employees efficiency?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

21. Do lack of carrier vision at ACB demotivate employees in job performance?

Strongly disagree	Disagree	Not sure	Agree	Strongly agree

APPENDIX 2**QUESTIONNAIRES FOR BANK CLIENTS REPRESENTATIVES**

This study aims at collecting information that will be used in a dissertation to be submitted in partial fulfillment of the requirements for a Degree of Masters in Business Administration in the Business. School of Open University of Tanzania. The General objective of this questionnaire is to determine the effect, if any, of Employee Motivation practice in Akiba Commercial Bank. I hereby request you to take some few minutes to respond to the questions, so that will enable me acquire information which will help to come up with findings for the study. The information from this questionnaire will be used for Academic purposes and will be confidential.

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Please answer the following questions by putting a tick (V) against or filling the blank where necessary.

1. Sex (a) Male () (b) Female ()

2. Age of the Respondent
 - a) Between 21 and 30 years ()
 - b) Between 31 and 40 years ()
 - c) Between 41 and 50 years ()
 - d) above 51 years. ()

- 3.

What is your highest level of Education?

- a) Diploma ()
- b) Degree ()
- c) Primary ()
- d) Secondary ()

4. Do ACB have training/seminar opportunity to its employees and customers?

- a) Yes ()
- b) No ()

If the answer is yes what types of training and seminar offered by ACB

.....

.....

.....

5. Rank the level of satisfaction from ACB Customer service

Very Good	Good	Fair	Poor	Very Poor

6. Rank the level of satisfaction with customer complaints handling at ACB

Very Good	Good	Fair	Poor	Very Poor

APPENDIX 3

INTERVIEW FOR BANK MANAGER AND KEY INFORMANTS

1. What are the types of training/seminar offered by ACB to its employees and customers?
2. Do you think customers are satisfied with service quality offered by ACB?
3. Do you think customers are satisfied with complaints handling at ACB?
4. What are the existing motivating factors for improving service quality in ACB?
5. What do you think are the existing obstacles towards employee motivation in your Bank?
6. Are there any tentative solutions to remedy the situation?