



Determinants of Bank Staff Motivation in the Cape Coast Metropolis

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Abstract

Staff motivation is one of the key drivers of success in today's competitive environment. The paper seeks to determine the factors that influence bank staff motivation in the Cape Coast Metropolis. In specific terms, this paper aimed at analysing the variance explained by variables in staff motivation as well as determining whether there are statistically significant differences in the levels of the factors that affect staff motivation.

The census sampling method was employed for the study. The responses of 81 staff members were gathered through questionnaires from seven banks in the Cape Coast Metropolis. Descriptive statistics was used for mean levels of the factors whilst a dependent (sample) t-test was used to determine the differences between the levels of the factors. Multiple regression technique was used to identify the factors (determinants) that best explain variance in staff motivation.

It was explained from the study that there were statistically significant differences between the levels of the factors that affect staff motivation except between staff supervision and staff perceived competence and staff recognition and job satisfaction. Also, the results of the study revealed that determinants of motivation were recognition and job satisfaction. Thus, they significantly influence bank staff motivation in the Cape Coast Metropolis. The staff recommended that improvement in verbal and tangible recognition of good work as well as

interesting and challenging work through job enlargement and enrichment would logically lead to high motivation.

Key words: Motivation; Recognition; Role clarity; Job satisfaction; Supervision; Perceived competence; Bank staff

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INTRODUCTION

Banking services are extremely important in a free market economy such as those found in Canada, United States and Ghana. The health of a country's economy is closely related to the soundness of its banking system and this is true about the Ghanaian economy. Banks play an important role in the worldwide economy and their employees are the best sources of delivering good services to their customers. Excellent services provided by these bank staff can create a positive perception and a lasting image in the eyes of recent potential customers. Banks in Ghana has grown from few institutions primarily involved in deposit acceptance and trade finance into a complex multi-player markets where a large number of banks are operating with various technologies, products and activities. This has created a competitive environment which is geared towards working more at increasing their market share in terms of winning more customers and meeting their needs through the provision of new products, extension of working time, ensuring efficiency and building good customer relations.

The physical structures of banks are maintained by human resources (staff) who enable the delivery of good service. The process of delivering quality service is the motivation of all staff whether professional, skilled

or unskilled. Staff motivation has become crucial to employee behaviour including loyalty, commitment and job performance levels, a point supported by Bateman and Snell (2007). In today's dynamic environment the highly motivated employees serve as a synergy for accomplishment of company's goals, business plans, high efficiency, growth and performance.

A recent study in Sweden revealed that the most motivated workers in the country are bank staff. People are part of all organisations (including banks) and it is important to know what factors highly motivate them (Bergström & Ternehall, 2005). The satisfaction of a bank's customers largely depends on the kind of services they receive from the staff of their banks. The satisfaction, loyalty, motivation and commitment of the staff would ensure full satisfaction of the banks' customers. Against this backdrop of staff or individual motivation, the study therefore seeks to determine the factors that influence bank staff motivation in the Cape Coast Metropolis and extent to which these factors explain variance in staff motivation and which of these variables best contribute (predict) to staff motivation of banks in the Cape Coast Metropolis.

1. LITERATURE REVIEW

Motivation is the fuel that drives people towards achieving their goals and objectives. In fact, without this fuel human beings would be inactive, leading to a mundane and unproductive life. **In this sense, motivation is not what the employer does to employees but rather the urge that comes from the employee (Byars & Rue, 2002).** Again, motivation is defined as those internal and/or external forces that trigger actions that persist until a certain goal is achieved (Daft, 2006). In business firms, these triggers of behaviour are various needs that employees are striving to satisfy through various intrinsic and extrinsic rewards they receive at work (Bateman & Snell, 2007; George & Jones, 2006).

The importance of motivation to an individual can be summed up as achieving personal goals, having job satisfaction as well as self-development. Motivation also promotes better quality of work with less wastage as well as developing a greater sense of urgency amongst staff of any institution. Armstrong, (2003) submits that motivated workforce leads to empowered workforce who in turn encourages team work, more profitability, creativity and motivation will lead to an optimistic and challenging attitude at work place. He further argued that using a reward system not only gives instrumental value, but also acts as a powerful symbol of the management's philosophy, attitudes and intent. Rewards are designed to encourage behaviour that will contribute directly to the achievement of the organisation's objective. Again, he asserts that extrinsic rewards provided by the employer

will be important in attracting and retaining employees. Shields (2007) similarly claimed that one of the three main purposes with reward management is to retain the best people by recognising and rewarding their contribution.

In a study by Ali and Ahmed (2009), they revealed that if rewards or recognition offered to employees were to be altered, then there would be a corresponding change in work motivation and satisfaction. A similar study on health workers by Khowaja, Merchant and Hirani (2005) also found recognition, appreciation on their good performance and respect from their managers and colleagues as critical factors for staff motivation.

Daschler and Ninemeier (1989) in a research investigated what employees may seek from the work environment. Their discussion reviews some of employee-related concerns that can be found in the venue of strategies to employees' motivation. It is worth noting that employees are individuals who come from different backgrounds, have different education with different experiences and their different family classes are all the factors in which their needs may be located. Their primary interest is to satisfy their personal needs, linked to survival and security concerns and a desire to belong, to generate positive feelings from within and from others, and be self-fulfilled. They want all these through fair and consistent company policies in matters affecting them; respect and trust from management; adequate working relationships with managers and co-workers; appropriate job security assurance; challenging work, appreciation and recognition for good performance, increased responsibility and the chance to grow in the job, the feeling of importance and making a contribution to the organisation amongst others. It is clear that each individual experiences these factors in different levels.

In an article by Oduro and Kwarteng (2000), they found out that the various factors such as recognition, role clarity, supervision, perceived competence and job satisfaction can affect staff motivation differently. In their study of game rangers at the Mole National Park in Ghana, they found staff motivation to be affected by job satisfaction, recognition, role clarity, supervision and perceived competence in a decreasing order of importance.

It is therefore clear that there are many factors affecting employee work motivation and performance and each of these factors has its own unique approach, significance and contribution towards motivation and performance that elevate and maximise organisational progress. The literature as reviewed suggests that various factors including recognition, role clarity, supervision, job satisfaction and perceived competence can affect staff motivation differently.

A careful analysis of literature thus suggests that staff motivation can be low or high depending on several factors operating in the workplace. Finding the key,

therefore, to motivating employees is not a lesson easily learned, nor is it a lesson which, once learned, can be considered mastered. Instead, individual employees respond to different types or factors of motivation in different ways and successful supervisors develop a comprehensive understanding of each of their employees and the corporate environment in which they operate. This study hypothesised that:

H¹: there are statistically significant differences in the levels of the factors that affect staff motivation.

H²: Recognition, role clarity, supervision, job satisfaction and perceived competence will influence motivation of bank staff in the Cape Coast metropolis.

2. METHODOLOGY

The survey research design was used for the study. The population of the study consisted of a total of 96 members of staff drawn from eight commercial banks in the Cape Coast Metropolis. Considering this small population size, it was deemed appropriate to use the census technique, that is, the entire population was used as respondents for the study. Of the nine banks in the Metropolis, eight banks were used for the main study and one for the pre-testing. A total of 81 questionnaires out of the 96 administered were returned, representing 84% response rate. Those who were either on leave or had gone for training could not hand over their questionnaires and their percentages were 7% and 9% respectively.

A pre-test was undertaken in order to refine the questionnaire and also to obtain some assessment of the questions' validity and the likely reliability of the data collected. A total of fifteen (15) bank staff of Pro Credit Bank were used for the pre-testing. The number of staff (15) used for the pilot study was sufficient to include any major variations in the population as confirmed by Saunders et al. (2007) that for most student questionnaires, a minimum of ten (10) for the pilot study is sufficient.

The reliability co-efficient for the questionnaire ranged between 0.72 and 0.92. Research has shown that scales with Cronbach's alpha co-efficient of 0.70 or more are considered to be reliable (Pallant, 2001). Based on the responses given during the pilot study, few modifications were made on the final instrument for the main survey which was then administered.

The factors were measured with a three-point Likert-type rating scale of *Strongly Agree* = 5; *Agree* = 4; *Partially Agree* = 3; *Disagree* = 2 and *Strongly Disagree* = 1. However, the measurement points used for staff perceived competence were: *Very High* = 5; *High* = 4; *Moderately High* = 3; *Low* = 2; and *Very Low* = 1.

To determine the level of motivation of the respondents, mean and frequencies were used. Differences in level of factors including recognition, role clarity, supervision, job satisfaction as well as perceived competence that can influence the staff motivation and its significance were tested using dependent (paired) sample t-test. Multiple regression technique was used to identify the determinants that best explain staff motivation in the banks, and the results were presented in tables. An alpha level of .05 was used for all tests of significance.

3. RESULTS AND DISCUSSION

The results revealed that bank staff had high (mean) levels in the factors that motivate them including recognition (4.40), role clarity (4.40), supervision (3.95) and perceived competence (3.84), however, the bank staff had an average level of job satisfaction (3.25). The study hypothesised that:

H¹: there are statistically significant differences in the levels of factors that affect bank staff motivation.

H²: Recognition, role clarity, supervision, job satisfaction and perceived competence will influence motivation of bank staff in the Cape Coast metropolis.

Table 1
Dependent (Paired) Sample t-Test of the Factors that Affect Staff Motivation in the Banks

Factors of Motivation	Mean Dif.	t-ratio	Sig.* (2- tailed)
Role Clarity & Supervision	0.50	7.74	0.00
Role Clarity & Perceived Competence	0.59	7.47	0.00
Role Clarity & Recognition	1.19	18.10	0.00
Role Clarity & Job Satisfaction	1.04	-12.70	0.00
Supervision & Perceived Competence	0.10	1.13	0.26
Supervision & Recognition	0.62	9.13	0.00
Supervision & Job Satisfaction	0.55	- 8.02	0.00
Perceived Competence & Recognition	0.60	-7.74	0.00
Perceived Competence & Job Satisfaction	0.45	-5.48	0.00
Recognition & Job Satisfaction	0.14	1.84	0.07

Source: Field Data, 2010;

*P<0.05

(n =81)

The results show that statistically significant differences (p< 0.05) existed in the levels of factors that affect bank staff motivation (Table 1). This is an indication that, the

factors of the study do not affect motivation at the same level. The present study found out that staff motivation is affected by job satisfaction, perceived competence,

supervision, recognition, and role clarity in increasing order of importance. Although differences existed between supervision and perceived competence as well as recognition and job satisfaction; their differences were not statistically significant. This was also confirmed by their small t-ratio values and their large p-values. This could mean that, staff who perceive him/herself to have high competent might not need a strict supervision and a staff who has a high level of recognition may tend to be satisfied with his/her job and the reverse may also hold.

The study showed that a high degree of bank staff motivational rate of variance is explained by the factors of

the study. Although the results showed that all the factors influence motivation ($R^2 = 48.1\%$; Adj. $R^2 = 44.6\%$); the two variables (recognition and job satisfaction) having a B of 0.42 and 35 respectively were statistically significant. However, the data revealed that role clarity, supervision and perceived competence were all not statistically significant (Table 2). This implies that they do not have a statistically significant influence in the building up of motivation of the bank staff in the Cape Coast Metropolis and this was also confirmed by their associated Beta which shows that their effect on motivation is negligible if not negative (especially for perceived competence).

Table 2
Regression of Factors (Determinants) that Can Enhance Staff Motivation

Factors	B	Beta	t	Sig.*
Recognition	0.415	0.478	3.990	0.000
Role Clarity	0.114	0.082	0.838	0.405
Supervision	0.079	0.078	0.669	0.506
Job Satisfaction	0.346	0.240	2.623	0.011
Perceived competence	-0.022	-0.020	-0.219	0.828
Multiple Regression	0.693	F = 13.894		
R ²	0.481	*Sig. F = 0.00		
Adjusted R ²	0.446			
Standard error	0.49050			

Source: Field Data, 2010 *p<0.05

N=81

Recognition and job satisfaction, on the other hand, stood out as major determinants of motivation of the bank staff in the Cape Coast Metropolis with 99% significance. If the value of beta is high, then its effects of independent variable on the dependent variable will have greater affects in response. From the beta column, recognition and job satisfaction have the highest number .478 and .240 respectively. They were found to be the most important determinants of bank staff motivation. A percentage change in recognition and job satisfaction will result 0.415% and 0.346% motivation respectively. This suggests that the level of staff motivation increases when bank staff get an unexpected increase in recognition as well as job satisfaction (Khowaja, Merchant & Hirani, 2005; Oduro & Kwarteng, 2000). In other words, workers whose effort are recognised and are satisfied with their job will exhibit a much higher level of motivation than those whose roles are clear or have supervision or have the perception of being competent.

CONCLUSIONS AND RECOMMENDATIONS

Recognition and job satisfaction came up as the factors (determinants) that significantly influence the motivation of bank staff in the Cape Coast Metropolis. There were also found to be significantly related to staff motivation. From the study, it was found that improving staff recognition and job satisfaction will significantly

lead to high level of staff motivation and subsequently performance among banks in the Cape Coast Metropolis.

Findings from the study indicate that recognition may be improved by appreciating staff with verbal and tangible rewards. This was reiterated in the recommendations made by the staff that appreciation and recognition (both verbal and tangible rewards) would greatly influence their motivation in the banks. Apart from that, management should ensure that the good works from the employees are documented and employees' work are recognised, appreciated and given extra points in their performance appraisal. Thus, employees should not only be given bonuses but performance base salary system. This means that when a bank staff receives bonus at the end of the year, the salary for the subsequent months must reflect an increase (performance pay).

To improve on job satisfaction, job enlargement, job rotation and job enrichment should be encouraged in order to make their work interesting and challenging. Bank staff should be provided with opportunities to use their skills and abilities in their jobs as well as maintaining a good level of supervision and a sense of belongingness. This could be done by assigning challenging new tasks that the employee could learn to do through self study or contact with others who have the necessary expertise. Yen-Ju, Yeh, and Lin (2007) found that the more enriched the job, the greater the job satisfaction and less intention to leave the job.

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