

MOTIVATION IN THE BANKING INDUSTRY
(A CASE STUDY OF ECOBANK NIGERIA LIMITED, SOKOTO BRANCH)

BY

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APPROVAL PAGE

This research project by Nassarawa, Ummu Mamman has been read and approved as meeting the requirements for the award of Postgraduate Diplomat in Management of Usman Danfodiyo University, Sokoto and is approved for its contribution to knowledge.

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ABSTRACT

The introduction of universal banking law has brought changes over the years, with it stiff competition in the banking industry. Commercial banks are no exception to the modern changes in ensuring staff motivation towards their organizational goals. The study seeks to assess the motivation in the banking industry at Ecobank Nigeria. The survey research design was used for the study. The study revealed that, management can make use of different strategies and policies to motivate employees in the banking environment. Employees are interested in enhanced salaries, fringed benefits, promotion, and car loans as motivating elements sufficient to push employees of the bank to give out their best. The research also revealed that the core duty of the bank is normally carried out by branch Staff who as such motivational packages should be geared towards them to ensure that they delight the customers. Promotion has been a worry to most staff; measures should be put in place by management to ensure that there is continuity in the promotion of staff to avoid low productivity in terms of deposit mobilization. The study revealed that if management withdrew motivational packages it will have serious repercussions on employees' performance. There was a positive relation between employee performance and corporate performance since employees were able to achieve the bank's performance indicators in terms of deposits, loan recovery, profitability and also ensuring the liquidity of the banks. The conduciveness of the office environment has first time impression on the customers and the welfare of the employees.

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I am equally grateful to my Parent for their effort in making me to be what I am today.

May Allah's blessings and protection continue be with them

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DEDICATION

This piece of academic work is dedicated to the Almighty God for his guidance and protection throughout the undertaken of this project work.

It is also dedicated to my parents and loved ones for their morale support and prayers.

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CHAPTER ONE

GENERAL INTRODUCTION

1.1 Background of the Study

Even with the best strategy in place and appropriate organizational architecture, an organization will be effective only if its members are motivated to perform at a high level. The types of motivation are intrinsic and extrinsic. “Intrinsic motivation is a psychological force that determines the direction of a person’s behaviour as a result of challenging or interesting work, giving autonomy to work, designed scope to develop skills, abilities, opportunity to develop and grow, etc. Extrinsic is also psychological force that determines behavioral change as a result of tangible and intangible benefit such as salary, fringe benefit and special awards” (Jones and George, 2003).

It is a fact that success in every organization depends on the quality of its human resources both skilled and unskilled labour which is perhaps the most intangible aspect of the organization, hence the most important. All these things plants, machinery and financing cannot generate income without manpower. Studies have shown that in today’s competitive business environment, success is increasingly a function of effective human resources management (Ahindo, 2008). It is therefore necessary to have a workforce that is motivated to yield high performance and productivity towards achieving the organizational goals and objectives.

Irrespective of the industry within which an organization operates, the concept of motivation cannot be looked down upon. With this regard banking being a service

industry and therefore having direct contact with customers, the presence or absence of employees' motivation can have immediate telling effect on the customer (thus either delighting the customer or otherwise) which eventually results in customer retention and profitability .

It is one of the driving forces that have direct impact on the business productivity. The critical workforce management challenges of the immediate future driven by corporate reengineering and restructuring efforts, loyalty concerns and fierce competition for key talents are closely linked to the emerging issues of employees' commitment and productivity.

The role of management therefore in all these is paramount. A transparent style of administration is what is required since it is one of the surest ways to motivate staff. This is because management plays significant and unique role in terms of leadership drive and direction. This role can be considerably a kind of catalyst, able to tap and awaken each employee's unique talents and convert them to performance. However, it is only through varied organizational strategies that a manager will be able to trigger his/ her employee's hidden talents which are highly important in the productivity and performance of the organization. These strategies can be external and internal to employees and one of these strategies employed by managers is motivation.

Motivation approaches definitely satisfy the needs of the employees and in return, the employee repays it through their hard work. Identifying the needs and answering it is the most basic approach of every organization to earn the commitment of the employees (Chughtai, 2008). With a well-motivated workforce, an employee's performance can be

manifested on the organizational effectiveness, which allows the individuals to focus on the development of their work, in terms of behaviour, skills and knowledge, ethics and effectiveness. It has been noted that motivation tends to energize the workforce which can result in their expected job performance (Byham and Moyer, 2005).

Again, the motivational process increases or influence the job performance and other work outcomes of an individual that can reach to the employees' outmost performance and even their jobs satisfaction (Strain, 1995 and Chughtai, 2008). Many organizations are seeking for a suitable means to motivate their staff in order to help increase the total output of their employees. In today's increasing competitive marketplace, organizations need to have well planned and expected processes for managing and enhancing the performance of their employees. However, the system used to motivate employees may have potentially negative effect on their morale if not properly used or applied. This has become a big challenge to most organization, particularly the service industry or organization. The service industry is one of the major contributors of Gross Domestic Product (GDP) and the socio-economic development of the country. Quality service delivery is very important and this has called for measures to ensure that services delivered to customers are of good standard.

A well-motivated staff will deliver satisfactorily to exceed the expectation of customers and this will intend to attract and retain customers so as to meet the ultimate objective (profitability). However, this is not the case in most organization including the Banking sector. Arguably , it can be said that no employees would resist higher pay or an increase in salary since it would offer him /her an opportunity to do a lot of things such as paying

his/her utility bills, paying school fees, buying clothes, cars, land and so forth. Because salaries are generally low in Nigeria, some of the employers erroneously feel that once their staffs are given higher salaries, every other thing would naturally follow.

Abraham Maslow the father of motivation (1943) holds the view that “unsatisfied needs serve as a motivation for individual or group of people”. He identified five (5) hierarchy of needs which are physiological need, safety needs, social needs, esteem needs and self-actualization. And when a need is satisfied, he says it does not serve as motivation again it is the next need that matters.

1.2 Statement of Problem

In recent times employees move from one organization to another due to lack / low level of motivation. Some employers try to give high salaries or wages to their employees just to motivate them to give up their best so as to increase productivity. Others also give rent and transportation allowances to their employees so that the employees can put up their best to enhance their performance, yet the whole thing seem to be a mirage.

This tells us that motivation is subjective, that is to say that what motivate someone to put up his best will also de-motivate the other person. Human needs are insatiable for this reason they always struggle for new things in life so that we can live a comfortable life. If someone receives huge salaries, allowances in terms of rent, transportation and yet does not get motivated, it means motivation does not base on extrinsic reward but also on intrinsic reward as well. According to Maslow, individuals attain the next hierarchy of needs after the first one has been achieved. Senior managers are not much motivated

extrinsically by money and other physiological needs but are well motivated intrinsically through self-esteem and actualization needs and by so doing if their ideas are well transformed into performance , they feel well motivated. The concern in this research addresses the various motivations that can push employees in the banking industry raise the service delivery standard of their bank. In other words, how can Ecobank Nigeria Limited push the existing employees so that performance targets can be achieved? The question then is what must top management do to ensure that employees perform well in the bank?

1.3 Research Questions

1. What factors motivate and de-motivate the employees at Ecobank Nigeria Limited.
2. Does motivation affect productivity at Ecobank Nigeria Limited?
3. What are the sources of factors of motivation for employees at Ecobank Nigeria Limited?

1.4 Objectives of the Study

The general objective of the study is to investigate the effects of motivation in the banking industry at Ecobank Nigeria Limited. The specific objectives include:

1. To identify the factors that motivates and de-motivates employees at Ecobank Nigeria Limited.
2. To determine the extent to which motivation affect productivity
3. To make appropriate recommendations for motivating staff to improve productivity at Ecobank Nigeria Limited.

1.5 Significance of the Study

The aim of every organization is to outweigh its competitors in terms of rendering better service to its customers to enable the company sustain in the market. The company cannot do without having well motivated employees who can help the organization to achieve its aims and objectives. The company gaining more knowledge about motivation and its effect on the performance will device concrete strategies to keep their employees and also make them happy both at home and at work. This research is going to help the employees to render good and quality service to their valued customers. The customers will remain loyal to the company since they render good and quality service to them. This is also going to help management by way of getting a good image and increasing productivity at Ecobank Nigeria Limited. It is also anticipated that the findings of the study will pave way for the authorities of Ecobank Nigeria Limited, Sokoto branch to accept the factors that influence managerial behaviour and its impact on employees towards organizational performance. Finally, the results of the study will throw more light on factors that serve as satisfiers or dissatisfies to employees. It will serve as a blue print for determining what actually motivates and boosts morale of workers and managerial behaviors required to yield optimum performance.

1.6 Scope of the Study

The scope of the study was limited to Sokoto State branches of Ecobank Nigeria Limited. The state has Five (5) branches and One (1) area office. All the Six branches

including the area office were covered. Their target market is retail especially market people in order to grant them loans to expand their business.

Ecobank Nigeria Limited began operations in 1986, it operates as a universal bank providing wholesale, retail, corporate, investment and transaction banking services to its customers in the Nigerian market, the bank divides its operations into three major divisions: (a) Retail Banking (b) Whole sale banking (c) Treasury & Financial Institutions, the bank also offers capital markets and investment banking services. During the fourth quarter of 2011, Ecobank Nigeria acquired 100% of shareholding in Oceanic Bank, creating the expanded Ecobank Nigeria Plc. As of December 2011 expanded Ecobank Nigeria controlled total assets valued at approximately US\$8.1 billion (NGN 1.32 trillion), making it one of the five largest bank in Nigeria at that time. At that time the bank had 610 free standing branches, making it the second-largest bank in the country by branch network.

1.7 Limitation of the Study

Ecobank Nigeria Limited was not willing to provide us with the necessary information needed for this research. Another challenge was time constraint on the part of the researchers which made it impossible to use a larger sample size.

1.8 Organisation of the Study

This study is made up of five chapters and is grouped as follows: Chapter one covers the introduction which includes the background to the study, statement of the problem,

objectives of the study, research questions, significance of the study, scope and the organization of the study, Chapter two deals with the review of existing literature which covers the This chapter reviews literature for the study. It discusses the concepts of motivation as well as motivational concepts, types and importance of motivation, the conceptual framework of existing theories of motivation and motivation in the banking industry, Chapter three deals with the methodology adopted for the study. The issues to be covered includes the research design, population and sample size, sample techniques, instrumentation, mode of data collection, method of data analysis, Chapter four focused on the analysis of data and discussion of findings and Chapter five provides a summary of the findings, conclusions and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW AND THEORITICAL FRAMEWORK

2.1 Introduction

This chapter reviews literature for the study. It discusses the concepts of motivation as well as motivational concepts, types and importance of motivation, the conceptual framework of existing theories of motivation and motivation in the banking industry.

2.2 The Concept of Motivation

Rajput (2011), contends that the word motivation is derived from a Latin word “Movere” which literally means “to move”. They defined motivation as “the individual’s desire to demonstrate the behaviour and reflects willingness to expend effort”. Motivation can be divided into extrinsic and intrinsic motivation. The word motivation has been derived from motive which means any idea, need or emotion that prompt a man into action.

Whatever may be the behaviour of man, there is some stimulus behind it. Stimulus is dependent upon the motive of the person concern. Motive can be known by studying a person’s needs and desires. There is no universal theory that can explain the factors influencing motives which control man’s behaviour at any particular point in time. In general, the different motives operate at different times among different people and influence their behaviors. The process of motivation studies the motives of individuals which cause different type of behaviour. Young (2000) also defined motivation as the force within an individual that account for the level, direction, persistence of effort at work. Halepota (2005) definition of motivation is “a person’s active participation and

commitment to achieve the prescribed results”. Halepota further presents that the concept of motivation is abstract because different strategies produce different results at different times and there is no single strategy that can produce guaranteed favorable results at all times.” Butkus& Green (1999), motivation is derived from the word “motivate”, means to move push or persuade to act for satisfying a need.

According to Antonioni (1999), “the amount of effort people are willing to put in their work depends on the degree to which they feel their motivational needs will be satisfied. On the other hand, individuals become de-motivated if they feel something in the organization prevents them from attaining good outcomes. It can be observed from the above definitions that, motivation in general, is more or less basically concern with factors or events that leads and drives certain human action or inaction over a given period of time given the prevailing conditions. Furthermore, the definitions suggest that there is the need to be an “invisible force “to push people to do something in return. It could also be deduced from the definition that having a motivated workforce or creating an environment in which high levels of motivation is maintained for the challenge for management today. Its challenge may emanate from the simple fact that motivation is not a fixed trait as it could change with changes in personal, psychological, financial or social factors. For this research, the definition of motivation by Greenberg and Baron (2003) is adopted, as it is more realistic and simple as it considers the individuals and his performance. Greenberg and Baron defined motivation as “the set of processes that arouse, direct, and maintain human behaviour towards attaining goals.

Motivation is the energy to do something. Each person has motives, needs, and reservoirs of energy that represent potential motivators. As a manager, according to MSH (2002), your task is to discover your employees' motivations and help unleash their energy. Then you can direct their energy into productive work. It is also critically important for you to understand more about your own sources of motivation. Mullins (2006) indicates that, the study of motivation is concerned, basically, with why people behave in a certain way. The basic underlying question is „why do people do what they do?“ In general terms, motivation can be described as the direction and persistence of action. It is concerned with why people choose a particular course of action in preference to others, and why they continue with a chosen action, often over a long period, and in the face of difficulties and problems. Motivation is one of the key ingredients in employee performance and productivity. Even when people have clear work objectives, the right skills, and a supportive work environment, they would not get the job done without sufficient motivation to achieve those work objectives (Mullins, 2006). Motivation refers to the forces within a person that affect his or her direction, intensity and persistence of voluntary behaviour. 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 (Mullins, 2006). According to Hoy and Miskel (1987), employee motivation is the complex forces, drivers, needs, tension states, or other mechanisms that start and maintain voluntary activity directed towards the achievement of personal goals. In short, Dessler (2001) defines motivation as the intensity of a person's desire to engage in some activity. From the above definitions some issues are brought to mind that deal

with what starts and energizes human behaviour, how those forces are directed and sustained as well as the outcomes they bring about (performance).

The basic motivation model

Stimulus → Appropriate Behaviour → Goal/Desired Output

Source: C. Dorman and P. Gaudiano: Motivation

2.2.1 Advantages of Motivation

A positive motivation philosophy and practice should improve "productivity, quality and service." Motivation helps people to:

- i. gain a positive perspective
- ii. achieve goals
- iii. create the power to change
- iv. build self-esteem and capability
- v. manage their own development and help others with theirs

2.2.2 Importance of Motivation

The achievements of individuals and organizational goals are independent process linked by employee work motivation. Individuals motivates themselves to satisfy their personal goals, therefore they invest and direct their efforts for the achievements of organizational objectives to meet with their personal goals also. It means that organizational goals are directly proportion to the personal goals of individuals. Robert (2005), reported that the

manager's job is to ensure the work done through employees are satisfied and the employees are self-motivated towards their work rather than just being directed. The managers' involvement is not so much important in the motivation of employees. The employees should motivate themselves to work hard. The major issue in all services organizations is the motivation of employees whether they are skilled or unskilled or professionals. Employee motivation is also a major issue for the commercial banks. It is a today's challenge for the management in this competitive world to motivate employees to offer efficient and good services that customers expect so for. The employees' motivation, their enthusiastic and energetic behaviour towards task fulfilment play key role in successes of an organization to benefit (Cheng, 1995). According to Petcharak (2002), one of the functions of human resource manager is related to ensure employees' workplace motivation. The human resource manager's function should be to assist the general manager in keeping the employees satisfied with their jobs. Another goal in organization is the goal for the services manager is to develop motivated employees and encourage their morale regarding their respective works. The employee work morale, such as supervisors, peers, organization, and work environment can be defined in a sense that the employee has the feeling and be conscious about all aspects of the job. The performance is poor if the employee is not satisfied and happy. Workplace dissatisfaction often leads organization and its employees' poor performance.

2.3 Forms of Motivation

Motivation is generally defined as the force that compels us to action. It drives us to work hard and pushes us to succeed. Motivation influences our behavior and our ability to accomplish goals.

There are many different forms of motivation. Each one influences behavior in its own unique way. No single type of motivation works for everyone. People's personalities vary and so accordingly does the type of motivation, that is most effective at inspiring their conduct.

2.3.1 Reward and Reinforcement

A reward is that which follows an occurrence of a specific behavior with the intention of acknowledging the behavior in a positive way. A reward often has the intent of encouraging the behavior to happen again.

There are two kinds of rewards, extrinsic and intrinsic. Extrinsic rewards are external to, or outside of, the individual; for example, praise or money. Intrinsic rewards are internal to, or within, the individual; for example, satisfaction or accomplishment.

Some authors distinguish between two forms of intrinsic motivation: one based on enjoyment, the other on obligation. In this context, obligation refers to motivation based on what an individual thinks ought to be done. For instance, a feeling of responsibility for a mission may lead to helping others beyond what is easily observable, rewarded, or fun. Reinforcement is different from reward, in that it is intended to create a measured

increase in the rate of a desirable behavior following the addition of something to the environment.

2.3.2 Intrinsic and Extrinsic Motivation

Intrinsic motivation is evident when people engage in an activity for its own sake, without some obvious external incentive present. A hobby is a typical example.

Intrinsic motivation has been intensely studied by educational psychologists since the 1970s, and numerous studies have found it to be associated with high educational achievement and enjoyment by students.

There is currently no "grand unified theory" to explain the origin or elements of intrinsic motivation. Most explanations combine elements of Bernard Weiner's attribution theory, Bandura's work on self-efficacy and other studies relating to locus of control and goal orientation. Thus it is thought that students are more likely to experience intrinsic motivation if they:

1. Attribute their educational results to internal factors that they can control (e.g. the amount of effort they put in, not 'fixed ability').
2. Believe they can be effective agents in reaching desired goals (e.g. the results are not determined by dumb luck.)
3. Are motivated towards deep 'mastery' of a topic, instead of just rote-learning 'performance' to get good grades.

In knowledge-sharing communities and organizations, people often cite altruistic reasons for their participation, including contributing to a common good, a moral

obligation to the group, mentorship or 'giving back'. This model of intrinsic motivation has emerged from three decades of research by hundreds of educationalists and is still evolving. (See also Goal Theory.)

Extrinsic Motivation, this stems from work environment external to the task itself and is usually applied by someone other than the person being motivated.

Pay, fringe benefits, favored company policies and various forms of supervision are examples of extrinsic motivation.

2.3.3 Coercion

The most obvious form of motivation is coercion, where the avoidance of pain or other negative consequences has an immediate effect. Extreme use of coercion is considered slavery. While coercion is considered morally reprehensible in many philosophies, it is widely practiced on prisoners, students in mandatory schooling, within the nuclear family unit (on children), and in the form of conscription. Critics of modern capitalism charge that without social safety networks, wage slavery is inevitable. However, many capitalists such as Ayn Rand have been very vocal against coercion. Successful coercion sometimes can take priority over other types of motivation. Self-coercion is rarely substantially negative (typically only negative in the sense that it avoids a positive, such as undergoing an expensive dinner or a period of relaxation), however it is interesting in that it illustrates how lower levels of motivation may be sometimes tweaked to satisfy higher ones.

2.3.4 Self-control

The self-control of motivation is increasingly understood as a subset of emotional intelligence; a person may be highly intelligent according to a more conservative definition (as measured by many intelligence tests), yet unmotivated to dedicate this intelligence to certain tasks. Yale School of Management Professor Victor Vroom's "expectancy theory" provides an account of when people will decide whether to exert self-control to pursue a particular goal.

Drives and desires can be described as a deficiency or need that activates behaviour that is aimed at a goal or an incentive. These are thought to originate within the individual and may not require external stimuli to encourage the behaviour. Basic drives could be sparked by deficiencies such as hunger, which motivates a person to seek food; whereas more subtle drives might be the desire for praise and approval, which motivates a person to behave in a manner pleasing to others.

By contrast, the role of extrinsic rewards and stimuli can be seen in the example of training animals by giving them treats when they perform a trick correctly. The treat motivates the animals to perform the trick consistently, even later when the treat is removed from the process.

2.4 Theories of Motivation

Although, there are dozens of different theories of motivation, four according to Kreitner (1992) have emerged as the most influential: Maslow's needs hierarchy theory, Herzberg's two-factor theory, expectancy theory, and goal-setting theory. It is these four

that are discussed. Each approaches the motivation process from a different angle and teaches important lessons about motivation to work

2.4.1 Maslow's Needs Hierarchy Theory

This is one of the most widely mentioned theories of motivation. In 1943, psychologist, Abraham Maslow proposed that people are motivated by a predictable five-step hierarchy of needs. Maslow's theory has strongly influenced those interested in work behaviour. Maslow's message was simply this: people always have needs, and when one need is relatively fulfilled, others emerge in a predictable sequence to take its place. From bottom to top, Maslow's needs hierarchy includes physiological, safety, social, esteem, and self-actualization needs. According to Maslow, most individuals are not consciously aware of these needs, yet we all supposed to proceed up the hierarchy needs, one level at a time. That is lower needs have to be satisfied before the next higher level need would motivate employees.

Figure 1:



Mullins, 2010

As per his theory these needs are:

(i) Physiological needs:

These are important needs for sustaining the human life. Food, water, warmth, shelter, sleep, medicine and education are the basic physiological needs which fall in the primary list of need satisfaction. Maslow was of an opinion that until these needs were satisfied to a degree to maintain life, no other motivating factors can work.

(ii) Safety needs:

These are the needs to be free of physical danger and of the fear of losing a job, property, food or shelter. It also includes protection against any emotional harm, a desire for security, stability, dependency, protection, freedom from fear and anxiety, and a need for structure, order and law. In the workplace this needs translates into a need for at least a minimal degree of employment security; the knowledge that we cannot be fired on a whim and that appropriate levels of effort and productivity will ensure continued employment.

(iii) Social needs:

Since people are social beings, they need to belong and be accepted by others. People try to satisfy their need for affection, acceptance and friendship. Generally, as gregarious creatures, human have a need to belong. In the workplace, this need may be satisfied by an ability to interact with one's coworkers and perhaps to be able to work collaboratively with these colleagues

(iv) Esteem needs:

According to Maslow, once people begin to satisfy their need to belong, they tend to want to be held in esteem both by themselves and by others. This kind of need produces such satisfaction as power, prestige status and self-confidence... Esteem needs include the desire for self-respect, self-esteem, and the esteem of others. When focused externally, these needs also include the desire for reputation, prestige, status, fame, glory, dominance, recognition, attention, importance, and appreciation.

(v) Need for self-actualization:

Maslow regards this as the highest need in his hierarchy. It is the drive to become what one is capable of becoming; it includes growth, achieving one's potential and self-fulfillment. It is to maximize one's potential and to accomplish something.

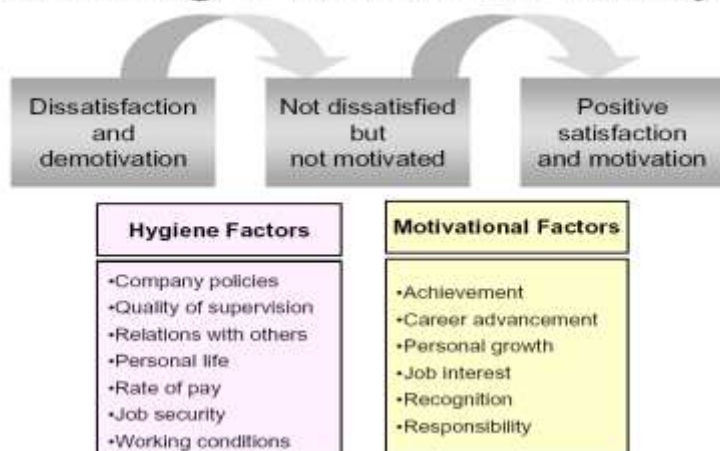
2.4.2 Herzberg's Two-Factor Theory

During the 1950s, Frederick Herzberg according to Kreitner(1992), proposed a theory of employee motivation based on satisfaction. Frederick theory implied that a satisfied employee is motivated from within to work harder and that a dissatisfied employee is not self-motivated. Herzberg's research uncovered two classes of factors associated with employee satisfaction and dissatisfaction. As a result, his concept has to be called Herzberg's two-factor theory. The point here is that Herzberg's work categorized motivation into two factors: motivators and hygiene's. Motivator or intrinsic factors, such as achievement and recognition, produce job satisfaction. Hygiene or extrinsic factors, such as pay and job security, produce job dissatisfaction. The key point about hygiene factors is that it is their absence, particularly when they are suddenly removed, that causes dissatisfaction at work. Providing them doesn't motivate employees to work

harder, except perhaps for a short period of time, after which they are taken for granted and people want new improvements. The reason that providing or improving hygiene factors fails to motivate employees is that they are not dependent on how hard employees work. The distinguishing feature of motivation factors is that employees can only get them by the way they work, unlike hygiene factors are just there regardless of how hard anyone works. This set of factors includes recognition, bonuses, a sense of achievement and intrinsic enjoyment of the work itself. Being given extra responsibility and career advancement are also motivation factors in Herzberg's theory. Presumably these factors motivate employees to work harder because they can see a direct connection between their efforts and an outcome that they feel is worth striving for. Hygiene factors, say a bigger office, that are provided if an employee achieves a certain target or performance level, would then become motivation factors because getting them is a direct result of the employee's efforts.

Figure 2:

Herzberg's Two-Factor Theory



Examples of Hygiene factors are:

Security, status, relationship with subordinates, personal life, salary, work conditions, relationship with supervisor and company policy and administration.

Examples of Motivational factors are:

Growth prospectus job advancement, responsibility, challenges, recognition and achievements.

2.4.3 Vroom's Valence x Expectancy theory

In recent years, probably the most popular motivational theory has been the Expectancy Theory (also known as the Valence-Instrumentality- Expectancy Theory). Although there are a number of theories found with this general title, they all have their roots in Victor Vroom's 1964 work on motivation.

Alternatives and choices: Vroom's theory assumes that behavior results from conscious choices among alternatives whose purpose it is to maximize pleasure and minimize pain. The key elements to this theory are referred to as Expectancy (E), Instrumentality (I), and Valence (V). Critical to the understanding of the theory is the understanding that each of these factors represents a belief. Vroom's theory suggests that the individual will consider the outcomes associated with various levels of performance (from an entire spectrum of performance possibilities), and elect to pursue the level that generates the greatest reward for him or her.

Expectancy: "What's the probability that, if I work very hard, I'll be able to do a good job?"

Expectancy refers to the strength of a person's belief about whether or not a particular job performance is attainable. Assuming all other things are equal, an employee will be motivated to try a task, if he or she believes that it can be done. This expectancy of performance may be thought of in terms of probabilities ranging from zero (a case of "I can't do it!") to 1.0 ("I have no doubt whatsoever that I can do this job!")

A number of factors can contribute to an employee's expectancy perceptions:

- i. The level of confidence in the skills required for the task
- ii. The amount of support that may be expected from superiors and subordinates
- iii. The quality of the materials and equipment
- iv. The availability of pertinent information

Previous success at the task has also been shown to strengthen expectancy beliefs.

Instrumentality: "What's the probability that, if I do a good job, that there will be some kind of outcome in it for me?"

If an employee believes that a high level of performance will be instrumental for the acquisition of outcomes which may be gratifying, then the employee will place a high value on performing well. Vroom defines Instrumentality as a probability belief linking one outcome (a high level of performance, for example) to another outcome (a reward).

Instrumentality may range from a probability of 1.0 (meaning that the attainment of the second outcome -- the reward -- is certain if the first outcome -- excellent job performance -- is attained) through zero (meaning there is no likely relationship between the first outcome and the second). An example of zero instrumentality would be exam grades that were distributed randomly (as opposed to be awarded on the basis of excellent exam performance). Commission pay schemes are designed to make employees perceive that performance is positively instrumental for the acquisition of money.

For management to ensure high levels of performance, it must tie desired outcomes (positive valence) to high performance, and ensure that the connection is communicated to employees.

The VIE theory holds that people have preferences among various outcomes. These preferences tend to reflect a person's underlying need state.

Valence: "Is the outcome I get of any value to me?"

The term Valence refers to the emotional orientations people hold with respect to outcomes (rewards). An outcome is positively valent if an employee would prefer having it to not having it. An outcome that the employee would rather avoid (fatigue, stress, noise, layoffs) is negatively valent. Outcomes towards which the employee appears indifferent are said to have zero valence.

Valences refer to the level of satisfaction people expect to get from the outcome (as opposed to the actual satisfaction they get once they have attained the reward).

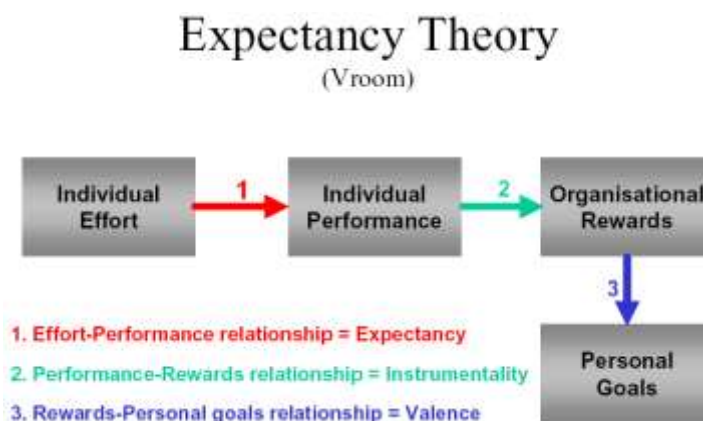
Vroom suggests that an employee's beliefs about Expectancy, Instrumentality, and Valence interact psychologically to create a motivational force such that the employee acts in ways that bring pleasure and avoid pain.

People elect to pursue levels of job performance that they believe will maximize their overall best interests (their subjective expected utility).`

There will be no motivational forces acting on an employee if any of these three conditions hold:

- (1) The person does not believe that he/she can successfully perform the required task
- (2) The person believes that successful task performance will not be associated with positively valent outcomes
- (3) The person believes that outcomes associated with successful task completion will be negatively valent (have no value for that person)

Figure 3:



2.4.4 Goal-Setting Theory

The goal setting theory states that when the goals to be achieved are set at a higher standard than in that case employees are motivated to perform better and put in maximum effort. It revolves around the concept of “Self-efficacy” i.e. individual’s belief that he or she is capable of performing a hard task.

Think of the three or four most successful people one know personally in view of Kreitner(1992), their success may come via business or professional achievement, politics, athletics, or community service. Chances are they got where they are today by being goal-oriented. In other words, they committed themselves to (and achieved) progressively more challenging goals in their professional and personal affairs. Biographies and autobiographies of successful people in all walks of life generally attest to the virtues of goal setting. Accordingly, goal setting is acknowledged today as a respected and useful motivation theory. Within an organizational context, goal setting is the process of improving individual or group job performance with formally stated objectives, deadlines, or quality standards.

Other theories of Motivation include:

2.4.5 Theory of “X” and Theory of “Y”: Douglas McGregor observed two diametrically opposing viewpoints of managers about their employees, one is negative called “Theory of X” and one is positive called “Theory of Y”

a) Theory of X: Following are the assumptions of managers who believe in the “Theory of X” in regard to their employees.

1. Employees dislike work; if possible avoid the same
2. Employees must be coerced, controlled or threatened to do the work
3. Employees avoid responsibilities and seek formal direction
4. Most employees consider security of job, most important of all other factors in the job and have very little ambition

b) Theory of Y: Following are the assumptions of managers who believe in the “Theory of Y” in regard to their employees.

1. Employees love work as play or rest
2. Employees are self-directed and self-controlled and committed to the organizational objectives
3. Employees accept and seek responsibilities
4. Innovative spirit is not confined to managers alone, some employees also possess it.

Theory of X assumes Maslow’s lower level needs dominate in employees. Whereas Theory of Y, assumes Maslow’s higher level needs dominate in employees.

2.4.6 Reinforcement Theory: This theory focuses its attention as to what controls behaviour. In contrast to goal setting theory, which is cognitive approach focus attention

on what initiates behaviour. Behaviour, as per cognitive approach is initiated by internal events. Reinforcement theory argues that behaviour is reinforced and controlled by external events. The classical conditioning proposed by Pavlov which we have already studied in our earlier lessons explains this in a better way.

2.4.7 Equity theory: This theory of motivation centers around the principle of balance or equity. According to this theory level of motivation in an individual is related to his or her perception of equity and fairness practiced by management. Greater the fairness perceived higher the motivation and vice versa. In this assessment of fairness, employee makes comparison of input in the job (in terms of contribution) with that of outcome (in terms of compensation) and compares the same with that of another colleague of equivalent cadre.

2.4.8 Acquired-Needs Theory of David McClelland's Acquired Needs Theory is also known as the Three-Need Theory or Learned Need Theory. According to acquired-needs theory individuals acquire three types of needs as a result of their life experiences. These are need for achievement, need for affiliation and need for power. These reflect that managers in the bank should be recognized and not motivated by money and as such motivated with the necessary power to carry out the bank duty. There is the need to encourage good relationship among staff. All individuals possess a combination of these needs and the dominant needs are thought to drive employee behaviour. **Heller, J., Goulet, L., Mohr, E., (2004).**

In summary, one can deduce from all the above theories of motivation, that motivation directs individual behaviour. Motivation is an important area of study for managers because it helps them to better understand the most valuable resource, people. That is, it is the interests of an employer to know how to motivate employees' behaviour for the employer's benefit. That is the study of motivation is concerned with why people behave in a certain way or choose a particular course of action in preference to others. The underlying concept of motivation is some driving force within us by which we attempt to achieve some goal in order to fulfill some needs or expectations. People manifest a variety of economic, social and intrinsic needs and expectations in the workplace.

Motivated employees are needed in our rapidly changing workplaces. Motivated employees help organizations survive. Motivated employees are productive. To be effective, managers need to understand what motivates employees within the context of the roles they perform. It must be noted that motivation is the result of the interaction of the individual and the situation. Certainly individuals differ in their basic motivational drive. So, work motivation is the set of internal and external forces that cause an employee to choose a course of action and engage in certain behaviors which will be directed at the achievement of an organizational goal. Motivation is still the one thing that makes people productive in their jobs.

2.5 Motivations in the Nigerian Banking Industry

Different types of motivation are shown in the Annual Reports and Accounts of the 21 commercial banks in Nigeria. One interesting thing here is that all the banks in Nigeria have similar motivations designed for their employees as written in their Annual Reports and Accounts. For instance, most of the Nigerian banks placed their employee motivation under the following heading- “Health, Safety at Work and Welfare of Employees”. We also have other headings. There are however slight variations in the ways these are written in the banks’ books. These are shown as follow:

Some of the Nigerian Banks indicate that, they provide comprehensive medical, dental and optical cover for all employees and their nuclear dependents. Some of these banks stated it as- when an employee acting within the scope of his /her employment accidentally injures a third party, the banks within acceptable limits, defray such party’s medical expenses.

To some of these banks, it is stated that health and safety regulations are in force within the banks’ premises and employees are aware of existing regulations. The banks provide subsidies to all levels of employees for medical expenses, transportation, housing, lunch, etc.

It is also written by some banks as, employees are assisted to maintain good health by providing adequate medical facilities for staff and their families locally and overseas. Health Insurance Scheme is also run through a Health Management Organization (HMO). This covers the employee, his/her spouse and maximum of four children. There is also

existence of a sick bay as well as a gymnasium sited at corporate head office of a particular bank.

While some of the banks simply stated that, employees are motivated through promotions, institution of hassle-free health management plan, and training and career development programs.

Some of the banks demonstrated their faith in their human capital in a variety of ways including- prompt promotions, granting of staff loans (car, house, share purchase, land purchase loans, amongst others), massive in-service training, according recognition to dedicated and loyal staff through long-service awards, motivating of staff by continuously reviewing their remuneration package to make them not only competitive in the industry but also to keep abreast of cost of living trends.

At this juncture, one need to note ,that, there are other motivations that appeal to employees in the Nigerian banking industry that are not noted, some of which were not documented in books of the banks. That is factors that motivated employees were not captured or recognized by the banks. Also, the banks appeared to have copied one another. In that, in most cases they used word for word. Meaning, it look like the banks do not accord much importance to the motivation issue.

CHAPTER THREE

RESEARCH METHODOLOGY AND PROFILE OF STUDY AREA

3.1 Introduction

This chapter describes the methodology used for the study. The main issues discussed here are the research design, research population, sample and sampling technique, source of data and data collection methods, and method of data analysis.

3.2 Research Design

Saunders *et al.* (2007), defines research design as the general plan of how the research questions would be answered. It is the conceptual structure within which research is conducted. It constitutes a blue print for the collection, measurement and analysis of data. A survey is a method of collecting data in which people are asked to answer a number of questions (usually in the form of a questionnaire). The reliability of a survey's results depends on whether the sample of people from which the information has been collected is free from bias and sufficiently large (Encarta, 2009).

The research design for this study was the survey research design to assess the relationship between the effect of motivational packages and staff performance. This is therefore qualitative and quantitative in outlook.

Research tools are the methods of data collection (e.g. questionnaire, observation, document analysis). The research tools used for the study were questionnaires and interviews.

3.3 Population, Sample Size and Sampling Techniques for the Study

All the items under consideration in any field of inquiry constitute a population. It can be presumed that in such an inquiry when all the items are covered no element of chance is left and highest accuracy is obtained. Sekeran, (1990) reported that population refers to the entire group of people, events or things of interest that the researcher wishes to investigate. Quite often we select only a few items from the population for our study purposes. The items so selected constitute what is technically called a **sample**.

Sekeran, (1990) defines a sample as a portion of the population that has attributes as the entire population. The target population for the study consists of all staff of Ecobank Nigeria Limited working in the 6 branches in Sokoto State. The total number of people forming the population is about one hundred and fifty-three (153). Thus, all the 153 employees were given questionnaires and 95 responded representing about (62%). That is, all were offered the chance to participate in the study but some about (38%) inevitably partially declined.

3.4 Data for the Study

The study depended on primary data collected from the staff and some secondary data. The primary data was collected from the field survey using questionnaires and interview

schedules. The questionnaires comprised both close-ended and open ended questions. These formed the basis of the analysis of the study. The researcher went to the various Ecobank Nigeria Limited in Sokoto State and handed the questionnaires to the various respondents. The researcher then explained how the questionnaires were to be filled and two days later he went back to collect the filled copies. The secondary data was sourced from the files of the Human Resource Department.

3.5 Data Analysis and Presentation

The data collected was processed using the statistical package for social science (SPSS). The results of the study are shown in tables, percentage charts and graphs. Both qualitative and quantitative methods of data analysis were used for the study. The variables of interest to the researcher were motivation and job satisfaction and these were analyzed after analyzing the demographic description of respondents.

3.6 Organizational Structure of Ecobank Nigeria Limited

Ecobank Nigeria Limited is a member of Ecobank, the leading independent pan-African bank, headquartered in Lome, Togo with affiliates in West, Central and East Africa. Ecobank, which was established in 1985, has grown to network of over 1,000 branches, employing over 10,000 people, with offices in 35 Countries including Faso, Burundi, Cameroon, Cape Verde, the Central African Republic, Chad, the Republic of Congo, the Democratic Republic of Congo, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Kenya, Liberia, Mali, Malawi, Niger, Nigeria, Rwanda, Sao Tome, Senegal, Sierra

Leone, Togo, Uganda, Zambia and Zimbabwe. Ecobank also maintains a banking subsidiary in Paris and representative offices in Johannesburg, Dubai and London.

Management structure of Ecobank Nigeria Limited

The Bank has since been managed by Board of Directors, management committee, senior officers and employees union. The head office of the bank is situated at No. 21 Ahmadu Bello way, Victoria Island, Lagos.

Mission & Vision of Ecobank Nigeria Limited

Mission: To provide our retail and wholesale customers with convenient, accessible and reliable financial products and services.

Vision: To build a world class Pan-African bank, and to contribute to the economic development of Africa

CHAPTER FOUR

ANALYSIS, FINDINGS AND DISCUSSION OF DATA

4.1 Introduction

The previous chapters of the study addressed the contextual, theatrical and descriptive aspects of the study. The focus of this present chapter is to analyse the field data and examine the findings in the light of the objectives of the study. The quantitative data collected under the survey was coded for the analysis. SPSS was used to analyse the quantitative data. The qualitative data was also thoroughly discussed in relation to the objectives of the study. Analyses of the field data and the discussion of the findings therein have been presented in the following structure:

4.2 Profile of Respondents;

4.3 Motivational packages for staff;

4.4 Effects of motivational packages on employees" performance;

4.5 Effects of motivational packages on corporate performance.

The analysis and discussions of the study will now proceed accordingly.

4.2 Profile of Respondents

Perry (2000) contends that, personal attributes like gender, education, family life status and age had significant effect on motivation at the workplace. The socio-demographic description of respondents, presented for analysis included

a. Gender of respondent,

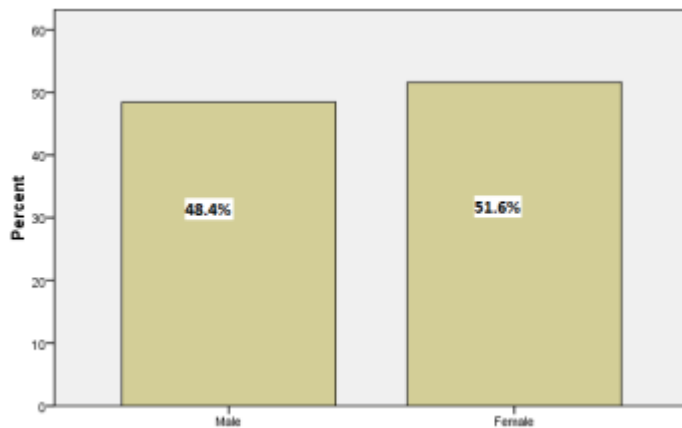
b. Core duties of respondent,

C. Department and various branches and number of year's respondents have been working, and designation of respondent over the years.

4.2.1: Gender of Respondents

The sample size of this study was unique because the 95 respondents were more of volunteers for the study and is interestingly made up of 49% male and 51% female which coincidentally is the national population gender representation of Nigeria (figure 4.1). This is true and supported by the assertion founded by Naff and Crum (1999), studied employees from the public sector and found that the level of motivation for women was higher than for men in the public sector thus suggesting the role of gender in motivation. Whatever the motivation women appreciate it more than men. Women are easily motivated and therefore give up their best with any little motivation given them. The study tried to give equal gender balance to both males and females.

Figure 4.1: Gender of respondents

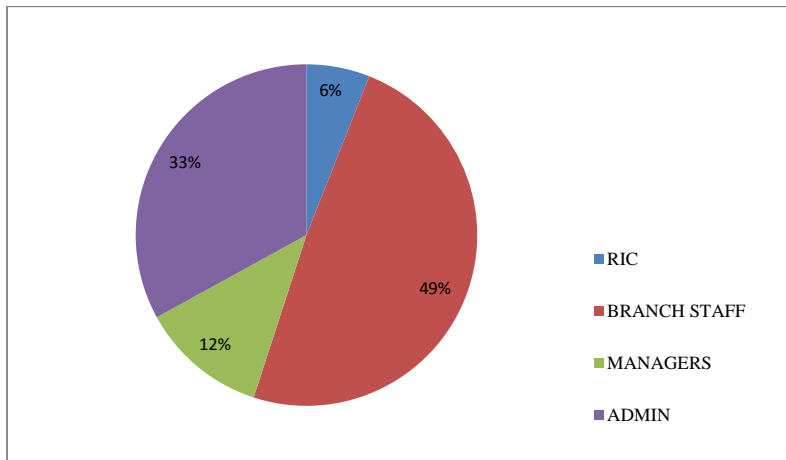


Source: Field Survey, 2014

4.2.2 The Designation of employees of Ecobank Nigeria Limited, Sokoto

Ideally, and a holistic view of the designation of employees of Ecobank Nigeria Limited, Sokotorevealed three different titles and they are Admin staff (Drivers, Dispatch Riders and Security officers, branch Staff (tellers, customer service officers, and relationship manager- marketers), resident internal controls (local auditors) and managers/manageress. The respondents of the study consist of 10% managers, 31% Admin staff, 6% resident internal controls, and the remaining majority of being branch staff.

Figure 4.2: Designation of respondents within Ecobank Nigeria Limited, Sokoto



Source: Field Survey, 2014

4.2.3: The Core Duties of respondents at Ecobank Nigeria Limited, Sokoto

Realistically, a comparative view (of figure 4.2 and 4.1) revealed that the core duties of employees of the bank are dependent on employees' designation. Nevertheless, (33%) of the employees perform customer service duties and this is equivalent to the frequency and its corresponding percentage value for the Admin staff title. Also, (49%) of the employees perform duties as loan officers and system administrators and this is directly equal to the frequency and its percentage value for the Branch staff title. Consequently, (18%) employees perform managerial and auditing duties and this also to the equivalent frequency and its corresponding value for the managerial title. Most of the core duties are performed by the branch staff to ensure the employees achieve the goals of the bank. The employees ensure that the customers are satisfied and most of the customers interrupt with employees in every working day and so if the employees are de-motivated it would

have repercussion on the performance of the bank. The manager's role is to achieve the target for the bank, and so that makes the manager achievable. This confirms what Heller, J., Goulet, L., Mohr, E., (2004), in their research on Acquired-Needs Theory of David McClelland. According to the acquired-needs theory, individuals acquire types of needs as a result of their life experiences. Some needs could be learned; the achiever seeks to appreciate frequent recognition of how well they are doing rather than money being paid to them. A branch manager would be happy to realize his bank's targets before the year ends. To achieve these they ensure that every employee delivers delight service to customers and also perform the role of human resource management at each branch. This confirms what Cheng (1995), views that the biggest challenge for banks management today is to motivate employees for lack of proficient offer and better services according to customers' expectations. One of the major functions of a human resource manager is to enhance and maintain employees' work motivation. Human resource management's function is to assist the general manager or line management in keeping the employees satisfied with their jobs by providing motivation of different kinds. Branch managers thus double as both human resource and general managers to propel job satisfaction through motivation so as to generate high performance (Petcharak, 2004).

4.2.4: Years Respondents have been working Ecobank Nigeria Limited, Sokoto

Majority of the respondents that is, (54.7%) have worked with the bank for 11 years and above. The remaining few (4.2%) have worked between the year ranges of 1-7 years. This means in any case that majority of the employees are entitled to and have received

motivational packages in one way or the other if only it is awarded on the basis of time scale. Those admin staff must have received car loan by now since they worked for more than 9 years and above. The managers may be heading toward retirement would be expecting housing loan. The problem is that these staff might not have received the housing loan or car loan which is a source of extrinsic motivation for them to stay on the job. The numbers of years an employee remain in the employment of the bank enhance his/her chances of getting motivated in way one or the other. The goodwill nature of the bank ensuring that employee stay in the job for long years before motivated with a package must be a thing of the past. The educational qualification of the employees and their responsibilities should be considered in the course of promoting employees in taking up higher responsibility an also granting them extrinsic motivational packages.

The new staffs who have worked for 1-7 years the bank should help them settle on their bank needs so as to give them peaceful mind to stay on the job with satisfaction. Those who have worked for 11 years and above mostly require housing loan and car loan as their extrinsic motivation component. Most of the employees who qualify for this long term packages are given it and they intend normally give up their best in the discharge of their schedule tasks in the bank. Long serving employees exhibit a higher degree of self-motivation. This can de-motivate the employees who did not work in the bank for more than 5 years and can therefore affect their performance. Whereas Ecobank Nigeria Limited policy is for employees to stay on the job for more than five (5) years which is demotivating for a young fresh graduate employed. Some staff has stayed on their grade

for more than seven to ten years which did not promote succession plan for the bank and some do not have access to training programmes organized by the bank. Even though there is a policy for review every two years, most staff do not get it on time since others had not received yet. The system would be running alright but deep down most of the staff were demotivated and also could not give their best.

4.3 Motivational Packages for Staff at Ecobank Nigeria Limited

Motivation can generally be looked at as being extrinsic or intrinsic. For the purpose of these analyses the motivations of Ecobank to its staff would be considered in both categories.

The extrinsic elements of motivation encapsulate all economic benefits made available to compensate staff for their services, effort and/or achievements. Some of these elements according to Khan et al. (2009) include salary, promotion, retirement and other working reward benefits. Ecobank's range of extrinsic motivational packages for its employees like most organizations in Nigeria covers periodic enhanced salaries to employees, fringe benefits, promotions and many others. These motivational packages, as a matter of policy, are reviewed every two years by employees union, management and board of directors. Ecobank range of intrinsic motivational packages for its employees like most organizations in Nigeria covers training and development, job satisfaction, responsibility, freedom to act, scope to use and develop skills and abilities and challenging work and opportunities for growth. The intrinsic factor seeks to achieve the long term goals for the bank whiles the extrinsic achieved a shorter time goal for the bank. The consequence of

the extrinsic is that in the short run, it entices the employees to deliver and to augment in achieving the long term goal of the bank. The employees who want enhanced salary has the tendency to move to a new bank where the enhance salary is much higher than the existing once. Managers should be interested in employees who are achievers and try to ensure that all employees work to their full potential, so as to move the bank forward.

4.3.1 Kinds of Motivational Packages for respondents of Ecobank Nigeria Limited

- i. Enhanced salaries to employees
- ii. Employee car loan scheme
- iii. Employee housing loan scheme
- iv. Fringe benefits
- v. Promotion
- vi. Recognition

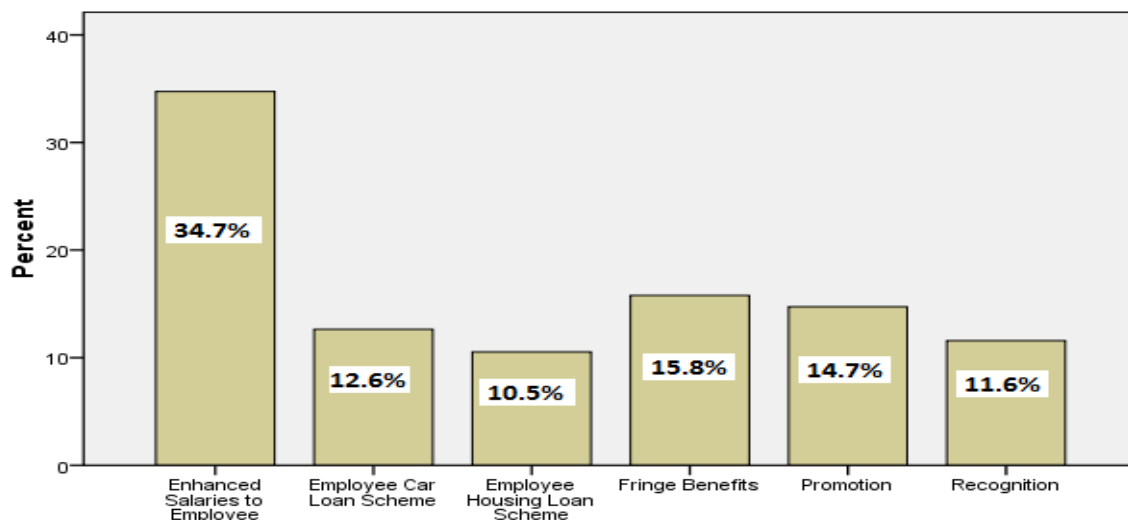
When employees were asked to choose from a range of motivational packages, the most important one to each of them, majority of the respondents, 34.7% recognized enhancement of salaries to employees as the most important to them. The next was fringe benefits (15.8%) and then the third most preferred was promotions. Thus all the categories of staff in the bank are clerical, supervisors and managers" chose enhance salaries as their first priority. Well paid employees are normally committed to their jobs

and hardly indulge in fraud as against leanly paid employees. The choice of enhanced salary by employees raises some basic concerns on the bankers' needs in the company. The said choice is necessary so as to enable them finance their physiological needs which are fundamental in humans as identified by Maslow in his hierarchy of needs model. The research, to this extent, is concerned with the relativity of satisfying employees' needs to their working to achieve corporate objectives. The second best package for employees was fringe benefit. The fringe benefits constitute food allowance, fuel and maintenance allowance, rent allowance, risk allowance and responsibility allowance. As per figure 4.3 below, employees received fringe benefits on monthly or quarterly basis. These benefits are easily earned by all employees than the other benefits such as car and housing loans that are only given to long serving employees. These benefits go a long way to support the salaries paid to employees. These packages are given to employees based on the education qualification and responsibilities aside how long the person has been working with the bank. This is in line with goal theory where equity types are given to employees based on fair pay for equal work.

The third is promotion which ensures that employees advance in their career development as a banker. Promotion is technically the enrichment of one's job and its associated remuneration. Thus, when employees are promoted, they are given higher pay to compensate for the increased or higher responsibilities assigned them to carry out the bank mandates. Since each branch has a limit as to who manages it and responsibilities assigned to it. The bank policy for promotion is every four years and depends on the

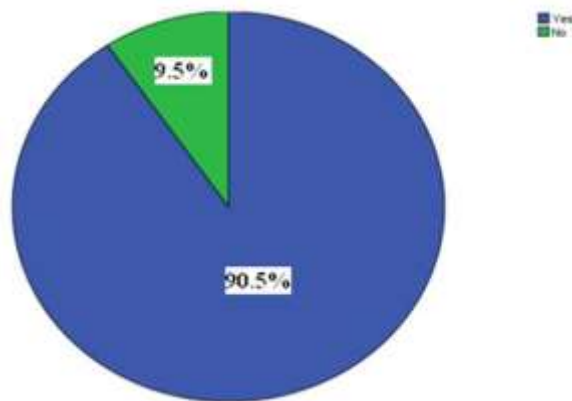
number of vacancy available at each position. The employees would like to be promoted in the bank to ensure continuity and survival of the operations. This is consistent with a similar study in Pakistan by KalimUllah Khan (2009). The study looked at rewards and motivation of employees in commercial bank. In the study, majority of the employees selected payment as the first motivation package which can affect their performance in the bank in Pakistan. This is true as in case of Ecobank. Promotion was third in this study but was second in the Pakistan commercial bank’s case. This implies that there is a strong relation between motivation packages and employees performance. This is also in support of Fredrick Herzberg’s Two-Factor Theory. The motivational factors are factors that are intrinsic to the job, such as achievement, recognition, interesting work, increased responsibilities, advancement, and growth opportunities.

Figure 4.3 Importance of motivational package to respondents



Source: Field Survey, 2014

Figure 4.4 Are packages enough to motivate you give your best?



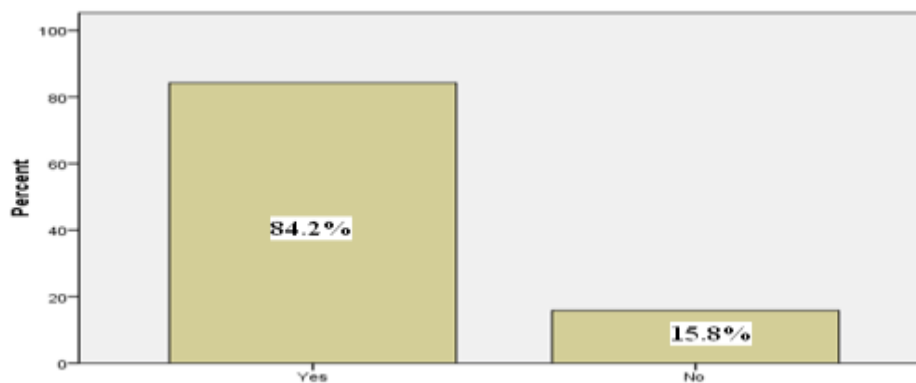
Source: Field Survey, 2014

4.3.2 Conducive of Office Environment to enhance Work Output

More than half (84.2%) of the employees gave their views that their office environment is conducive enough to enhance their work output, leaving the very few (15.8%) to suggest that their office environment is not conducive due to uncomfortable swivel chairs, branches not build up to the ultra-modern standard, not much floor space to satisfy customers, fluctuating lightening system and air conditions not in good shape. This is shown in figure (4.3 diagram). Hameed et al (2009) investigated the relationship between office design and productivity using subjective productivity measurement method. The performance of an employee is measured by the output that the individual produces and it is related to productivity. Productivity is defined variously as (i) that which people can produce with the least effort (ii) output per employee hour, quality considered (iii) the increased functional and organizational performance, including quality (iii) a ratio which

measures how well an organization (or individual, industry, country) converts input resources (labor, materials, machines etc.) into goods and services. This is confirmed by the (84.2%) respondent and it is in agreement with Hameed et al. (2009) research that there is a relation between office design and employees productivity. Once the office environment is conducive for business more customers would be willing to do business with the bank. The long run effect is that employees would be healthy and profitability would be high, the rate of sick leaves would be down and it boosts the image of the bank. The ambience of the bank premises must be the best and should portray the bank organizational culture. The environment of the bank must in the relaxed mood, attractive and business like.

Figure 4.5 Conduciveness of Office Environment to enhance work output



Source: Field Survey, 2014

4.4 Effects of Motivational Package on Employee Performance

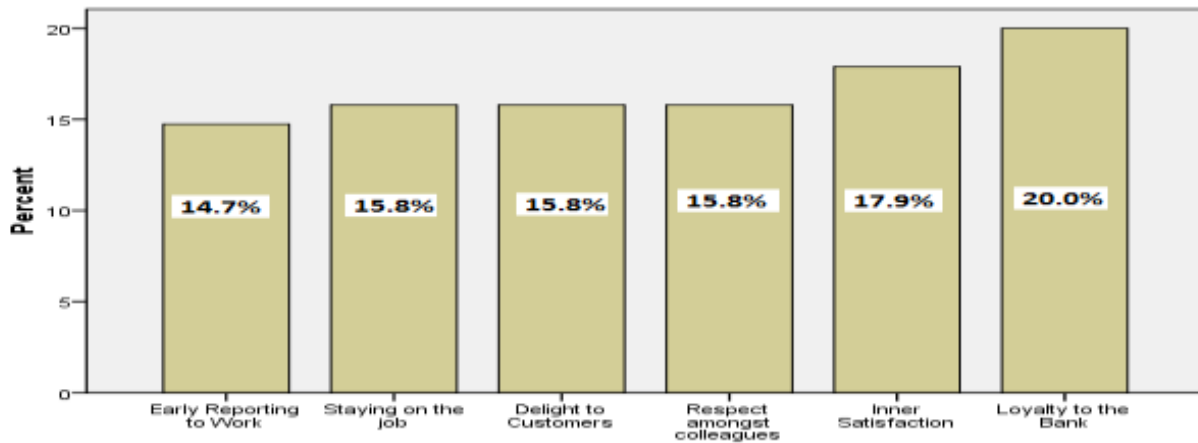
it is certain that the motivational packages, irrespective of the type or kind has a positive influence on the employees in one way or the other. Effective motivation influences loyalty, job satisfaction and the many associated working novelties. The study revealed that an even despairing of motivation influence in employee. It ranges from (20%), for employees loyalty to (14.7%) being punctuality at work. Inner satisfaction is the second most influenced work characteristics represented by (17.9%) of respondents. Staying on the job, delight to customers and respect among colleagues each attracted (15.8%) of respondent. The theory of Abraham Maslow is agreed with the inner satisfaction of the employees because at each point of respondent's years with the bank a need is met per the policy of the bank. The loyalty (20%) of the employees is most appreciated since most of the employees have worked in the bank for more than sixteen years and above. This indicates that there is a good relation between motivation and employees performance for the bank. This supports Daschler and Ninemeier (1989), findings that employees are working to satisfy their basic needs, for survival, be economically secured, get self-fulfilling among others. Their discussion reviews some of employee-related concerns that can be found in the venue of strategies to employees" motivation.

- (a) An employee wants to satisfy its basic needs, linked to survival and security concerns and a desire to belong, to generate positive feelings from within and from others, and to be Self-fulfilled.

(b) Most employees want (1) fair and consistent company policies in matters affecting them; (2) management they can respect and trust; (3) adequate working relationships with Managers and co-workers; (4) acceptable salaries and working environment; (5) Appropriate job security assurance; (6) favorable job status. The respect amongst colleagues always promotes the employee co-existing in the office and this promotes cordial relationship with customers. In the long run, customers continue to do business with the bank and the employees performing the bank mandates achieve the bank targets. However, irrespective of the direction of the impact or influence of the packages on the employees, it positively affects all staff and their work output (Figure 4.4) confirms that more of the staffs would have been able to achieve his/her current performance level if current motivational packages were not available to him /her.

This shows that if Ecobank withdraws its motivational packages it steed a negative impact on the bank performance. The employees would be lackadaisical towards their work even though their core remuneration will be paid.

Figure 4.6: Influence of motivational package on employee performance



4.5 Effect of packages on Ecobank Nigeria Limited Performance.

They also believe that the packages have also impacted positively on GCB limited in the area of efficiency (29.5%), deposit mobilization (22.1%) and many others through them as a result of the influence on them (Table 4.5). As this package trigger the branch to achieve its goals in the long run the bank as a group perform well and lead to the attainment of the corporate performance target. The assets of the bank has increased, the profitability is high, deposit level good and loan/advance also repayable. Among the four selected listed banks (thus Zenith Bank, Guarantee Trust Bank, First Bank Nigeria, and Fidelity bank) Ecobank Nigeria Ltd tops all in terms of customer deposits, bank assets and loan and advances given out to populace and institution. (www.thisdaylive.com/articles/nigeria-s-top-banks). The performance indicator is good but there is still room for improvement. This can be done by introducing more new products, train and retrain employees to be up to the task. The shareholders' value has

increased and the capital gain of the share is high compare to the banks in the industry thus from 2009-2013 the Earnings per share EPS increased by 60 percent to 112k from 70k in HY 2012 and gains as the share price has risen by 25 percent in the past year. The dividend declared by Ecobank Transnational bank is N0.63k which tops Fidelity bank and Guaranty Trust bank paid N0.21k and N1.30k respectively but Zenith bank AND FBN Holding Plc tops Ecobank in terms of the dividend declared for the year 2013 (N1.60k and N1.00 respectively) . ([www.businessdayonline.com/-company -analysis-ecobank- transnational- incorporated-promoting-shareholder-value](http://www.businessdayonline.com/-company-analysis-ecobank-transnational-incorporated-promoting-shareholder-value))

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter is divided into four sections. Section one is the introduction, section two summarizes the study, section three concludes the study while section four gives recommendations.

5.2 Summary

The two categories of motivational packages which were identified in Ecobank Nigeria limited are namely extrinsic and intrinsic motivational packages. The elements identified under the extrinsic motivational package were enhanced salary, fringe benefit (various allowances), car loan, housing loan and that of the intrinsic were promotion, recognition, roles and responsibility, training and development, growth and opportunity. The Clericals are interested in extrinsic motivation particularly enhance salary and fringe benefits. This shows that clerical staff desire short term rewards to meet their physiological needs and are satisfied when rewarded to steed on achieving their targets. The managers on the other hand are interested in intrinsic motivation such as recognition and promotion. This is in conformity to Macllend Theories of achievement, power and affiliation. The managers ensured that the clerical staff achieved their routine scheduled targets which consolidate to the banks" targets and finally the corporate conglomerate goal of the

group. At the end of the day, these managers are appreciated by and rewarded accordingly by the Board of Directors. There was greater number of employees who have worked with the organization for than sixteen and above, which call for the attention of management to put succession plan in place for new employees to be recruited.

Management had policy in place to ensure that disciplinary actions are taken against anyone who caused financial loss to the bank. Management policy is in conformity to Frederick Herzberg's two factor theories by making sure that staffs and managers comply with the bank policy. They reward employees when they performed and punished them when they commit fraud or offence.

5.3 Conclusion

It could therefore be concluded that Ecobank staff enjoys both the intrinsic and the extrinsic motivational packages. The clericals prefer more of the extrinsic motivational packages which the bank should provide and the managers prefer intrinsic types of motivation packages. Also management had to put in place both the Maslow theories and Macllend theories and ensure that employees and managers are well to give out their best to achieve the bank targets. The quantity of the packages should be increased by management.

It could be said that the employees (especially those who perform the core duty) of the service have spent more number of years with the organization which means that workers had acquired the necessary skills to carry out the routine work of the bank and this has

the tendency to affect performance positively. Macclend theory is in support of the view that, at certain point, money is not all but rather than recognition to managers isparamount. The goal theory is relevant and appreciated in the bank since the bank works with targets and the drive and effort of employees must be sustained to achieve the goal of the bank.

5.4 Recommendations

The following recommendations have been made based on the summary:

There should be more recruitment to replace old experience staff in the bank to ensure continuity since most of the employees have spent more than sixteen years in the service. The clerical employees should be motivated with meritorious promotions, job rotation and job enrichment to reduce boredom and challenged to be innovative. Supervisors and managerial staff should be trained to develop sharper skills so that employees can be up to the task when given the opportunity. Training and development of employees must not be down play. The period for extrinsic motivational packages to long serving staff could be reviewed down or reduced so that meritorious staff with lesser period of service may also benefit from it. This can help to maintain some staff from leaving Ecobank to other banks and the quantum of the level must increase to meet the levels in bank industry.

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APPENDIX I

Usmanu Danfodio University, Sokoto
Department of Business Administration
Questionnaires for Ecobank Nigeria Limited Staff

This research is to find your opinion on motivation in the banking industry at Ecobank Nigeria Limited, Sokoto. The information provided will be used for academic purpose and as such going to be confidential.

Thank you.

In all questions, please tick [] only unless otherwise indicated.

1. Sex: (a) Male [] (b) Female []
2. Age of respondent (a) 20-30 [] (b) 31-40 [] (c) 41-50 [] (d) 51-60 []
3. Level of education: (a) Diploma [] (b) HND [] (c) Degree [] (d) Masters [] (e) Professionals [] (f) others (please specify)
4. For how long have you been working with your present organization?
(a) 1-3 years [] (b) 4-7 years [] (c) 8-15years []
5. Department/Branch
6. Position. (a) Junior level [] (b) Senior level [] (c) Management level [] (d) Others (Please specify)
7. If you were considering leaving Ecobank Nigeria Limited, which of the following would be your reason(s)
(a) Poor remuneration and fringe benefits [] (b) Better job offer [] (c) Lack of motivation [] (d) Others (please specify)
8. Do you feel motivated enough to go extra mile in delighting your customers (both internal and external)? (a) Yes [] (b) No []
9. How would you rate your level of enthusiasm and morale towards your job and the organization? (a) Very low [] (b) low [] (c) average [] (d) high [] (e) very high []

10. Having experienced the working environment, given the opportunity would you have considered working with Ecobank Nigeria Limited if you had a foreknowledge? (a) Yes [] (b) No []

11. How would you describe the general zeal and attitude of staff in your department towards work, with regards to reporting time, involvement in organizational activities etc? (a) Very high [] (b) High [] (c) average [] (d) low []

12. To what extent do you agree with this statement” Ecobank Nigeria Limited deserve every little sacrifice and am prepared to give the very best of myself to ensure it succeeds”.(a) I strongly agree [] (b) I agree [] (c)I disagree [] (d)I strongly disagree[]

13. Would there be an increase in your current level of performance if you felt well motivated to work? (a) Yes [] (b) No []

14. Which of the following motivates you most to be effective and productive at work? (a) Higher salary [] (b) sense of achievement [] (c) Recognition [] (d) career advancement []

15. Which of the following de-motivates you most from being effective and productive at work?

- a) Inadequate reward system []
- b) Uninteresting and routine job schedule []
- c) Lack of requisite training for employees []
- d) Poor working conditions []

16. Have you ever been praised or given recognition for good job done by your superiors? (a) Yes [] (b) No []

17. If ‘Yes’, how did it affect your performance?

- (a) Encourage working harder []
- (b) Indifferent []
- (c) Others (please specify)

18. If ‘No’, how did it affect your performance?

- (a) Felt discourage to work harder []
- (b) Indifferent []
- (c) Others (please specify).....

19. How do you rate the reward and compensation systems of Ecobank Nigeria Limited against others in the same industry?

- a) Very poor [] (b) poor [] (c) good [] (d) very good [] (d)excellent []

20. Is the reward system fair and equitable to encourage high performance?

(a) Yes [] (b) No []

21. Which factor in your opinion contributes to high staff turnover and employee apathy at Ecobank Nigeria Limited?

- (a) Lack of career advancement []
- (b) Poor reward system []
- (c) Uninteresting and routine job schedule []
- (d) Lack of requisite training for employees []
- (e) Others (please Specify)

22. In your opinion, what can be done to motivate staff at Ecobank Nigeria Limited?

- (a) Appropriate remuneration to reward high performance
- (b) Introduction of challenging but interesting job schedule
- (c) Career path- goal should be well defined and vigorously pursued
- (d) Specify if anyother.....

24. How do you think the current motivational system at Ecobank Nigeria Limited can be improved?

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.....
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25. Kindly indicate by circling the corresponding number against each factor of motivation you consider the most important that would influence performance at work.

1- Below average **2-** average **3-** above average **4-** credit and **5-** excellent

MOTIVATIONAL FACTORS	RANKS
(a) Job Satisfaction	1 2 3 4 5
(b) Recognition	1 2 3 4 5
(c) Sense of Achievement	1 2 3 4 5
(d) Good Salary	1 2 3 4 5
(e) Training & Development Opportunities	1 2 3 4 5