

**KIGALI INDEPENDENT UNIVERSITY ULK
SCHOOL OF ECONOMICS AND BUSINESS STUDIES**

DEPARTMENT OF ACCOUNTING

**EFFECT OF MOTIVATIONAL STRATEGIES ON THE
PERFORMANCE OF COMMERCIAL BANKS IN RWANDA.**

**A case of Bank of Kigali PLC
PERIOD 2019-2023**

**A Dissertation Prepared and Submitted in Partial
Fulfillment of the requirements for the award of
Bachelor's Degree in Accounting**

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DECLARATION

I, UMUGWANEZA Liliane hereby declare that this dissertation entitled “**Effect of Motivational Strategies on the Performance of Commercial Banks in Rwanda. A case of Bank of Kigali PLC within the period of 2019-2023**” is my original work and it has not been submitted for award of any degree.

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Signature.....

Date/...../2024

APPROVAL

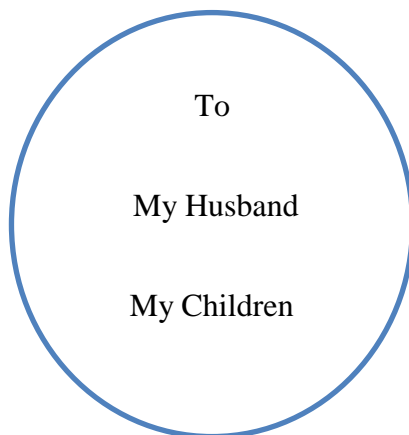
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Date:...../...../2024

Signature.....

DEDICATION



To

My Husband

My Children

ACKNOWLEDGEMENTS

It is a great pleasure for me to thank the many people who in different ways have supported and contributed to the process of writing this dissertation. I would first and foremost like to express my sincere gratitude to the Almighty God for his guidance during this program.

Secondly, my appreciation goes to **Prof. Dr RWIGAMBA BALINDA** Founder and President of ULK for putting up this University and for its excellent Management.

I would also like to thank my supervisor **NYIRAKAGEME Alice** for her time and advice that helped me to get started down the right road and also for his constructive advice throughout the project.

I owe special gratitude to the management of Bank of Kigali PLC that gave me their support and its employees who helped me during the time of gathering the data used for the thesis.

My sincere thanks go to Kigali Independent University ULK, especially the Finance lecturers who provided me theoretical knowledge in this field that became a basis for performing this hard work and for the value accorded to this dissertation.

A deep recognition to my lovely husband for his assistance and advices rendered to me, your help and real love become an inspiration for me to put in effort to accomplish this milestone.

May God bless each and every body mentioned and unmentioned for their support in the realization of this work.

UMUGWANEZA Liliane

TABLE OF CONTENTS

DECLARATION.....	i
APPROVAL	ii
DEDICATION.....	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v
LIST OF TABLES	x
LIST OF FIGURES	xii
LIST OF ABBREVIATIONS	xiii
ABSTRACT.....	xv
CHAPTER1.GENERAL INTRODUCTION	1
Introduction.....	1
1.1 Background of the Study.....	1
1.2. Problem statement	3
1.3. Research Questions	4
1.4. Hypotheses	4
1.5. Research objectives	4
1.5.1. General research Objective	5
1.5.2. Specific Objectives.....	5
1.6. Scope of the study	5
1.6.1. Scope in Time.....	5
1.6.2. Scope in domain	5
1.6.3. Scope in space	5
1.7. Significance of the study	5
1.7.1. Personal interest	6

1.7.2. Academic and scientific interest	6
1.7.3. Social interest	6
1.8. Structure of the study	6
CHAPTER 2. LITERATURE REVIEW	8
2.1. Conceptual review	8
2.1.1. Employee motivation strategy	8
2.1.2 Performance	8
2.1.3. Financial institutions	9
2.2. Theories on employee motivation	10
2.2. 1.The content theories	10
2.2. 1. 1 Maslow’s Hierarchy of Needs.....	10
2.2. 1 .2 ERG Theory	12
2.2.1.3.Two- Factor Theory	12
2.3. Review on Human resource motivational strategies	12
2.3.1. Key factors of employee motivation	12
2.3.1.1. Compensation.....	13
2.3.1.1.1. Systems of Compensation	13
2.3.1.1.2. Employee Compensation Management.....	13
2.3.1.2. Employee Training.....	14
2.3.1.2.1. Training and Development Value	15
2.3.1.2.2. Methods of Training.....	16
2.3.1.3. Employee Career Development	17
2.3.1.3.1. Organizational Support and Career Advancement.....	18
2.3.1.4. Organization working conditions	19
2.3.1.5. Employee Recognition	20

2. 3.2. Job satisfaction and employee motivation	20
2.2.3. Workplace technology and employee motivation	21
2.2.4. Dimensions of Employee Motivation	21
2.3.4.1. Physiological Needs	22
2.3.4.2. Safety Needs.....	22
2.3.4.3. Belongingness and Love Needs	22
2.3.4.4. Esteem Needs	22
2.3.4.5. Self-actualization Needs.....	23
2.3.5. Indicators of effective employee motivation.....	23
2.2.5.1. Satisfaction of personnel	23
2.3.5.1. Loyalty and commitment of personnel.....	24
2.3.5.2. Involvement of personnel.....	24
2.4. Literature on financial performance	25
2.4.1 Profitability.....	25
2.4.1.1. Net profit Margin	25
2.4.1.2. Return On Asset	26
2.4.1.3. Return On Equity	26
2.4.2 Capital Adequacy	27
2.4.2.1. Core capital to Risk weighted asset.....	27
2.4.2.2. Total qualifying capital to total risk weighted assets	27
2.4.3 Asset Quality	28
2.4.3.1. NPLs to Total loans ratio	28
2.4.3.2. Loans reserve to gross loans.....	28
2.4.4 Management efficiency	29
2.4.3.1. Total loans and advances to total deposit.....	29

2.4.3.2. Profit per employees.....	30
2.3.3.3. Assets per full time employees.....	30
2.4.5 Earnings Quality.....	30
2.4.5.1. Interest income to total income	30
2.4.5.2. Other income to total income ratio.....	31
2.4.6. Liquidity ratio.....	31
2.5. Empirical review	31
2.6. Conceptual framework	33
CHAPTER 3: RESEARCH METHODOLOGY	35
Introduction	35
3.1 Research Design.....	35
3.2The population of the study.....	35
3.2.1Sampling design and technique.....	35
3.3. Source of data Collection tools and techniques	36
3.3.1. Sources of data	36
3.3.1.1. Primary data	36
3.3.1.2. Secondary data	36
3.3.2. Data collection techniques	37
3.3.2.1. Questionnaire.....	37
3.3.2. 2.Structured interview	37
3.3.2.3. Documentary review	37
3.4 Validity and reliability tests	38
3.4.1 Reliability	38
3.4.2 Validity.....	38
3.5. Methods of data analysis and processing.....	38

3.6. Limitations	39
3.7. Ethical considerations	39
CHAPTER 4: PRESENTATION OF THE FINDINGS.....	40
4.1. Respondents profile.....	40
4.2. The effectiveness of employees’ motivational strategies employed by Bank of Kigali PLC.	42
4.2.1. Compensation programme	42
4.2.2. Working conditions	45
4.2.3. Job security.....	48
4.2.4. Employee Recognition	50
4.3. Performance of Bank of Kigali PLC within the period of 2019-2023	53
4.3.1Trend of deposit	53
4.3.2 Net income	55
4.3.3 Trend of equities.....	55
4.4. Ratios analysis.....	56
4.4.1 Net Profit Margin Ratio.....	57
4.4.2. Return on Assets Ratio.....	58
4.4.3. Return On Equity	59
4.4. Asset Quality	60
4.7 Relationship between Employees’ motivational strategies and financial performance of bank of Kigali PL	63
GENERAL CONCLUSION, RECOMMENDATION AND SUGESTION	65
REFERENCES	69

LIST OF TABLES

Table4.1. Classification of respondents by gender	40
Table4. 2. Age of respondents	41
Table4.3.Education level attained.....	41
Table4. 4. Respondent on whether Salary is fair and equitable within the internal job descriptions	42
Table4. 5.Respondent on whether the monthly pay is package is attractive in Bank of Kigali PLC	43
Table4. 6. Respondent on whether in Bank of Kigali PLC employees are rewarded for work well done	43
Table4.7.Bank of Kigali PLC are motivated by pension and health insurance received.....	44
Table4. 8. Employees at Bank of Kigali PLC are motivated by the given extraneous allowances	45
Table4.9.The office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance	46
Table4. 10. BK care on its office space arrangement optimizes walking space and flexibility to improve performance.....	47
Table4.11.Computers have updated software, backups and security for better performance	47
Table4 12. Respondents view on the benefits of work	48
Table4. 13. Respondents view on whether if their job were eliminated; they would be offered another job in the current organization.....	49
Table4. 14Respondents view on whether their job is secure regardless of any economic condition	49
Table4. 15.Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving them gifts	50
Table4. 16. Exemplary department and employees are awarded certificates and their names are displayed in the notice board.....	51
Table4.17. Bank of Kigali PLC recognize achievement of employees	51
Table4.18.Bank of Kigali PLC has well-defined criteria to recognize employees.....	52

Table4. 19.Respondents on whether their managers and supervisor usually appreciate any work they do well timely and sincere	52
Table4. 20.Trend of deposits of the Bank of Kigali PLC (in thousands Rwf)	53
Table4. 21Trend of loans granted of the BANK OF KIGALI PLC from 2019-2023	54
Table4. 22.Trend of net income (in thousands Rwf)	55
Table4. 23. Trend of equity of Bank of Kigali PLC (in thousands Rwf)	56
Table4. 24. Net Profit Margin ratio (in thousands Rwf).....	57
Table4. 25. Return on Assets “ROA” (in thousands Rwf)	58
Table4. 26. Ratio of Return on Equity (in thousands Rwf)	59
Table4. 27. Capital adequacy ratios	60
Table4.28. Asset Quality Ratio.....	61
Table4. 29 Earning Quality ratios	61
Table4. 30. Liquidity ratio	62
Table4. 31. Multiple Regression Analysis	64

LIST OF FIGURES

Figure 2. 2. Conceptual Framework 34

LIST OF ABBREVIATIONS

BK : Bank of Kigali

CAMELS : Capital adequacy Asset quality Management quality Earnings Liquidity
Sensitivity to Market Risk

Dr : Doctor

FIs : Financial Institutions

NIM : Net Interest Margin

No : Number

NPAs : Non-Performing Assets

NPM : Net Profit Margin

PER : Profit Expense Ratio

PLC : Public Limited Company

Prof : Professor

ROA : Return On Assets

ROD : Return On Deposits

ROE : Return On Equity

Rwfs : Rwandan Francs

SPSS : Statistical Package for Social Science

ULK : Université Libre de Kigali

US : United State

WWW : World Wide Web

% : Percentages

1st : First

2nd : Second

ABSTRACT

The study was about the effect of motivational strategies on the performance of commercial banks in Rwanda. A case of Bank of Kigali PLC within the period of 2019-2023. Specifically this study determined the effectiveness of motivation strategies applied by Bank of Kigali PLC and found out the effects of employees motivations strategies to the performance of Bank of Kigali PLC. In virtue to the main purpose of this study, researcher designed an appropriate research methodology and used the interview, documentary review and questionnaire techniques to collect data and SPSS was used to analyse relevant data which allowed the researcher to obtain the following results: Regarding to the effectiveness of motivation strategies applied by Bank of Kigali PLC results shows that almost all respondents with 86% strongly agreed that salary is fair and equitable within the internal job descriptions at Bank of Kigali. Regarding working conditions, results shows that the majority of respondents with 63.5% agreed that the he office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance. The effectiveness of employee recognition strategy applied in Bank of Kigali also was assessed and results demonstrated that 57%strongly agreed that Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving those gifts. The performance of Bank of Kigali PLC within the period of 2019-2023 also was analyzed and results demonstrated that. Return on Assets ratio during the covered period. From 2019 up to 2023.The ratio of Return on Assets are 3.66%; 2.95%; 2.95%; 3.22% and 3.53% respectively. From 2019 up to 2023, the ratios of Return on Equity are as follow: 16.90%; 14.86%; 18.16%; 18.72% and 20.42 respectively. Also relationship between the studied variable were analyzed through Multiple Regression Analysis and results shows that compensation strategy, working conditions, Job security and employee Recognition to a constant zero, financial performance would be at 0.347. A unit increase on compensation strategy would lead to increase in financial performance by a factor of 0.162, a unit increase in working condition would lead to increase in financial performance by a factor of 0.282, a unit increase in job security would lead to increase in financial performance by a factor of 0.194 and unit increase in employees' recognition would lead to increase in financial performance by a factor of 0.211. Therefore, these allow researcher to confirm the second Hypothesis stipulating that “employees’ motivation strategies have a positive and strong effects on the performance of Bank of Kigali PLC”.

Key concepts: *Employee, motivational Strategy and performance*

CHAPTER 1. GENERAL INTRODUCTION

Introduction

This part presents the background to the study, significance of the study, scope of the study, problem statement, research questions, research hypothesis, the study objectives and organization of the study.

1.1 Background of the Study

Many factors like capital, human resource and environmental factors influence performance of organizations. Among these factors, human resource is seen as having the most influence on the performance of organization (Mahamad, 2019). It is logical therefore to argue that an organization needs to motivate its employees in order to achieve its stated goals and objectives. Every employee in a company is always motivated in different ways. Employee motivation describes how committed an employee is to his job, how engaged he feels with the company's goals and how empowered he feels in his daily work (Elton, 2017). The job of a manager in the workplace is to get things done through employees and the management in the organization should motivate employees for better performance (Nurun, 2021). In any case, that is simpler said than done. Motivation is the most important matter for every organization public or a private sector (Stanley, 2018).

A research done by Stacho on organizational arrangement of human resources management in organizations operating in Slovakia and Czech Republic and found that motivating employees is a challenge and keeping employees motivated is an even greater challenge (Stacho, 2020). Today, organizations are under intense pressure to identify and implement programs that will prove effective in improving employee productivity (Deci, 2020). It is no longer enough to increase salaries and expect increased performance; it is more complex than that (George, 2019).

Employee motivation affects productivity and a poorly motivated labour force will be costly to the organization in terms of lower productivity and performance, excessive staff turnover, increased expenses, frequent absenteeism and a negative effect on the morale of colleagues (Elton, 2017). It is a well-known fact that the success of an organization largely depends on the

quality of its human resource, irrespective of the industry within which it operates (Deci, 2020). It is with this in mind that leaders and managers must strive to ensure that their workforce is motivated and therefore productive. Motivation is seen as one of the most important factors in issues related to human resources management (HRM) and organizational behavior management (Nelson, 2022).

Tucle (2017) conducted a study determining the impact of training and development programs on motivation of employees in banking sector in Kayseri region in Turkey. The results showed that training and development programs did have a positive impact on motivation of employees in banking sector. Results of the study concluded that banks, having good training and development programs for employees can enhance employee motivation (Tucle, 2017).

Abusharbeh and Nazzal (2018) examined the impact of motivation on employee performance in Palestinian banking industry. The survey data was collected through distributing a questionnaire to employees' that working in Palestinian commercial banks. It was established that moral motives significantly and positively predicted employee's performance. Moreover, the scholars also established that a high level of motivation was provided to employees' that working in Palestinian commercial banks. However, the material and social incentives do not predict employee's performance. On other side, the paper found that there were differences between the levels of motivation when it comes to the demographic data like qualifications, years of experiences, and job title. The study thus recommended that Palestinian banks needs to adapt and develop their motivation system in order to satisfy all employees' moral needs (Abusharbeh, 2018).

For instance, in Ghana Masud and Veronica did a study sought to examine the impact of employee motivation on organizational performance in the financial sector in Ghana. Findings from the study suggested that leadership opportunities, recognition and employee appraisal, meeting employee expectations and socialization are the key factors that motivate employees. The findings further revealed that managerial standards, motivation, commitment, employee evaluations, positive work environment, technology, lack of incentives, comfort level and poor management are factors that affect employees' performance. Further, the study established that the impact of motivation on organizational performance improves employees' level of efficiency,

help employees to meet their personal goals, employee satisfaction and helping employees' bond with the organization (Masud, 2020).

In a similar study done in Rwanda, Uwineza and Muturi (2018) study sought to determine the effects of extrinsic rewards on employee performance in public institutions in Rwanda, with specific focus on Rwanda Revenue Authority. Specific objectives for the study sought to assess the effects of employee training, promotions, and recognition on employee performance in Rwanda Revenue Authority. It was revealed that 99.1% majority of the respondents agreed that training increases the employee performance, while all respondents agreed that promotion improves both competence and commitment of employees. An ANOVA analysis done also established a significant relationship between employee training, promotion, recognition and employee performance. Based on these findings the study concluded that extrinsic rewards influence employees' performance in Rwanda.

Therefore, it is from this researcher intends to assess the contribution of motivational strategies on the performance of commercial bank in Rwanda.

1.2. Problem statement

The need to increase productivity and efficiency in the workplace or any organization has led to increasing academic interest in the area of motivation over the years. Scholars have been keenly interested in knowing what factors are responsible for stimulating the will to work. Thus, motivation has become an issue of concern for both scholars and practitioners of personnel management. From productivity and profitability to recruiting and retention, hardworking and happy employees lead to harmony and organizational triumph (Ryan, 2020).

Some organizations have been known to experience a high staff turnover despite offering above average salaries (Alalade, 2021). This clearly shows us that salaries and bonuses is not the only way that an organization can motivate employees. Moreover, different individuals in the working force are motivated by different determinants. It is important for leaders in any organizations be it managers or even supervisors to get to know what motivates different employees, and not think that a one-size-fits-all approach (George, 2019).

Research shows that in different states employees who are committed to their job and the organizations they work for are very few in number. In many cases there have been observations that have been made that not all employees who are satisfied by their work are good performers which may be due to lack of motivation and commitment for the organization (Buguzo, 2018).

In terms of research gap some studies were done at international and local level such as one done by Omollo (2020) indicated that there is a direct relationship between motivation and employees' productivity in the Kenyan Banking Industry. Also in Nigeria, Alalade and Ogantundu (2018) investigated the place of motivation on employee performance in the Nigerian Banking Industry. A similar study done in Rwanda, Uwineza and Muturi (2018) study sought to determine the effects of extrinsic rewards on employee performance in public institutions in Rwanda, with specific focus on Rwanda Revenue Authority. It is clear that they mainly focused on employees' motivation and employees' performance. None of them focused on employees' motivation and institution's financial performance. Therefore, the present study comes to fill the gap by just assessing the effects of motivational strategies on the performance of commercial banks in Rwanda with the case of Bank of Kigali PLC.

1.3. Research Questions

1. Does Bank of Kigali PLC apply motivational strategies effectively?
2. What are the effects of motivational strategies on the performance of Bank of Kigali PLC?

1.4. Hypotheses

1. Bank of Kigali PLC applies motivational strategies effectively
2. Motivational strategies have a positive and strong effect on the performance of Bank of Kigali PLC

1.5. Research objectives

The researcher conducted this research with the following objectives which are classified into general and specific objectives.

1.5.1. General research Objective

The general objective of the study was to investigate the effects of motivational strategies on the performance of commercial bank in Rwanda.

1.5.2. Specific Objectives

The study focused on the following specific objectives:

1. To determine the effectiveness of motivational strategies applied by Bank of Kigali PLC.
2. To find out the effects of motivational strategies to the performance of Bank of Kigali PLC.

1.6. Scope of the study

This refers to the boundaries of a study also referred to as delimitation. This research as any other scientific study is limited in terms of time, domain and space due to both time and financial constraints.

1.6.1. Scope in Time

This study covered the period of five years from 2019 up to 2023.

1.6.2. Scope in domain

This study focused on the domain of human resource management.

1.6.3. Scope in space

This study took place at Bank of Kigali PLC headquarter located in Kigali City, Nyarugenge district.

1.7. Significance of the study

The topic becomes relevant because it intends to assess the effects of employee motivation on the performance of commercial banks in Rwanda. The findings of this research provided information regarding employees' motivation and its effects on banks' performance in Rwanda

context. Therefore, the findings of this work are available to the bank so that it help managers to be aware of the role of employee motivation in their bank's performance in order to perform better.

The work also plays different roles to stakeholders in different ways.

1.7.1. Personal interest

The study helped the researcher to acquire knowledge and experience in writing a report on research and it served to partially fulfill the requirement for the award of bachelor's degree in Kigali Independent University ULK.

1.7.2. Academic and scientific interest

Academically, this research is a way for the researcher to fulfill academic requirements for the Bachelor's degree. Scientifically, this work is an added value to scientific world that it provided an exhaustive documentation to the future researchers in their research by just using it as reference.

1.7.3. Social interest

Rwandan community in general, educators, researchers and business policy makers benefited from information given by the researcher about the effectiveness of motivational and performance of financial institutions.

1.8. Structure of the study

The study is organized into four chapters: chapter one cover general introduction of study. It specifically presents the background of the study; problem statement, research questions, hypothesis, objectives of the study, scope, significance of the study and structure of the study. Chapter two dealt with literature review as extracted from various publications; research outputs, internet and books.

The third chapter presented research Methodology and techniques that researcher used in order to collect and analyze data.

The fourth chapter dealt with the presentation of findings on the effectiveness of employee motivation as well as its effects on the financial performance of Bank of Kigali PLC. At the end a short summary that comprises of a short brief view of the study, conclusions and suggestions regarding to what this bank should do to perform better

CHAPTER 2. LITERATURE REVIEW

This chapter provides an overview of different authors in respect to the topic. Firstly, it clarifies the key concepts of the topic, so that future readers may have the clear idea of terms with which the topic is made up. And to reconcile theory with practice researchers opted to highlight notions of banks as financial institutions, internal employee motivation and performance.

2.1. Conceptual review

This section presents the key concepts of this study such as employee motivation, performance and financial institution.

2.1.1. Employee motivation strategy

Employee motivation is the level of commitment, drive, and creativity that your team brings with them to work every day. It has a major impact on almost every part of your company, whether positive or negative. Motivated employees do everything they can to get the job done, improving productivity and serving as examples for the rest of the workforce. Unmotivated employees do only what's necessary to get by, and they're more likely to start looking for positions elsewhere (Thayer, 2020).

Employee motivation is something that your enterprise can cultivate. Beyond the obvious levers available to any company, like raises and promotions, organizations can turn to unique incentives tailored to their workforce. Offering flexibility in work arrangements, professional development opportunities, and establishing recognition initiatives are just a few of the methods organizations can explore to keep employees motivated (Dunham, 2019).

Employee motivation is an intrinsic and internal drive to put forth the necessary effort and action towards work-related activities. It has been broadly defined as the "psychological forces that determine the direction of a person's behavior in an organization, a person's level of effort and a person's level of persistence (Wiersma, 2022).

2.1.2 Performance

A performance is an act or process of staging or presenting a play, concert, or other form of entertainment. It is also defined as the action or process of carrying out or accomplishing an action, task, or function (Winston, 2021).

Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. The term is also used as a general measure of a firm's overall financial health over a given period (Kashyap, 2019).

Financial performance takes a broad look at a company's standing through analysis of its assets, liabilities, revenue, expenses, profit and more. Generally, financial performance analysis is based on four sources: the balance sheet, cash flow statement, income statement and, for publicly traded companies. Whether you're doing in-house financial analysis or trying to show the value of your company to external investors or lenders, having a detailed understanding of the business's financial performance can help ensure that every stakeholder gets an accurate and in-depth picture (Mc kinney, 2020).

2.1.3. Financial institutions

A financial institution, sometimes called a banking institution, is a business entity that provides service as an intermediary for different types of financial monetary transactions. Broadly speaking, there are three major types of financial institution (Siklos, 2021).

A financial institution is an organization that facilitates financial transactions and is a key player in financial intermediation. They are involved in handling transactions such as loans, deposits, and currency changes. The methods in which financial institutions work involve utilizing money from their clients and then allocate to people and organizations that need it (Kallimullah, 2020).

A financial institution is an establishment that conducts financial transactions such as investments, loans, and deposits. It plays a crucial role in the economy by channeling funds from savers to borrowers, facilitating the efficient allocation of resources, and supporting economic growth and development. Institutions include banks, credit unions, insurance companies, and investment firms (Dale, 2018).

2.2. Theories on employee motivation

Psychologist typically grouped motivation theories into two categories namely; the content theories and process theories.

2.2. 1.The content theories

The content theories addresses the issue of what needs a person is trying to satisfy and what features of the work environment seem to satisfy those needs. Such theories he was of the opinion tries to explain motivation by identifying (a) internal factors, that is particular needs and (b) external factors, particular job and work situation and characteristics that are presumed to cause behavior (Malik 2021).

2.2. 1. 1 Maslow's Hierarchy of Needs

This theory was propounded by Abraham Maslow. It was based on the assumption that employees are motivated by series of five universal needs, these range of needs he claimed the individual would be motivated to fulfill whichever is most powerful at the time of need (Maslow. A. 1970). This need, literature makes us to understand he grouped them into; Lower order needs- which he claimed are dominant until they are at least partially satisfied. From this angle it can be realized that any normal human being would turn his attention to satisfy needs at the next level giving rise to higher-order needs which gradually becomes dominant. To make the theory simple, Maslow ranked these needs in a hierarchical fashion;

- **Physiological Needs**

Physiological needs according to Maslow (1970) are the basic needs for survival and deemed it to be the lowest- level needs. These needs included needs such as food, water and shelter. These are the basic necessities a human being needs to survive and as a matter of fact cannot do without it. He was of the strong opinion that even if all the other needs are unsatisfied then physiological needs will dominate. So long as physiological needs are unsatisfied, there exist as a driving or motivating force in a person's life. A hungry person has a felt need and this felt need ignites both (psychological and physical) tension and manifest itself in a manner directed towards reducing the said tension (getting food to eat) thus, people will focus on activities that will help them

survive. Once the hunger is satisfied tension is reduced and the need for food ceases to be a motivator.

- **Safety Needs**

The next level in the hierarchy was what he termed as safety needs- the search for shelter, security, stability, dependency, protection, freedom from (anxiety, fear and chaos), and a need for structure, order, and law. In the work setting this needs translate into a need for at least a minimal degree of employment security; and the assurance that we cannot be dismissed or sacked on irrelevant issues and that appropriate levels of effort and productivity will ensure continued employment (Maslow, 1970).

- **Social Needs (belongingness needs)**

If a person has the first two levels of needs well gratified, the emergence of social needs (sense of belongingness and love) becomes the next objective. At this stage in life, a person hunger for the affection of others and would want to be placed in a group or family. Relating this to the work place, as outgoing creatures, humans have a need to belong and this can only be satisfied by an ability to interact with one's colleagues and be able to collaborate effectively to achieve organizational goals (Elizabeth 2019).

- **Esteem Needs**

Maslow (1970), observed from the research conducted with his patients that humans after gratifying social needs would now crave for what he calls esteem needs – thus, the desire for self-respect, esteem, and the esteem of others. Self-respect he defined as the need for a sense of (achievement, competence, adequacy and confidence). Digesting his submission carefully, and relating it to the workplace setting, externally, people seek needs like desire for reputation and recognition, prestige, status, fame, glory, dominance attention and appreciation in the eyes of other people.

- **Self-Actualization Needs**

The highest need in Maslow's hierarchy, arguable though. Self-actualization refers to the desire for self-fulfillment, realization of a potential, continuous self-development and the process of becoming you. Expatriating further, that at this level, individual differences are dominant as the emergence of these needs rest upon some prior satisfaction of the previous four. The researcher observed that, at this point, people seeking to satisfy this need will actually, look for personal relevance and value new responsibilities that may help discover new talents (Michael 2018).

2.2.1.2 ERG Theory

According to Al-Aamri, (2010)ERG theory, developed by Clayton Alderfer, is a modification of Maslow's hierarchy of needs. Alderfer proposed that basic human needs may be grouped under three categories, Existence, Relatedness, and Growth. The number of years employees stays in an organization the more its needs keep on changing and this theory recognizes the multiple needs that may be driving employees at a given point to understand their behavior and management can properly motivate them (Al-Aamri 2020).

2.2.1.3.Two- Factor Theory

Two- factor theory, also known as the Motivation- hygiene theory. The theory centered or related to the nature of a person's work. The theory sought to distinguish between factors that can increase job satisfaction (motivators) as against those that can cause dissatisfaction but cannot increase satisfaction. Herzberg termed the motivators as intrinsic factors directly related to the doing of a job such as the nature of work, responsibility level, personal growth opportunities and the sense of achievement and recognition. The other factors "hygiene" factors as extrinsic to directly performing the job. They are less conditions associated/surrounds the job. These factors he outlined as supervision, relations with coworkers, working conditions, administrative policies and practices related to benefit and compensation (Herzberg 1959).

Studying the theory carefully the researcher realized that Maslow and McClelland touched on motivation but Herzberg sought to replace motivation with satisfaction. These two concepts are totally different. Objectively, being pleased (satisfied) with doing a more challenging set of tasks does not mean you would be motivated to do your job better (Jishi, 2019).

2.3. Review on Human resource motivational strategies

Since one of the specific objectives of this study is to analyze the effectiveness of employees motivational strategies applied by the bank understudy in this section researcher reviewed the literature related to the employees' motivational strategies

2.3.1. Key factors of employee motivation

Motivation is a factor that catalyzes the success of an organization. Those organizations are blessed who have motivated employees, employees that work hard in the workplace to achieve

the goal and objectives of the organizations. People think that pay is the only motivational tool that affects the performance of an employee but workplace environment is also a factor that affects the performance of an employee. Different factors that affect motivation have been advanced. David, (2019) identified the following three key factors:

2.3.1.1. Compensation

Organizations which involve innovative strategies to motivate their employees are the ones generally recognizing the importance of employee motivation for more productivity and target achievement (Mukhalasie, 2022). Remuneration can be eluded as the bundle of quantifiable prizes got for the endeavors put in by the worker and is otherwise called benefits (Gomez, 2019). Pay is the key driver of inspiration as people normally have a tendency to perform better when they see something consequently will be gotten for their endeavors (Mukhalasie, 2022).

2.3.1.1.1. Systems of Compensation

The consideration of the motivation of the employees using compensation, it is critical that there is consideration of the systems used as this plays a critical aspect in motivation. The empirical evidence from their research shows that the systems of compensation are a compensation strategy that allow for increase in performance of the employees. The human resource department is responsible for the motivation of the employees and this focused on the best aspects of remuneration that encourage the role of the employees (Kang, 2021).

The systems that are used in compensation are critical for the organizations. They should be designed by understanding the objectives of the business and the goals that should be achieved. In developing the systems, the roles and the responsibilities of the various jobs need to be considered. It means that there is understanding of the effects of the roles of the employees and how each should be remunerated depending on the roles that they play (Hastings, 2018).

2.3.1.1.2. Employee Compensation Management

There is need to manage the compensation of employees and this is through the observation of the trends in the market. One of the trend that should be considered is the alignment of the wages of the employees to the goals and objectives of the organization. In this case, there is identification of the performance of the organization and how this is used in the motivation of the

employees. From the expectancy theory, it is stated that there is a link between the behavior of the employees and rewards. The rewards that the employees receive are critical in enhancing their behavior and this leads to the assessment of the functioning of the organization (Kang, 2021).

The management of the compensation is through assessing the employees' performance and this starts with the discussion of their duties and responsibilities. The understanding of the duties guides the recruitment process and how the employees are selected to work for the organization. In this case, there is understanding of the summary of their qualifications and how this contributes to their growth (Mukhalasie, 2022).

In employee compensation management, there is need to consider the impact that it has on the employee relations with the organization. In this case, there is consideration of the balance that exists between the monetary and the non- monetary benefits that the organization offers. The understanding of the benefits weighs in on the performance of the employees and this is outlined before they can receive the offer to work in the various departments in the organization. The understanding of the benefits of the various positions is a critical aspect in motivation as this guides the growth of the employees in the organization. In designing of the systems of compensation, focus in on the motivation, attraction and the retention of talent in the company. As such this leads to the understanding of the role of the organization in increasing the satisfaction levels of employees. The organization also looks at achievement that it needs for it to grow in the various markets (Linge, 2019).

2.3.1.2. Employee Training

In understanding training and development and how this improves the motivation of the employees, the use of training outcomes will help in developing a framework for the organization motivation levels (Urbancová, 2021).

Training and development focuses on motivation needs, acquired needs and learned needs of the employees. It is critical as it helps in the identification of the motivators and the feedback that is required from the organization (Mukhalasie, 2022).

To identify the drivers that are used in the motivation of the employees and this relates to the actions of the employees in the organization. In this case, there is focus on the deliverables in the roles of the employees and allows for the linking of the changes taking place in the organization. As such, the rewards of the employees especially in the training and development are driven by the responsibilities that they are allocated in the organization (Burhan, 2021).

The importance of training and development that has created the change that is needed in encouraging the growth of the organization. With this, the achievement of the employees is enhanced through provision of feedback and this leads to the improvement of performance in the various departments. The assessment of the changes in performance allows for constant assessment of the employee performance. It guides the managers' involvement in implementation of the training plan in the long run. In this case, there is focus on the uncertainties that arise and this allows for increase in competition in the organization where the employees are equipped with the right skills. It also enables the outlining of the tasks of the employees and how they can be improved through the training of the employees (Urbancová, 2021).

2.3.1.2.1. Training and Development Value

The resources that are applied in the management of the employees' growth are critical as they are assessed through productivity. State that training and productivity is valuable as this guides the increase in quality of the employees' contribution to the organization (Nguyen, 2020).

Zafar, S., (2020) analyze the variables that influence the organization survival by assessing the external and the internal environment. In increasing the competitive forces in the organization, there is analysis of the structure and strategy that should be applied in increasing the performance of the employees. In this case, there is development of dimensions in training and how this contributes to increase in profitability of the organization. Training also focuses on the improvement of the decision making process and allows for the breaking of the barriers that exist. The efficiency in the commitment of the organization towards increasing the training and development measures is critical as this leads to the support of the behavior of the employees. There is development of the strategies that help in the modification of the behaviors of the employees towards increasing the employee performance (Kang, 2021).

The role of needs assessment is defined by the following factors: it gathers data on perceived needs. What is perceived and what is actual can be very different. A needs assessment will help to determine if training is actually needed. It identifies knowledge, skills, and behavior discrepancies. The needs assessment will look at what is actually happening in the organization and help to define gaps. It assists trainers, human resource development personnel, administrators, and instructors in developing relevant curriculum materials. Since training is expensive, it is critical that training be done only when it is truly needed and will have a positive impact on the organization (Mbugua, 2018).

It gathers information that brings beneficial change to an organization or community. A needs assessment may reveal that training is not needed but it will likely find that there is a need for some change. It assesses organizational needs. Needs assessment focuses on the needs of the organization as a whole, rather than those of the individual. Changes that result from the needs assessment may impact individuals, but the ultimate goal of the needs assessment is to discover the needs of the organization. Also, it promotes buy-in by participants. Those who take part in the process of needs assessment will likely have buy-in when it comes to resulting changes (Niati, 2021).

2.3.1.2.2. Methods of Training

The methods used in training are critical for the growth of the employees. In the development of the skills of the employees, there is need to consider the changes that arise in the learning process of each employee. The analysis of the various options in the organization is critical as this leads to the processing of the complex issues in supporting of the training and development in the organization. The methods used play a role as they make the training impactful to the growth of the organization (Pang, 2018).

Li (2018) states that one of the methods that is effective in the training of the employees is job rotation. In this method, there is indication of the interests of the employees and their need to increase their practical experiences. In job rotation, there is working on the needs of the employees and this is through the understanding of the areas that they would like to improve. In expanding the scope of operation, the employees assess the boundaries of their roles and with job rotation; there is expansion of their development.

Coaching is also a method that is used in training and this focuses on improvement of skills through offering one on one training with the more experienced employees. In coaching, there is increase in knowledge of the various subjects and this helps in understanding of the knowledge that is required in increasing the input of the employees. Coaching is not ideal in all situations and this means that organizations need to assess the approaches that increase the development of the skills of the employees. The method is also appropriate in solving of conflicts (Rybnicek, 2018).

Mentoring is another method that is used in training of the employees and this programs are less formal in the organization. There is allocation of a senior manager to the junior employee and this helps in showing the employee of the areas that they need to improve and the methods that are applicable in increasing the teaching process. The model that is used in mentoring is applicable to organizations where communication is effective. The use of conferences is also effective and this helps in enhancing the exposure of the employees to the knowledge that they need to perform on their jobs. With training, there is increase in career planning and this helps in improving the performance of the organization (Nguyen, 2020).

2.3.1.3. Employee Career Development

Career development looks at the competencies of the employees and this is through the development of the structures that are needed in improving the actions of the organization. The skills of the employees and the knowledge that they have in the various sections are critical in improving their careers of in the organization. The organization in the advancement of the employees careers need to create an environment that is conducive in refining their skills. In this case, there is understanding of the plans that are needed to implement programs in the career development process (Vondracek, 2019).

The support that the human resource department gives the employees is critical as they have the ability to identify the path that they need to follow in the organization. As such, there is development of the activities that are critical towards the growth of the careers. The activities are centered towards the development of programs such as learning in the various areas that is primary to the career of the employees. In this case, there is understanding of the distractions that might affect the performance of the employees (Pang, 2018).

Career development is a concern of all the employees in an institution. The human resource is mandated to focus on the programs that increase the engagement of the employees and their satisfaction rates. Where there is an increase in the satisfaction rates, the productivity of the employees' increases. The history of the issue arises where there is a lack of motivation of the employees, and this affects their efforts in the growth process. There is a need to consider the changes that occur in the environment and the provision of the changes that allow for the strategic objectives in the institution (Nguyen, 2020).

There is a need for the distinction of the rationale that helps in increasing the performance of the employees as this helps in the implementation of the different sections in the growth of the human resources programs and the employees. Some of the symptoms that the organization has experienced include reduced motivation of the employees, increase in turnover, and complaints from the head of departments. It has led to the focus on the changes that help in the management of the role that the employees play and this increases the efforts that work towards the increase in the satisfaction of the employees (Mbugua, 2018). The career guidance that is offered to the employees helps in increasing the benefits of the programs that are created, and this reduces the redundancy that is developed in the long run.

2.3.1.3.1. Organizational Support and Career Advancement

Li (2018) states that organizations play an important role in the improvement of the career advancement measures. The three main issues that an organization should consider includes the stability that the employees experience and the work experience that they have in the various fields. In this case, there is need to define the patterns that exist in the various careers. Organizations need to create policies that are clear that surround the commitment that they have towards improving the careers of the employees.

The development of movements within the organization is important as this helps in improving the patterns of growth and the intervals that are needed in enhancing the freedom in the organization. The structure of the careers leads to increase in accountability and this ensures that there are consistent measures in enhancing the growth of the employees. The understanding of the boundaries in the various careers allows for the organization to increase the commitment that is needed to develop more opportunities that lead to employees' career growth. It also

encourages the structuring of the opportunities in the organization and this develops the various concepts that are needed in increasing the satisfaction levels in the organization (Gure, 2020).

2.3.1.4. Organization working conditions

Management's new challenge is to build a work environment that attracts, retain and motivate its employees, (Gupta, 2018). It takes an entirely different approach than it did just a few years ago to keep employees satisfied today. Many workplace factors influence employee's performance. Relationship among personality, work environment preferences and the outcome variables, performance and commitment affect employee's performance at the workplace (Abdul, 2019). Research has shown that work environment is having a great impact on the performance and attitude of employees, (Armstrong, 2021), and this research will try to ascertain whether sales representatives in manufacturing companies in Kenya are facing the same problem.

A study by the International Journal of Advances in Management and Economics conducted by (Kiruja, 2020) Linking Work Environment with Employee Performance in Public Middle Level TIVET Institutions in Kenya found that there was a weak positive correlation between work environment and employee performance which was statistically significant, $r(285) = .216$, $p < 0.05$. The positive coefficient means that there is a direct relationship: when work environment is conducive, employee performance increases and therefore work environment is an important predictor of employee performance in public middle level TIVET institutions in Kenya.

It is important for the employer to know how the work environment impacts greatly on the employee's level of motivation and performance. A well designed office signals the values and objectives of the company and the use of design in office interior communicates a company's values and identity. Office design therefore is one of the factors that affect employee's productivity. Employee's health and morale are often interrelated when it comes to productivity in the work environment. A widely accepted assumption is that better workplace environment produces better results. Mostly the office is designed with due importance to the nature of job and the individuals that are going to work in that office, (Mullins, 2019).

2.3.1.5. Employee Recognition

Recognition plus a sense of achievement are central to the motivation process Vroom, (2019). Managers need to address the ways in which they reward staff, as each member of staff is different and will react in different ways to employee recognition. Suff, (2021), in his article *the new reward agenda*, recognizes the importance of addressing the individual needs of staff: he indicates that if the abilities and motives of the people under them are so variable, managers should have the sensitivity and diagnostic ability to be able to sense and appreciate the differences. He further urges manager to learn to value differences and to value the diagnostic process which reveals differences. He recommends that to take advantage of diagnostic insights, managers should be flexible enough and have the interpersonal skills necessary to vary their own behavior. If the needs and motives of subordinates are different, they should be treated differently.

Milkovich, (2017), in his study „A strategic perspective on recognition management“ found out that firm demographics, such as size, sector and length of time in business, also play an important role in the design of recognition schemes for sales staff. He indicates that the extent of the role of an individual sales employee in the actual selling process compared with the other factors commonly influencing customers“ choice, such as price, advertising, product quality and wider customer service is another factor in determining remuneration, as is the amount of time spent selling relative to non-selling activities. A formal employee recognition program is a kind of a program which is aimed to reward your employees formally either in terms of bonuses or awards handed out at the month or a time cycle. These programs are well-planned and designed to improve work place performances, boost morale and confidence among employees and achieve

2. 3.2. Job satisfaction and employee motivation

In (2011), Pravin and Kabir studied the factors tested affecting job satisfaction for pharmaceutical companies and described job satisfaction as how content an individual is with his or her job. Similarly, Pantouvakis and Bouranta (2013) indicated job satisfaction as a consequence of physical features and as an antecedent of interactive features. Vikram singhe (2009) investigated that gender and tenure are significant in job satisfaction measurement. There, though, the quality of the work is often measured by the degree to which the outcomes meet or

exceed standards. Of one, a good working atmosphere and good working conditions will improve the happiness of workers and employees may want to do their best to increase their work performance

Sorge and Warner (2017), job satisfaction is the main result of work motivation. They argued that when the individual needs something, that need will cause tension, which will give rise to actions toward achieving the goals that may lead to satisfying his needs which, in turn, finally result in satisfaction. On the other hand, other writers see job motivation as a consequence of job satisfaction.

Kreitner, (2021), for example, argued that managers can enhance employees' motivation by increasing their job satisfaction. Contrary to the previous opinions, some researchers assumed that job satisfaction and motivation are different phenomena; Hersey and Blanchard (2018) argued that while satisfaction is related with the past, motivation is related to the future, as they see satisfaction as a result of past organizational events, while motivation is a result of individuals' expectations about the future. Therefore, it can be said that job satisfaction and motivation are not the same, as each has its own identity. However, organizations must be aware that highly motivated employees might not necessarily be the most satisfied ones and vice versa; therefore, a full understanding of both phenomena must be achieved.

2.2.3. Workplace technology and employee motivation

There are many publications with practical recommendations on how to successfully design workplaces and integrate upcoming technology to keep employees motivated and productive (Caramela 2018). As most of these publications are merely based on anecdotal insights and the scientific field is fragmented, rigorous academic research is needed (KaranikaMurray, 2015).

Technologies incorporated in workplace design are a necessary situational aspect to support value creation, such as office design, room layout, or furniture. Accordingly, we define workplace technologies as the technologies that surround the employee and are needed to get the job done. Thus, we call the act of implementing such technologies and therefore shaping the physical work environment 'workplace design (Schmid 2020).

2.2.4. Dimensions of Employee Motivation

Kelleher (2018) relates Maslow's Hierarchy of Needs for employees as follows:

2.3.4.1. Physiological Needs

In general, these needs are about the condition in order for human survival such as air, water, sleep and so on. Related to employee, employees need a comfortable work environment. For example, employees cannot work in an extremely cold or hot environment and they simply won't have the motivation. Other needs such as restroom breaks, food, drinks etc (Kelleher 2018).

2.3.4.2. Safety Needs

People need to feel safe regarding themselves, their family, their property and other resources. Related to employees, they need to feel safe about their personal safety (e.g. not getting hurt or sick at work) or their professional security (i.e. losing their jobs) (Kelleher 2018).

2.3.4.3. Belongingness and Love Needs

Belongingness is a key to build engagement with the organization. Companies that conducted social and bonding activities have higher degrees of employee engagement than companies that are all business all the time(Kelleher 2018).

2.3.4.4. Esteem Needs

Esteem is about someone's belief that she/he is doing a good job and her/his contributions matter and recognized. In other words, it's about the confidence of an employee in their job. If employees believe in themselves and through recognition they believe that others believe in them and resulting in more engagement and productivity (Kelleher 2018).

2.3.4.5. Self-actualization Needs

It means being to the maximum potential of one selves. Employees need to be the very best at what they do, and manager's job is to help them realize that. With self-actualization, employees feel trusted and empowered; they feel in control of their jobs and their futures (Kelleher 2018).

2.3.5. Indicators of effective employee motivation

According to (Dedkova, 2022)the motivational climate is the social and psychological atmosphere in the organization stimulating personnel to the vigorous activity directed to achievement of the organizational purposes. There is a number of the indicators demonstrating existence of positive motivational climate in the organization:

2.2.5.1. Satisfaction of personnel

The satisfaction of employees as an important factor of motivational climate includes: satisfaction with tasks and results of job; satisfaction with the professional status, position; compensation, system of promotion; satisfaction with colleagues and management. For the organization the dissatisfaction of personnel results to easing of motivational climate, in high turnover of staff, growth of number of the interpersonal conflicts, truanicies and incidence and also low motivation to job at personnel and to decline in quality of products of the organization (Drivolska, 2020).

Reviewing the studies of job satisfaction, it can be found that the institutional concept of job satisfaction, describing employees' working attitudes, evolves gradually concerning the definitions. The development of definition follows the line from single perspective to multiple perspectives and also reflects a cognitive process from overall perception to specific cognition. According to studies of job satisfaction, some scholars argued that the job satisfaction is a single concept and employees produce the overall attitude or opinion to the work (Judge, 2021).

Hoppock in his doctoral thesis Job Satisfaction described the job satisfaction as the employees' subjective reflections to working scenarios, i.e. the effective reflection of employees in working or the subjective feelings about their working environment. Hoppock thought that the job satisfaction is the subjective evaluation, psychologically and physically, on the job and the working environment (Hoppock, 2020).

2.3.5.1. Loyalty and commitment of personnel

The level of affective commitment gives the opportunity to assess the level of employee identification with a given enterprise. An employee who has this type of commitment is satisfied with his job. Affective commitment is indicated by are feeling happy to spend the rest of the career in the organization, feeling that organizational problems are also their own problems, feeling the organization as part of the family, feel emotionally attached to the organization, the organization has multiple meanings, and a strong sense of belonging to the organization (Anderson, 2020).

Employee loyalty is an expression of engagement with the organization and devoting all their capabilities to the development of a particular organization and seen as a form of employee's long-term commitment to the organization (Allen, 2020). Loyalty manifests as employees committed to the success of the organization (Iqbal, 2018)). Employees who have been loyal to the organization and have been active for the organization for many years will know the policies, strategies, and missions of the organization well and they know how to take the appropriate steps, so they don't need further education and training. Conversely, the employee's constant change and their lack of loyalty to the organization will increase the costs of the organization, leading to the loss of human resources (Makizadeh, 2020). A loyal employee is willing to work in that organization, thinking or believing that to work in the organization is the best option for him. On this purpose, the employee tries his best for the success of the organization to ensure that it survives (Abdullah, 2019).

2.3.5.2. Involvement of personnel

Involvement refers to the level of participation by members in an organization's decision-making process. It also refers to the sense of responsibility and commitment thereby engendered (Denison, 2017). Involvement entails building human capacity, ownership and responsibility. It is very necessary as it leads to united vision, values and purpose. Employee Involvement is also called participative management and it refers to the degree to which employees share information, knowledge, rewards, and power throughout the organization (Randolph, 2019) argue that when there is involvement, employees have some level of authority in making decisions that were not previously within their mandate. They stated that employee Involvement extends

beyond controlling resources for one's own job; it includes the power to influence decisions in the work unit and organization.

2.4. Literature on financial performance

Various theories has been written on financial performance and since one of the objectives of this research is to assess financial performance of the bank under study below theories clarify more on financial performance.

2.4.1 Profitability

In the literature, bank profitability is usually expressed as a function of internal and external determinants. The internal determinants originate from bank accounts (balance sheets and/or profit and loss accounts) and therefore could be termed micro or bank-specific determinants of profitability. The external determinants are variables that are not related to bank management but reflect the economic and legal environment that affects the operation and performance of financial institutions. A number of explanatory variables have been proposed for both categories, according to the nature and purpose of each study. The main conclusion emerging from these studies is that internal factors explain a large proportion of banks profitability; nevertheless external factors have also had an impact on their performance. Some recent studies also focus on the impact of regulations on banks performance and profitability (Barth, 2017)

The following are the commonly used measures to assess the performance of any institution:

2.4.1.1. Net profit Margin

Net profit margin measures how much net income is generated as a percentage of revenues received. Net profit margin helps investors assess if a company's management is generating enough profit from its sales and whether operating costs and overhead costs are under control (Syriopoulos, 2020).

Net profit margin measures how much net income is generated as a percentage of revenues received. Net profit margin helps investors assess if a company's management is generating enough profit from its sales and whether operating costs and overhead costs are under control (Sun, 2017)

$$\text{Net profit margin} = \frac{\text{Net profit}}{\text{Sales}} \times 100$$

Net profit margin is one of the most important indicators of a company's financial health. By tracking increases and decreases in its net profit margin, a company can assess whether current practices are working and forecast profits based on revenues (Tee, 2019).

2.4.1.2. Return On Asset

Return on assets (ROA) ratio is a metric used to evaluate how efficiently a company is able to generate profit with the assets it has available. It measures the percentage of how much income a company's net operating profit, after taxes, has earned annually on average over three years from all the business operations and investments (Barth, 2017).

ROA shows what happened with a firm's historically acquired resources. It gives an idea as to how efficient the management is at using its assets to generate earnings. Expressed as a percentage, a higher ROA indicates a more efficient use of company resources (Tee, 2019).

$$\text{Return On Asset} = \frac{\text{Net profit}}{\text{Total Asset}} \times 100$$

Return On Asset is the ratio that analyze how effective a company can turn its asset into a return/earning. The ratio shows how big the asset contribution in creating net income. According to (Subramanyam, 2010), Return on asset can be calculated by dividing the Net profit with total asset .

2.4.1.3. Return On Equity

Return on Equity is the ratio that analyze how effective a company can convert its equity into a return. It affected the company intrinsic value directly, therefore used by the investors to analyze company's stock price. ROE (Return On Equity) can be calculated by dividing the net income with total equity (Daniswara, 2020).

$$\text{Return on equity (ROE)} = \frac{\text{Net income}}{\text{Equity}} \times 100$$

Return On Equity (ROE) is the ratio used to measure the ability of its own capital to generate benefits for all shareholders, both common stock and preferred stock. This ratio is used by investors to see how far the company can provide benefits in the future. Return on equity is one measure of earnings (income) available for owners of firms (both common shareholders and preferred shareholders) on the capital that they invested in the company (Zekic, 2016).

2.4.2 Capital Adequacy

Capital is seen as a cushion to protect depositors and promote the stability and efficiency of financial system around the world. Capital Adequacy reflects the overall financial condition of the banks and also the ability of management to meet the need for additional capital. It also indicates whether the bank has enough capital to absorb unexpected losses. Capital Adequacy Ratio acts as an indicator of bank leverage (Kalfaoglou, 20128).

According to Vong and Chan (2009) the dimension of capital adequacy is an important factor to help the bank in understanding the shock attractive capability during risk.

2.4.2.1. Core capital to Risk weighted asset

Core capital is the minimum amount of capital that thrift banks must maintain to comply with Federal Home Loan Bank regulations. In combination with risk-weighted assets, core capital is used to determine Common Equity Tier1 (CET1) ratios that regulators rely on to define a bank's capital requirements((Kalfaoglou, 20128). And BNR regulation require the minimum Core capital to Risk weighted asset on 10%.

$$\text{Core capital to risk weighted asset} = \frac{\text{Core capital}}{\text{Risk weighted assets}} \times 100$$

2.4.2.2. Total qualifying capital to total risk weighted assets

The capital-to-risk weighted assets ratio will help determine whether or not a bank has enough capital to take on any losses before becoming insolvent and losing depositor funds (Vong and Chan 2009).

$$\text{Total qualifying capital to risk weighted assets} = \frac{\text{Total qualifying capital}}{\text{Risk weighted assets}} \times 100$$

2.4.3 Asset Quality

The dimension of asset quality is an important factor to help the bank in understanding the risk on the exposure of the debtors. In this paper, this parameter is measured by the provision for loan loss reserve to total asset ratio. This ratio assures to cover the bad and doubtful loans of the bank. This parameter will benefit the bank in understanding the amount of funds that have been reserved by the banks in the event of bad investments (Merchant, 2019). According the NBR regulations(2017) a strong asset quality ratio is 5% and below, and that a satisfactory asset quality ratio is >5% - 10%,

2.4.3.1. NPLs to Total loans ratio

Piatti and Cincinelli (2019) find that, first, when the NPLs ratio remains below the threshold value estimated endogenously, an increase in the quality of monitoring has a positive impact on the NPLs ratio, and second, if the NPLs ratio exceeds the estimated threshold, the relationship between the NPLs ratio and quality of monitoring assumes a positive value and is statistically significant.

$$\text{NPLs to total loans} = \frac{\text{NPLs}}{\text{Total loans}} \times 100$$

The ratio of bank nonperforming loans to total gross loans is the value of nonperforming loans (gross value of the loan as recorded on the balance sheet) divided by the total value of the loan portfolio (including nonperforming loans before the deduction of loan loss provisions). It measures bank health and efficiency by identifying problems with asset quality in the loan portfolio (Cincinelli, 2019).

2.4.3.2. Loans reserve to gross loans

Since the mid1980s, provision for loan losses has been one of the most. important factors affecting bank profitability. Headlines and narratives like those listed above demonstrate the interest of the financial press in banks' loss provisions (Association of Reserve City Bankers,2013).

$$\text{Loans loss reserve to gross loans} = \frac{\text{Loans loss reserve}}{\text{Gross loans}} \times 100$$

2.4.4 Management efficiency

The ratios in this segment involve subjective analysis and efficiency of management. These parameters are used to evaluate management efficiency as to assign premium to better quality banks and discount poorly managed ones. Several academic studies have examined whether and to what extent private supervisory information is useful in the supervisory monitoring of banks. The ratios are total advance to total deposit, business per employee, profit per employee and return on net worth (Sangmi, 2020).

The prime motto behind measuring the assets quality is to ascertain the component of Non-Performing Assets (NPAs) as a percentage of the total assets. This indicates the degree of financial strength i.e. the type of advances the bank has made to generate interest income. Thus, assets quality indicates the type of the debtors the bank is having (Mobeen, 2021).

2.4.3.1. Total loans and advances to total deposit

The loan-to-deposit ratio (LDR) is used to assess a bank's liquidity by comparing a bank's total loans to its total deposits for the same period. The LDR is expressed as a percentage. If the ratio is too high, it means that the bank may not have enough liquidity to cover any unforeseen fund requirements. Conversely, if the ratio is too low, the bank may not be earning as much as it could be (Alkhasa 2019).

$$\text{Total loans and advances to total deposit} = \frac{\text{Total and advances}}{\text{Total deposit}} \times 100$$

The loan-to-deposit ratio is used to assess a bank's liquidity by comparing a bank's total loans to its total deposits for the same period. To calculate the loan-to-deposit ratio, divide a bank's total amount of loans by the total amount of deposits for the same period. Typically, the ideal loan-to-deposit ratio is 80%. A loan-to-deposit ratio of 100 percent means a bank loaned one dollar to customers for every dollar received in deposits it received (Sangmi, 2020).

2.4.3.2. Profit per employees

Revenue Per Employee is the ratio of revenue generated per employee of a company on an average; this ratio gives an idea about how the company will perform in a specific quarter – especially considering the revenue vs. cost of each company employee(Dheeraj,2019).

$$\text{Profit per employees} = \frac{\text{Profit after tax}}{\text{No of employees}} \times 100$$

2.3.3.3. Assets per full time employees

An asset per full time employee ration is a metric that allows analysts to understand how efficiently a company's staff use its assets effectively to generate revenue (Slaves, 2022).

$$\text{Assets per Full Time Employees} = \frac{\text{Assets}}{\text{Full Time Employees}} \times 100$$

2.4.5 Earnings Quality

Earning quality reflects quality of a bank's profitability and its ability to earn consistently. Explains the sustainability and growth in earnings in the future and though determines the profitability of the bank. It is argued that much of bank's income is earned through investments, treasury operation, and corporate advisory service and so on (Lobo *et al*, 2019).

Couto and Brasil, (2015) mentioned that earning ability rating earning ability; quantifies the performance of the institution to increase and maintain the total worth through earnings from operations. It also assesses the interest rate policy, management examine and adjust the interest rate on micro finance loans and evaluate the adjusted return on assets that how well the assets are utilized Liquidity Management; scrutinizes institution liabilities like interest rate, payment terms, tenor etc. It also evaluates fund availability to meet its credit demand and cash flow requirements.

2.4.5.1. Interest income to total income

Interest income is the amount paid to an entity for lending its money or letting another entity use its funds. On a larger scale, interest income is the amount earned by an investor's money that he places in an investment or project. A very simple and basic way of computing it is by multiplying the principal amount by the interest rate applied, considering the number of months or years the money is lent (James, 2012).

$$\text{Interest income to total income} = \frac{\text{Interest income}}{\text{Total income}} \times 100$$

The "Interest income to total assets ratio" reflect banks' reliance on interest from bank lending as a source of funding. A high ratio is a good indicator (but a too high ratio is not necessarily a good indicator), while a low ratio might indicate that banks rely on non-interest source of funds (James, 2012).

2.4.5.2. Other income to total income ratio

Every business has goals of a good income or earnings. Income or earnings is the value that is gained by the business through operations and production. The company reports these earnings to its shareholders and board of directors to show how well it performed for the period. It is like a report card showing a good performance and excellent work grade. However, there are instances when the accounting department adjusts the earnings. During inflation, companies do some accounting tricks that help improve their reported numbers. Therefore this ratio help analyst to evaluate the proportion on other income to total income (Ines, 2018).

$$\text{Other income to total income} = \frac{\text{Other income}}{\text{Total income}} \times 100$$

2.4.6. Liquidity ratio

Liquidity ratios are a set of financial metrics that measure a company's ability to meet its short-term financial obligations using its liquid assets. In simpler terms, they help you gauge how easily a company can convert its assets into cash to pay off its current liabilities (Alalade, 2021).

$$\text{Current ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

$$\text{Quick ratio} = \frac{\text{Quick Assets}}{\text{Current Liabilities}}$$

2.5. Empirical review

Okan, (2022), conducted a study on Universality of Factors motivating employees in Banking Sector of Northern Cyprus. Their study revealed that the most important factors motivating employees are equitable wage and promotion, extended health benefits and working

environment. Furthermore, when compared with a similar study in Finland, it is found out that the most important factor motivating employees in both countries is wage. This study shows the gap of place where it conducted in a developed country while a researcher study is focused in banking sector located in Rwanda as a less developing country.

Abdul Hakeem (2018) conducted a research focused on the relationship between motivation and job satisfaction on employee performance in University of Utera Malaysia. The Thesis found that job satisfaction has significance positively influence to the employee performance rather than motivation.

Insimire Patricia (2021) researched on the Motivations and Sales performance of employees the case of Niko Insurance Uganda. The objective of her research was to establish the relationship between employee motivation and sales performance. From her findings, it revealed that, there was various motivation techniques used by NIKO Insurance which include promotion, delegation of authority, participation in decision making, bonus and commission to good performers. It was also discovered that Niko sales performance was greatly affected by the quality of supervision, increased employee commitment, level of education, condition under which they perform their duties, the quality and management of operations and the number of hours worked. The above study shows that, there is industrial gap from the fact that it was conducted in Niko Insurance which provides insurance services, while the selected bank provides financial services. However, non-financial rewards like job security and recognition were not given attention.

Kingazi (2016) conducted a study on the Understanding of the Impact of Incentives and Motivation on Productivity at Tanzania Sisal Industry in Morogoro and Tanga regions. He found that the problem of declining productivity has not only been caused by non-provision of incentives, but also by the nature, frequency and amount of incentives provided to workers. There is a gap in this study conducted by Kingazi because his research was of motivation, but was done in the sisal industry which is of agricultural sector of is quite different to banking sector.

Newaho,(2018) conducted a study focused on Application of Human Resource Management Initiative for Workers Motivation and Organization performance in Telecommunication sector in

Tanzania. She used empirical evidence from three telecommunication companies Tanzania. Her study found that the gap between public and private has narrowed. That is to say, both public and private companies provide all the incentives such as job security, fringe benefits, and salaries benefits to motivate its workers. She also found that the difference in performance between public and private companies is not because of incentives structure but rather than the performance management system practices (strategic planning, clear organization mission, training sanction, workers job description clear compensation policy and mentoring and performance appraisal). There is an industrial gap conducted by Newaho because it focused on telecommunication services while the selected bank focusing on financial services.

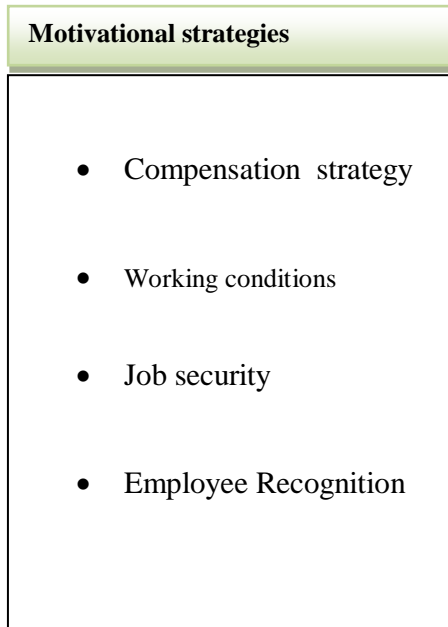
Christine Akimpaye (2021) in her research on the employee motivation strategies and public institutions performance in Rwanda, found that, the major reasons for poor performance of micro financial institutions in Rwanda were negligence on the part of the employees due to lack of motivation, among others. This means that in spite of all the interventions implemented before, nothing much has been achieved in terms of performance of micro financial institutions in Rwanda.

2.6. Conceptual framework

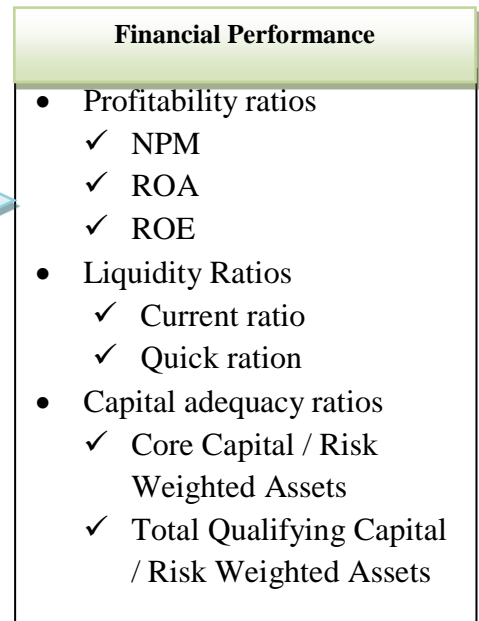
The graph hereafter, represents the independent and dependent variables. Since there are many variables, the researcher shall concentrate on three most important variables such as Independent variable, Dependent variable and Intervening variable. This conceptual framework interlinks those three variables following their interdependence. The below given Conceptual framework, it is clear that motivation strategies is Independent variables and performance of commercial bank is dependent variable.

Figure2. 1. Conceptual Framework

Independent Variable



Dependent Variable



Intervening variable

- Company's policy

Source: Researcher, (2024)

CHAPTER 3: RESEARCH METHODOLOGY

Introduction

This chapter focuses on the research design and methods that researchers used to collect and analyse data. It greatly concerns the population of the study; sampling design; sample size; Data Collection Techniques and Tools; ethical issues and data analysis as well as reliability and validity measures.

3.1 Research Design

Research design is “a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings (Obasi, 2018). In the same time Saunders *et al* (2016) argued that research design is a framework that is used by researchers to collect and analyse data. This research adopted descriptive; explanatory and exploratory research design. Descriptive approach helped researcher to describe the variables and determine frequency with which something occurs or relationship between the variables of this study. Explanatory design helped researcher to explain the relationship between motivation strategies and performance of Bank of Kigali PLC. And exploratory designs helped to gather preliminary information that helped researcher to define problems and recommend solution.

3.2 The population of the study

A population is the total collection of elements about which the researcher wish to make inferences (Bhattacharyya, 2019). While the target population from which for this study is 1,257 employees of Bank of Kigali PLC (BK annual report,2023).

3.2.1 Sampling design and technique

A sample is a set of entities drawn from a population with the aim of estimating characteristic of the population (Schindler, 2020). Cooper and Schindler (2013) explain that the basic idea of sampling is selecting some of the elements in a population, so that the same conclusions can be drawn about the entire population. This results in reduced cost and greater accuracy of results.

During the present research, researcher needs to have a small number of respondents who should provide data in need for the success of the work. For choosing the sample size, the researcher followed the formula of Yamane formula presented as follow:

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

Where n= sample size

N= size of the population

e= margin error or confidence level ordinary equals to 0.05 or 5% but can vary from 0.01 to 0.1

So sample size in this study will be;

$$n = \frac{1,257}{1+1,257(0.1)^2} = \frac{1,257}{13.57} = 92.63 = 93 \text{ employees}$$

3.3. Source of data Collection tools and techniques

Under these section researchers presents source of data that they used for the objective of this study and data collections instruments.

3.3.1. Sources of data

Researcher used both primary sources and secondary sources of data in this study. Empirical data were collected from different sources to ensure their reliability and validity.

3.3.1.1. Primary data

Primary data is an original and unique data, which is directly collected by the researcher from a source such as observations, surveys, questionnaires, case studies and interviews according to his requirements (Boslaugh, 2007). Therefore, for the present study researcher collected primary data through structured interviews and questionnaires.

3.3.1.2. Secondary data

In simple terms, secondary data is every dataset not obtained by the author, or “the analysis of data gathered by someone else to be more specific. Secondary data may include data that has been previously gathered and is under consideration to be reused for new questions, for which the data gathered was not originally intended (Vartanian, 2010). Therefore, in this study

secondary data were obtained through documentary review where researcher find the data in various books to support the empirical review, and in the document of the bank understudy such as in its financial report in the covered period.

3.3.2. Data collection techniques

Under this section researcher presents the techniques that she used in data collection such as questionnaire, documentary and interviews.

3.3.2.1. Questionnaire

A questionnaire is a set of questions or statements that assesses attitudes, opinions, beliefs, and biographical information. In order to collect data that precisely meets the objectives of the study, both open-ended and closed-ended questions were included in the questionnaire (Groove, 2017). Therefore, in this case researcher printed a set of questions and distribute them to the selected 93 employees of from Bank of Kigali PLC headquarter. Researcher choose questionnaire because of how it saves time and allow easy analysis of collected data.

3.3.2. 2.Structured interview

Interview is an instrument that aims at organizing a report of oral communication between two people interviewer and the interviewee in order to allow the investigator to collect same recorded in order to capture the answers quickly and not wasting respondents' time (Saunders, M. 2012). Researcher prefers an interview because it encourages face to face interaction with the respondents so that issues can be clarified therefore gaining in-depth information on the subject. For this case researcher conducted an interview to the head of department of Bank of Kigali PLC and some members of the management team.

3.3.2.3. Documentary review

This data collection technique is based on reading books, report and documents which have information related to the topic (Kothari, 2018). In this view researcher used the already worked data i.e. secondary data from Published and non- published materials that researcher used as a source of data to supplement primary data. This technique for example helped researcher to find

out the empirical study in the second chapter of this study. It helped researcher to find financial information in the financial report of Bank of Kigali PLC.

3.4 Validity and reliability tests

3.4.1 Reliability

According to Drost (2011), reliability refers to random error in measurement. Reliability indicates the accuracy or precision of the measuring instrument. The researchers used the test-retest reliability technique where a pilot test of the questionnaires that researcher distributed to 10% of selected customers of Bank of Kigali PLC main branch so as to examine the appropriateness of responses given by respondents before applying the questionnaire to the entire population. This enabled the researcher to address errors or irregularities that would appear during the research exercise.

3.4.2 Validity

Mugenda (2019) defines validity of results as a degree to which results obtained from the analysis actually represent the variables of study. Thus, validity refers to whether the findings accurately reflect the situation and are supported by evidence. Validity was established by correlating the scores with a similar instrument. The researcher used pre-test technique to confirm the validity of the instrument by developing a pilot set of questions and asking them to a number of people, to verify whether the questions are clearly worded and easily understood and whether the respondents know the answers or not. The results of pilot questionnaires may identify a number of deficiencies such as wording and some missing elements crucial to provide an answer to the specific aspect of the research. Researcher then revised and correct questionnaire accordingly before launching it to Bank of Kigali PLC.

3.5. Methods of data analysis and processing

The study adopted both qualitative and quantitative methods. In explaining qualitative findings, researchers employed content analysis. The contribution of employees motivation strategies to the performance of Bank of Kigali PLC will be measured in terms of percentage according to response from selected sample size. Researcher also used the necessary tables and narrative models to present the results that researcher obtained from the data analysis. Furthermore each question that researcher used in the questionnaire or interview that researcher used structure in

such a way that it provides the underlying information, thereby answering a particular research item so as to meet a defined objective. Researcher processed collected quantitative data by using the statistical package for social sciences (SPSS) Version 20.0 as it has extensive analytical capacity. The researcher also used multiple correlation and regression when there are two or more than two independent variables, the analysis concerning relationship is known as multiple correlations and the equation describing such relationship as the multiple regression equation.

3.6. Limitations

The following limitations encountered during the process of data collection:

- Availability of respondents was a constraint because some time some of them were busy and refuse to respond. Also the process of distributing questionnaire was very tiresome and expensive to the researcher.
- Biased respondents also were another limitation to the researchers. This is because some respondents in the interview can give wrong information or even refuse to give any information.

Despite of the above identified limitations researcher tried her best and handle them on the following ways:

- Regarding to the availability of respondents, as researcher was flexible and tried to cooperate with everyone. Whenever one respondent refuse to respondent, researcher approached another employee
- Regarding to Biased respondents researcher in the analysis process considered respondents consistency.

3.7. Ethical considerations

Researcher conducted a research in Bank of Kigali PLC ethically where firstly applying for authorization of conducting research in this bank, secondly respect the confidentiality in research respondents, and not harms the participants in the research concern. Also all participants of this research participated voluntary. On the other side researcher gave each respondent a letter explaining the nature of the research project, the letter also assured the confidentiality of the information as well as guaranteeing respondents' anonymity.

CHAPTER 4: PRESENTATION OF THE FINDINGS

Introduction

This chapter involves the data gathered from the field, analysis and its interpretation. The data gathered was mainly in line with the research objectives and the overall purpose of research which was to investigate the effects of motivational strategies to the performance of commercial bank in Rwanda. It specifically analyzed the effectiveness of motivation strategies applied by Bank of Kigali PLC and find out the effects of employees' motivations to the financial performance of Bank of Kigali PLC. Therefore, the results are presented below.

4.1. Respondents profile

The table bellows present the profile of respondents in terms of ages, education level and length of job experience. Therefore, this is to ensure that respondents have a wider knowledge on the information that we are looking for.

Table4.1. Classification of respondents by gender

	Frequency	Percentage	Cumulative Percentage
Valid Male	50	53.8	53.8
Female	43	46.2	100.0
Total	93	100.0	

Sources: Primary data, August 2024

Table4.1. Presents the gender of respondents, 53.8% of respondents was male, and the 46.2% of respondents were female. Even if the majority of respondents were male, the side of female was also represented. Therefore this allowed researcher to examine the employees' motivational strategies applied by Bank of Kigali PLC.

Table4. 2. Age of respondents

Age of respondents	Frequency	Percentage	Cumulative Percentage
18-30 years old	25	26.9	26.9
31-42 years old	43	46.2	73.1
Valid 43-54 years old	17	18.3	91.4
Above 55 years old	8	8.6	100.0
Total	93	100.0	

Sources: Primary data, August 2024

Looking at the table 4.2 above it is clear that a high rate of respondents representing 46.2% are on the range of 31-42 years old. This is followed by the range of 18-30 years old with 26.9%. Then 43-54 years old and above 55 years old with 18.3% and 8.6% respectively. Therefore, this ensured researcher those respondents are mature enough so that they can provide trustful information.

Table4.3.Education level attained

Education level attained	Frequency	Percentage	Cumulative Percent
Diploma	10	10.8	10.8
Bachelor	43	46.2	57.0
Valid Masters	40	43.0	100.0
Total	93	100.0	

Sources: Primary data, August 2024

From the Table4.3 above, it was revealed that 46.2% of the total respondents have bachelors level, 43% have masters and 10.8% have diploma level. None either has PHD or Primary level. This reveals that majority of respondents who responded to the questionnaires were found to have a wider knowledge on the contribution of human resource motivational strategies to the financial performance of Bank of Kigali PLC.

4.2. The effectiveness of employees' motivational strategies employed by Bank of Kigali PLC.

The first specific objective of this study was to analyze the effectiveness of employees' motivational strategies employed by Bank of Kigali PLC. Therefore, under this section researcher analyzed it through some known indicators such as compensation, working condition, job security and Employee Recognition

4.2.1. Compensation programme

Compensation was found to be the most important employee motivation factor. Therefore, under this sub-section researcher analyzed the effectiveness of motivational strategies used by Bank of Kigali PLC.

Table4. 4. Respondent on whether Salary is fair and equitable within the internal job descriptions

To which extent do you agree that salary is fair and equitable within the internal job descriptions?	Frequency	Percent	Cumulative Percent
Strongly agree	80	86.0	86.0
Valid Agree	13	14.0	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented on the table above shows most of respondents with 86% strongly agreed that Salary is fair and equitable within the internal job descriptions at Bank of Kigali PLC and 14% agreed with this. Normally, pay equity is the legal concept that equal work deserves equal pay regardless of an employee's race, gender, ethnicity, age, religion or other non-job-related factors. This means employees who perform the same or similar jobs should receive equal pay. Pay equity is important because it helps ensure that all employees are treated fairly by eliminating wage discrimination, which helps promote diversity and inclusion in the workplace. and this in turn motivate employees to perform their work effectively. Therefore, this is one of many indicators of the effectiveness of compensation program at Bank of Kigali PLC.

Table4. 5.Respondent on whether the monthly pay is package is attractive in Bank of Kigali PLC

To what extent do you agree that monthly pay is package is attractive in Bank of Kigali PLC?	Frequency	Percent	Cumulative Percent
Strongly agree	61	65.6	65.6
Valid Agree	32	34.4	100.0
Total	93	100	

Sources: Primary data, August 2024

Looking at the table above it is clear that the majority of respondents with 65.16% are strongly agreed that the monthly pay is package is attractive in Bank of Kigali PLC and 34.4% agreed with this statement. Normally, when it comes to attracting and retaining the best talent, money isn't everything. You need to offer the whole package because that's what employees are looking for. A great compensation and benefits package should make your employees feel they are fairly paid, valued, and supported in their careers. Therefore, the results above shows that the compensation program in Bank of Kigali PLC is effective and that its can help this bank to retain the best performer employees and this of course has a positive impact on the overall performance of employees.

Table4. 6. Respondent on whether in Bank of Kigali PLC employees are rewarded for work well done

To which do you agree that Bank of Kigali PLC employees are rewarded for work well done?	Frequency	Percent	Cumulative Percent
Strongly agree	58	62.4	62.4
Valid Agree	35	37.6	100.0
Total	93	100	

Sources: Primary data, August 2024

Looking at the table above it is clear that the majority of respondents with 62.4% are strongly agreed that employees of Bank of Kigali PLC are rewarded for work well done and 37.6% agreed with this statement. Normally, employees are more engaged at work when their successes are recognized, either verbally or with a reward. Teams of workers who are trying to reach goals are more productive, as they become more efficient with their time and energy to reach those goals and see actual results. Therefore, the issues of rewarding the one who did his task well encourage him as well as other team member to try their best and perform better.

Table4.7.Bank of Kigali PLC are motivated by pension and health insurance received

To what extent do you agree that Bank of Kigali PLC are motivated by pension and health insurance received?	Frequency	Percent	Cumulative Percent
Strongly agree	52	55.9	55.9
Valid Agree	41	44.1	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented in the table above shows that 55.9% of the total respondents strongly agreed that employees at Bank of Kigali PLC receive pension and health insurance upon exit pay and 44.1% strongly agreed with this statement. Concerns around one's health and well-being can significantly hinder focus and motivation in the workplace. Bank can address these concerns by crafting a comprehensive wellness program. Access to healthcare motivate employees and help them to stay fit physically because they can regularly go to specialist for checkup, preventive screenings and treatment. On the other side every employee can be motivated by the pension that will help them in their retirement time. Therefore, this proves the effectiveness of employees' motivational strategies applied by Bank of Kigali PLC.

Table4. 8. Employees at Bank of Kigali PLC are motivated by the given extraneous allowances

To what extent do you agree that employees at Bank of Kigali PLC are motivated by the given extraneous allowances?		Frequency	Percent	Cumulative Percent
	Strongly agree	28	30.1	30.1
Valid	Agree	65	69.9	100.0
	Total	93	100	

Sources: Primary data, August 2024

The results presented in the table above shows that the majority of respondents representing 69.9% agreed that employees at Bank of Kigali PLC are motivated by the given extraneous allowances and 30.1% agreed with this. Normally, extraneous allowance shall be paid to officers who are called upon to undertake extra responsibilities in addition to their normal duties and therefore work over and above the official working hours on a continuous basis. In further discussion researcher realized that Bank of Kigali PLC whenever it assigned their employees an extra work or overtime they are well paid for these extra. Therefore, this in turn motivates them to perform well every extra work they are assigned.

4.2.2. Working conditions

Working conditions is the most important factor to stimulate employees' performance through to how it motivates them. Therefore under this section researcher analyzed the effectiveness of working conditions in Bank of Kigali PLC and results are presented below.

Table 4.9. The office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance

To what extent do you agree that office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance?	Frequency	Percent	Cumulative Percent
Strongly agree	34	36.6	36.6
Valid Agree	59	63.4	100.0
Total	93	100	

Sources: Primary data, August 2024

Looking at the table above, it is clear that the majority of respondents with 63.5% agreed that the office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance and 36.6% strongly agreed with this statement. Normally, sitting for long periods can have detrimental effects on health, including musculoskeletal issues and poor circulation. Therefore, a comfortable office chair can significantly impact an employee's ability to concentrate and stay focused on tasks. When individuals are uncomfortable or experiencing pain, their attention is divided between the discomfort and their work, leading to decreased productivity. But, investing in best office chairs demonstrates an organization's commitment to employee well-being. When employees feel valued and cared for, their morale and job satisfaction increase. Comfortable office chairs contribute to a positive work environment, fostering a sense of belonging and loyalty among employees. As a result, they become more engaged in their work, actively contributing their skills and knowledge to the organization's success. A motivated and engaged workforce is more productive and produces better results.

Table4. 10. BK care on its office space arrangement optimizes walking space and flexibility to improve performance

To what extent do you agree that BK care on its office space arrangement optimizes walking space and flexibility to improve performance?	Frequency	Percent	Cumulative Percent
Strongly agree	43	46.2	46.2
Valid Agree	50	53.8	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented in the table above shows that the majority of respondents with 53.8% agreed that BK care on its office space arrangement optimizes walking space and flexibility to improve performance and 46.2% agreed with this. Normally the layout of an office can help a company increase its employees' productivity levels. and in further discussion with respondents they pointed that to plan and apply its office design, a Bank of Kigali PLC always consider its objectives, employees' needs, heavy equipment, privacy requirements, technology, budget, and long-term goals. And employees testified that the ways by which their working space is designed motivate them to feel well and perform their duties well.

Table4.11.Computers have updated software, backups and security for better performance

To what extent do you agree that computers have updated software, backups and security for better performance?	Frequency	Percent	Cumulative Percent
Strongly agree	81	87.1	87.1
Valid Agree	12	12.9	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented in the table above, shows that almost all respondents representing 87.1% strongly agreed that computers have updated software, backups and security for better performance and 12.9% agreed with this statement. Normally, by addressing vulnerabilities

before they can be exploited by malicious actors, these updates play a critical role in the proactive security measures of an organization, safeguarding sensitive data and maintaining system integrity against an increasingly sophisticated digital threat landscape. on the other side in further discussion with employees in Bank of Kigali PLC they testified that the updated software made their daily work easy and with this their performed works are safe and with these technological facilities they are motivated to work with Bank of Kigali PLC for long time.

4.2.3. Job security

Job security also is an essential motivational factor. Therefore, under this section researcher assessed its effectiveness in the bank under study and results are presented below.

Table 12. Respondents view on the benefits of work

To what extent do you agree that you are sure that you can work for my organization for a long period?	Frequency	Percent	Cumulative Percent
Strongly agree	61	65.6	65.6
Valid Agree	32	34.4	100.0
Total	93	100	

Sources: Primary data, August 2024

The results above show that, the majority of respondents with 65.6% strongly agreed that they are sure that they can work for the organization for a long period and 34.4% agreed with this statement. In further discussion with respondents they pointed that they are working well with this bank and this bank has them in its plan since it always gave them the training and this motivates me to work hard since my job is secured. Normally, feeling supported at work is crucial for overall job satisfaction, well-being and productivity. It also translates to positive benefits for the organization as a whole.

Table4. 13. Respondents view on whether if their job were eliminated; they would be offered another job in the current organization.

To what extent do you agree that you job were eliminated, they would be offered another job in my current organization?	Frequency	Percent	Cumulative Percent
Strongly agree	53	57.0	57.0
Valid Agree	40	43.0	100.0
Total	93	100	

Sources: Primary data, August 2024

The majority of respondents with 57% strongly agreed that if their jobs are eliminated, they would be offered another job in the current organization and 43% agreed with this statement. In further discussion with some employees they pointed that they are feeling like a valuable person in this bank because of how the bank doesn't have the culture of eliminating employees what this bank does is only to transfer employees from one department to another but not let them go out. Therefore this motivates them to serve the bank at the best of its satisfaction.

Table4. 14 Respondents view on whether their job is secure regardless of any economic condition

To what extent do you agree that you job is secure regardless of any economic condition?	Frequency	Percent	Cumulative Percent
Strongly agree	79	84.9	84.9
Valid Agree	14	15.1	100.0
Total	93	100	

Sources: Primary data, August 2024

Looking at the table above it is clear that almost all employees with 84.9% strongly agreed that their job is secured regardless of any economic condition and 15.1% agreed with this statement. In further discussion with respondents with an example they pointed that some companies were not able to continue to pay the salaries of their employees during some days after Covid-19 pandemic. But Bank of Kigali PLC continued to pay its employees in this crisis. They further said

that they keep this in their mind and they will always do their best to ensure the performance of this bank.

4.2.4. Employee Recognition

Recognizing what employees performed on behalf of the organization is a very important issue for motivating them to continue in the same direction. Therefore, under this section researcher assessed whether the bank understudy applied it effectively and results are presented below.

Table4. 15. Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving them gifts

To what extent do you agree that Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving them gifts?	Frequency	Percent	Cumulative Percent
Strongly agree	53	57.0	57.0
Valid Agree	40	43.0	100.0
Total	93	100	

Sources: Primary data, August 2024

Looking at the table above it is clear that the majority of respondents representing by 57% strongly agreed that Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving them gifts and 43% agreed with this statement. Normally, gifts are sending to corporate employees to boost their morale. They are given in order to encourage and entice staff to work harder. Majority of the employees work to improve their way of living, therefore, to push them to put extra effort they have to be given incentives such as gift. These gifts are usually given on special day such as birthdays, anniversary or in any special festive event like New Year or Christmas. Gifts are part of recognition schemes banks offer to reward their employees. And employees in this bank testified that this happen many time especially on the 1st May on the employees day.

Table4. 16. Exemplary department and employees are awarded certificates and their names are displayed in the notice board

To what extent do you agreed that exemplary department and employees are awarded certificates and their names are displayed in the notice board?	Frequency	Percent	Cumulative Percent
Strongly agree	65	69.9	69.9
Valid Agree	28	30.1	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented on the table 4.16 shows that the majority of respondents with 69.9% agreed that in Bank of Kigali PLC exemplary department and employees are awarded certificates and their names are displayed in the notice board and 30.1% strongly agreed with this. Normally, one way of recognizing employee is by displaying a photo or name of the employee of the week or a month in the organization's notice board or website. And as it mentioned above BK has the ability of doing it so. And in further discussion with some respondents researcher realized that whenever bank did this the colleagues of the employee who are recognized in this way also work hard to achieve that exemplary recognition.

Table4.17. Bank of Kigali PLC recognize achievement of employees

Bank of Kigali PLC recognize achievement of employees	Frequency	Percent	Cumulative Percent
Strongly agree	61	65.6	65.6
Valid Agree	32	34.4	100.0
Total	93	100	

Sources: Primary data, August 2024

The results presented above clearly shows that the majority of respondents with 65.6% strongly agreed that Bank of Kigali PLC recognize achievement of employees and 34.4% agreed with this. Normally, recognition is one of the most powerful forms of reward because it speaks to the employee in a language of meaning and personal context rather than generic financial rewards.

Recognition brings the department or whole organization to celebration of an employee accomplishment. This boost morale among other employees to strive to excel in their assigned task so that they can be recognized. Continuous recognition of exemplary employee creates a culture of recognition tied to accomplishment and employee growth. To grow and nurture culture of recognition clear criteria for recognizing employee is required.

Table4.18.Bank of Kigali PLC has well-defined criteria to recognize employees

To what extent Bank of Kigali PLC has well-defined criteria to recognize employees?	Frequency	Percent	Cumulative Percent
Strongly agree	53	57.0	57.0
Valid Agree	40	43.0	100.0
Total	93	100	

Sources: Primary data, August 2024

Respondents were asked whether Bank of Kigali PLC has well-defined criteria to recognize employee. The majority of respondents with 57% strongly agreed and 43% agreed with this statement. This is an indication that Bank of Kigali PLC has established criteria for what makes a person eligible for recognition. Normally, consistency clarity and fairness is very important in employee recognition. People need to see equal likelihood of being recognized if one makes similar contribution to previously recognized individual in order to be motivated to do the same.

Table4. 19.Respondents on whether their managers and supervisor usually appreciate any work they do well timely and sincere

To what extent managers and supervisor usually appreciate any work they do well timely and sincere?	Frequency	Percent	Cumulative Percent
Strongly agree	18	19.4	19.4
Valid Agree	75	80.6	100.0
Total	93	100	

Sources: Primary data, August 2024

The study further sought to find out from the respondents whether their manager and supervisor usually appreciate any work they do well, timely and sincere. The majority of respondents with 80.6% agreed, 19.4% strongly agreed. The outcomes indicate that managers and supervisors in Bank of Kigali PLC have embraced recognizing exemplary performance. Normally, advances that managers need to be in constant contact with the employees in order to be in position to determine what they value most and then find ways to systematically recognize desired forms of behavior. When managers are timely, sincere and specific in thanking employees when they have done good work, it will maintain credibility in the recognition Schemes.

4.3. Performance of Bank of Kigali PLC within the period of 2019-2023

One of the specific of objective of this research was to assess the to the performance of Bank of Kigali PLC, and in this section intend to present different performance indicators.

4.3.1Trend of deposit

Deposit is the total amount of funds invested on the deposit account in a bank and reimbursable to the beneficiaries of this account upon the request. Deposits are the most important source for the Bank of Kigali PLC as well as in other banks since they ensure stability and liquidity of its performance; they illustrate the trust that the clients have in their bank and relevant financial services available to them. In this point, the researchers present the increase of client's deposit within the period of our study.

Table4. 20.Trend of deposits of the Bank of Kigali PLC (in thousands Rwf)

Years	Deposit	Variation	Trend Rate
2019	642,698,799	-	-
2020	790,811,261	148,112,462	23.05
2021	974,494,626	183,683,365	23.23
2022	1,075,188,572	100,693,946	10.33
2023	1,374,342,881	299,154,309	27.82

Source: Financial statements of Bank of Kigali PLC from 2019- 2023

Results presented in the table 4.22 demonstrate that Bank of Kigali PLC recognized a continuous increase in deposit amount where it increased by 23.05% in 2020; by 23.23% in 2021; by 10.33% in 2022 and By27.82% in 2023. Back to our objective of finding out its relationship with applied employee motivation; We all know that the most important factors that can determine the increase in deposit is the way the depositors are served which also goes hand in hand with the level of motivation of employees who server them as well as the ways previous deposit were managed and only motivated employees can perform this task as well as possible.

Table4. 21Trend of loans granted of the BANK OF KIGALI PLC from 2019-2023

Years	Loans	Variation	Trend Rate
2019	678,005,885	-	-
2020	851,099,810	173,093,925	25.5
2021	990,267,321	139,167,511	16.4
2022	1,134,512,318	144,244,997	14.6
2023	1,244,843,264	110,330,946	9.7

Source: BK Annual reports 2019-2023

Information gathered in the table above shows that credit granted by BANK OF KIGALI PLC with the period of our study had been increased by25.5% in 2020; by 16.4% in 2021; by 14.6% in 2022 and by 9.7% in 2023. Normally the increase in amount of credit granted by any bank has a greatest indicator of its performance since loans had been found as the major source of bank's revenue. But on the other hand this is happen when issued loans are managed effectively. And this has a strong link with employees' motivation because the findings in previous section clear demonstrated that training is one of main employees' motivational strategies used by BK PLC. Therefore, motivated employees in this bank are well trained so that they would perform well all their jobs including loans management.

4.3.2 Net income

The net income is the final results after all the assets and liabilities have been balanced. The net result is the main indicator of performance. Therefore, in bellow table researchers intend to assess its evolution in Bank of Kigali PLC.

Table4. 22.Trend of net income (in thousands Rwf)

years	Net income	Evolution	Evolution rate
2019	37,308,336	-	-
2020	38,433,289	1,124,953	3.02
2021	51,894,970	13,461,681	35.03
2022	59,724,310	7,829,340	15.09
2023	74,817,679	15,093,369	25.27

Source: Financial statements of Bank of Kigali PLC from 2019- 2023

The table 4.22 shows that from 2019 to 2023 net income of Bank of Kigali PLC increased by 3.02% in 2019; by35.03% ;by 15.09% and by 25.27%respectively from 2019 up to 2023. Therefore this considerable increase of interest realized on credit granted in the covered period has direct link with the applied motivational strategies. Normally, the increase in interest generated by this bank is the results of the effort employed in credit department together with other department which always try their best by just insuring that credit are issued in respect of both central bank and Bank of Kigali PLC rules and regulations, disbursement is done prudently, and that monitoring and recovery are effectively performed. Also many advices and recommend this department on how credit management should be better performed and all these are done with the many purpose of ensuring bank's performance. However employees would not perform all these well if they are not motivated. Therefore, applied motivational strategy has a direct impact on this.

4.3.3 Trend of equities

The equities of any business come from the social capital, the reserves and net income. The equities show the financial means of the business without considering the external resources like

loans and others. And the evolutions of the equity is an important indicators of it performance. Therefore, this section presents its evolution and links it with employees motivational strategies.

Table4. 23. Trend of equity of Bank of Kigali PLC (in thousands Rwf)

years	Total equity	Evolution	Evolution rate
2019	220,810,886	-	-
2020	259,344,020	38,533,134	17.5
2021	285,700,114	26,356,094	10.2
2022	319,076,357	33,376,243	11.7
2023	366,357,418	47,281,061	14.8

Source: Financial statements of Bank of Kigali PLC from 2019- 2023

Through the data collected on table above from Bank of Kigali PLC's financial statement, the equities increased by 17.5% in 2020; by 10.2% in 2021; by 11.7% in 2022 and by 14.8% in 2023. The equities of BK PLC come from the social capital, the reserves and net income. The equities show the financial means of the company without considering the external resources like loans and others. And the evolutions of the equity of this bank prove its performance and well standing in investment position.

Therefore, this continuous evolution of equity in BK PLC has a strong relation with motivational strategies applied by this bank because the more they management and all team of the works are motivated due to various strategies used by this bank, particularly when are well trained ad well paid, the next is to be dedicated to perform their work well. Therefore, it is due this way they effectively used employer's equity to ensure that the bank generate a lot in term of return o equity.

4.4. Ratios analysis

Analysis and interpretation of accounting ratios provide a skilled experienced analyst, a better understanding of the financial conditions and performance of the firm than what could have

obtained only through a perusal of financial statements. Therefore, in this section researcher analyzed the performance of Bank of Kigali PLC through the profitability ratios.

4.4.1 Net Profit Margin Ratio

Net profit margin is a financial ratio that measures the efficiency of a bank's use of its assets in generating sales net operating income or sales income. Profitability was found to be the most important indicator of financial performance and in this section researcher examined whether the bank understudy was profitable in the covered period. Therefore, are presented below.

$$\text{Net Profit Margin} = \frac{\text{Income after tax}}{\text{Total Revenues}} * 100$$

Table4. 24. Net Profit Margin ratio (in thousands Rwf)

Years	2019	2020	2021	2022	2023
Net income (1)	37,308,336	38,433,289	51,894,970	59,724,310	74,817,679
Operating income(2)	103,084,562	102,468,483	140,098,086	171,525,519	205,755,425
Net profit margin (1/2)	36.19	37.51	37.04	34.82	36.36

Source: Annual reports of Bank of Kigali PLC 2019-2023

From 2019 up to 2023 the ratios of net profit margin are 36.19%; 37.51%; 37.04%; 34.82% and 36.26 respectively. This means that for RWF100, the bank got 36.19Rwfs in 2019; 37.51Rwf in 2020; 37.04Rwfs in 2021 generate 34.82 Rwfs in 2022 and 36.36 Rwfs in 2023. Therefore BANK OF KIGALI PLC's net profit margin had been increased from 2019 to 2023 which means that they recognized performance. And this bank does not reach on this Net Interest Margin accidentally, but they tried their best by just using and allocating their resource appropriately without forgetting how they minimize interest expenses.

Also the general rule of thumb is that a 10% net profit margin is average, a 20% margin is good, whereas a 5% margin is a low profit margin. A higher net profit margin shows a company's ability to control costs and sell products at prices higher than costs. Referring to the above results it is clear that Bank of Kigali PLC have been able to effectively control costs and sell products at prices higher than costs since its net profit margin is above 20% in the covered period. Therefore, BK PLC does not reach on this Net profit Margin by accidentally, but they tried their best by just

motivating its employees due different motivational strategies including training on using and allocating bank's resource appropriately without forgetting how they minimize interest expenses.

4.4.2. Return on Assets Ratio

The return on assets ratio is a profitability ratio which is a returns ratio. The return on assets ratio is also called the return on investment ratio. Return on assets allows the business owner to calculate how efficiently the company is using their total asset base to generate sales. Total assets include all current assets such as accounts receivable in addition to fixed assets such as plant and equipment. Therefore, the table below presents Bank of Kigali PLC's return on assets ratio within the covered period.

Thus, it is the most stringent and excessive test of return to shareholders. If a bank has no debt, the return on assets and return on equity figures will be the same.

$$\text{Return on Assets} = \frac{\text{Net Income}}{\text{Total assets}} * 100$$

Table4. 25. Return on Assets "ROA" (in thousands Rwf)

years	2019	2020	2021	2022	2023
Net income(1)	37,308,336	38,433,289	51,894,970	59,724,310	74,817,679
Total assets (2)	1,019,075,587	1,304,004,486	1,590,372,983	1,853,994,433	2,120,116,142
ROA % (1/2)	3.66	2.95	2.95	3.22	3.53

Source: Financial statements of Bank of Kigali PLC from 2020– 2023

The table above shows the Return on Assets ratio during the covered period. From 2019 up to 2023. The ratio of Return on Assets are 3.66%; 2.95%; 2.95%; 3.22% and 3.53% respectively. This means that in 2019 for 100Rwf invested they got 3.66Rwfs; in 2020 for 100 RWF of invested they got 2.95RWF; in 2021 it got 2.95RWF; in 2022 got 3.22 Rwfs and in 2023for 100 RWF of invested they got 3.53 RWF . The above result, show that Bank of Kigali PLC, is profitable during the covered period. Because the standard ratio of Return on Assets is 1%. And the above result shows that the average of return on assets is 3.26%. therefore, this means that Bank of Kigali PLC have been able to effectively use its assets so that they generate enough return.

4.4.3. Return On Equity

"ROE" a measure of how well a bank used reinvested earnings to generate additional earnings, equal to a fiscal year's after- tax, that bellow table shows the ratio of Return on equity during ours period of study. Return on equity (ROE) measures the rate of return on the ownership interest (shareholders' equity) of the common stock owners. It measures a firm's efficiency at generating profits from every unit of shareholders' equity (also known as net assets or assets minus liabilities).

The formula:

$$\text{Return on Equity} = \frac{\text{Net Income}}{\text{Total Equity}} * 100$$

Table4. 26. Ratio of Return on Equity (in thousands Rwf)

Years	2019	2020	2021	2022	2023
Net income(1)	37,308,336	38,433,289	51,894,970	59,724,310	74,817,679
Total Equity (2)	220,810,886	259,344,020	285,700,114	319,076,357	366,357,418
ROE% (1/2)	16.90	14.82	18.72	20.42	16.90

Source: Financial statements of Bank of Kigali PLC from 2019 – 2023

The table 4.26 shows that from 2019 up to 2023, the ratios of Return on Equity are as follow: 16.90%; 14.82%; 18.16%; 18.72%; 20.42% and 16.90% respectively. This means that in in 2019 for 100rwfs invested they got 16.90Rwfs of the benefit; in 2020 for the 100Rwf investors have invested in bank, they generated in 14.86Rwfof benefit, and in 2021 for the 100Rwf investors have invested in bank, they generated in 18.16Rwf of benefit and in 2022 for100Rwf investors have invested in bank, they generated in 18.72 Rwf of benefit; and in 2023for the 100Rwf investors have invested in bank, they generated in 20.42Rwf of benefit.

While average ratios, as well as those considered “good” and “bad”, can vary substantially from sector to sector, a return on equity ratio of 15% to 20% is usually considered good. At 5%, the ratio would be considered low. Therefore, the Bank of Kigali recorded a good return on equity in the covered period. Therefore, the above ratios demonstrate that within this period Bank of Kigali PLC’s shareholders were in period of happiness during the period of our study since the

average of income generated by their equity shows that for each 100 Rwf they invest they gain at least 17.81Rwf, and of course this has a strong relationship with applied employees' motivation.

Table4. 27. Capital adequacy ratios

Years	2019	2020	2021	2022	2023
Core Capital	195,777,771	228,243,750	248,345,314	295,777,888	348,552,250
Risk Weighted Assets	714,418,503	935,537,941	1,183,985,798	1,421,131,718	1,564,859,566
Core Capital / Risk Weighted Assets	27.40	24.40	20.98	20.81	22.27
Total Qualifying Capital	197,461,586	229,692,803	249,633,549	296,678,239	349,057,406
Risk Weighted Assets	714,418,503	935,537,941	1,183,985,798	1,421,131,718	1,564,859,566
Total Qualifying Capital / Risk Weighted Assets	27.64	24.55	21.08	20.88	22.31

Source: BK Annual reports 2019and 2023

The table above demonstrates that core capital to risk weighted assets were 27.40% in 2019; 24.40% in 2020; 20.98% in 2021; 20.81% in 2022 and 22.27% in 2023. Normally this is good for Bank of Kigali PLC because this result ensure that it's most freely and immediately available resources to meet claims against deposit takers is enough because BNR's regulation requires banks to hold a minimum total of 10 % of core capital to risks weighted assets. And in most of the years under study bank of Kigali had more than 2 times of this. Also total qualifying capital to risk weighted assets is 27.64%; 24.55%; 21.08%; 20.88%and 22.31% from 2019to 2023.This means that capitalization enables Bank of Kigali to mitigate the proportion of none performing loans because BNR's regulation requires banks to hold a minimum total of 12.5% of total qualifying capital to risk weighted assets and the bank under study exceed this percentage in each year of the covered period. Therefore, this would not have been possible if employees were not motivated so that they serve the bank to the best of its satisfaction.

4.4. Asset Quality

An asset quality rating is a review or evaluation assessing the credit risk associated with a particular asset. These assets usually require interest payments such as a loans and investment portfolios.

Table4.28. Asset Quality Ratio

Years	2019	2020	2021	2022	2023
NPLs	55,012,641	37,128,906	34,068,752	61,402,127	30,694,182
Total Loans	678,005,885	851,099,810	990,267,321	1,134,512,318	1,244,843,264
NPLs /Total Loans, %	8.11	4.36	3.44	5.41	2.47

Source: BK Annual reports 2020and 2023

Looking at the table above it is clear that Bank of Kigali PLC's management has been able to control and mitigate credit risk since the ratio of NPLs to total loans demonstrate that it was at the lowest rate with in this period of our study were it was 8.11%; 4.36%; 3.44%;5.41% and 2.47% respectively from 2019to 2023. And BNR 's regulation stated that a strong asset quality ratio is 5% and below, and that a satisfactory asset quality ratio is >5% - 10%, which means that as it is demonstrates at the above results bank of Kigali PLC have been able to meet BNR's requirement in the covered period. Because even if the ratios are not strong, they are at satisfactory level.

Table4. 29 Earning Quality ratios

Years	2019	2020	2021	2022	2023
Interest income	94,773,445	112,793,315	136,271,358	137,775,776	165,385,038
Total income	124,854,648	144,227,243	180,221,263	181,532,398	224,362,014
Interest income/ total income	75.91	78.21	75.61	72.04	73.71
Other income	30,081,203	31,433,928	43,949,905	43,756622	58,976,976
Total income	124,854,648	144,227,243	180,221,263	181,532,398	224,362,014
Other income / total income	24.09	21.79	24.39	27.96	26.29

Source: BK Annual reports 2019 and 2023

As shown in the table above Interest income/ total income from 2019-2023 was75.91%; 78.21%; 75.61%; 72.04% and 73.71% respectively. On the other side the ration of other income / total income from 2019-2023 were24.09; 21.79%; 24.39%; 27.96% and 26.29% respectively.

Therefore, this proves that the earning on this bank is dominated by interest income at the level of above 70% each year. Therefore this has a direct link with applied internal audit as it insured the efficiency in management of all risks against the interest generated by the Bank of Kigali PLC.

Table4. 30. Liquidity ratio

Liquidity ratios		2019	2020	2021	2022	2023
Current Ratio	Current assets	284835450	385281968	515,954,637	641,060,943	806,004,550
	Current liabilities	752287283	979719587	1,248,645,873	1,355,776,770	1,569,527,487
		0.38	0.39	0.41	0.47	0.51
Cash Ratio	Cash+ cash equivalents	284835450	385281968	515,954,637	616,386,266	774,217,417
	Current liabilities	752287283	979719587	1248645873	641,060,943	1,569,527,487
		0.03	0.26	0.10	0.96	0.49
Liquid Assets to Total Deposits	Liquid Assets	284,835,450	385,281,968	515,954,637	641,060,943	806,004,550
	Total Deposits	696,859,060	921,369,191	1,164,718,313	1,355,776,770	1,569,527,487
		40.87%	41.82%	44.30%	47.28%	51.35%
Liquid Assets to total Assets	Liquid Assets	284,835,450	385,281,968	515,954,637	641,060,943	806,004,550
	total Assets	1,019,075,587	1,304,004,486	1,590,372,983	1,853,994,433	2,120,116,142
		27.95%	29.55%	32.44%	34.58%	38.02%

Source: BK Annual reports 2019 and 2023

The table above demonstrate that current asset ratio were 0.38; 0.39; 0.41; 0.47; 0.51 and respectively from 2019-2023. Normally, this shows that current ratio of the observed periods generally is not in good position because there all less than the minimum required level of 1.0 to employ an aggressive strategy of working capital control. The results revealed that Current ratio

is less than one means that Bank of Kigali PLC has not ability to meet its short term obligation by using current assets. This means that Bank of Kigali PLC expects to collect cash from the people that owe it money and pay to the ones that they owe money on time.

It is also clear that Cash Ratio were 0.03; 0.26; 0.10; 0.96 and 0.49 respectively from 2019-2023. In the case of cash ratio, the Bank of Kigali's results for the examined periods are not encouraging. However, the situation was especially bad because the cash and bank balance was little compare to the current liabilities in the covered period. Therefore, according the data information from financial statements of Bank of Kigali PLC, managers use cash forecasting systems to estimate the flow (amount and timing) of receipts and disbursements. Bank cash management policies include investment of cash in excess of day-to-day needs and short-term sources of borrowing

Also the ratios of Liquid Assets to Total Deposits are: 40.87%; 41.82%; 44.30%; 47.28% and 51.35% respectively from 2019-2023. Therefore, this shows that the ratios of assets to total deposit vary positively in this period on the bank under study. It is also clear that in every year the ratio was doubled because the standard ratio according national bank of Rwanda's requirement is 20%. Therefore, this is good because it enable the bank to meet depositors request when they immaturely need to withdraw their money.

4.7 Relationship between Employees' motivational strategies and financial performance of bank of Kigali PL

The overall purpose of this study was to investigate the effects of the effects of employees' motivations to the financial performance of Bank of Kigali PLC. Within the period of this study and researchers assessed this and results are presented below.

Table4. 31. Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.(p)
	B	Std. Error	Beta		
(Constant)	.347	.112		1.973	.106
Compensation strategy	.162	.009	.444	1.815	.009
Working conditions	.282	.050	1.231	3.616	.036
Job security	.194	.017	1.075	3.159	.025
Employee Recognition	.211	.240	.230	.850	.028

From the data in the above table the established regression equation was

$$Y = 0.347 + 0.162 X_1 + 0.282 X_2 + 0.194 X_3 + 0.211 X_4$$

From the above regression equation, it was revealed that compensation strategy, working conditions, Job security and employee Recognition to a constant zero, financial performance would be at 0.347. A unit increase on compensation strategy would lead to increase in financial performance by a factor of 0.162, a unit increase in working condition would lead to increase in financial performance by a factor of 0.282, a unit increase in job security would lead to increase in financial performance by a factor of 0.194 and unit increase in employees' recognition would lead to increase in financial performance by a factor of 0.211. Therefore, these allow researcher to conclude that there is a strong relationship between employees motivation strategies and financial performance of Bank of Kigali PLC.

GENERAL CONCLUSION, RECOMMENDATION AND SUGGESTION

The topic of our study was “the effect of motivational strategies on the performance of commercial banks in Rwanda. A case of Bank of Kigali PLC within the period of 2019-2023.”. For achieving the objective of this study, researcher tried to answer the following questions:

1. Does Bank of Kigali PLC apply employee motivation strategies effectively?
2. What are the effects of employee motivational strategies on the performance of Bank of Kigali PLC?

In order to answer the above questions researcher formulated the following hypotheses:

1. Bank of Kigali PLC applies employee motivation strategies effectively
2. Employees’ motivation strategies have positive and strong effects on the performance of Bank of Kigali PLC

Through these hypotheses researcher organized this study into four chapters with the general introduction at first in which we have presented the significance of the study, scope, problem statement, hypotheses and research objectives to attend.

Briefly the main objective of this research was, to investigate the effects of employees’ motivation strategies on the performance of commercial bank in Rwanda.

The specific objectives also were as follow:

1. To determine the effectiveness of motivation strategies applied by Bank of Kigali PLC.
2. To find out the effects of employees motivations strategies to the performance of Bank of Kigali PLC.

Therefore, in virtue to the above objectives and hypotheses, the research designed an appropriate research methodology and used the documentary, sampling and questionnaire techniques to collect and analyze relevant data. Historical, analytical, and statistical methods were used to analyze and interpret the useful information collected through the above mentioned techniques.

Conclusion

After observing all findings what researcher can note here is that employees' motivational strategies employed by Bank of Kigali PLC are effective. This is proved by how on the issues of compensation program almost all respondents with 86% strongly agreed that salary is fair and equitable within the internal job descriptions at Bank of Kigali. It was also mentioned that 65.16% are strongly agreed that the monthly pay is package is attractive in Bank of Kigali PLC. Also 62.4% are strongly agreed that employees Bank of Kigali PLC are rewarded for work well done. On the other side 55.9% of the total respondents strongly agreed that employees at Bank of Kigali PLC receive pension and health insurance upon exit pay.

Regarding working conditions, results shows that the majority of respondents with 63.5% agreed that the office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance. It was also revealed that 53.8% agreed that BK care on its office space arrangement optimizes walking space and flexibility to improve performance. It was also noted that almost all respondents representing 87.1% strongly agreed that computers have updated software, backups and security for better performance.

On the issues of Job security results shows that the majority of respondents with 65.6% strongly agreed that they are sure that I can work for my organization for a long period. 57% strongly agreed that if their jobs are eliminated, they would be offered another job in my current organization. It was also noted that 84.9% strongly agreed that their job are secured regardless of any economic condition.

The effectiveness of employee recognition strategy applied in Bank of Kigali also was assessed and results demonstrated that 57% strongly agreed that Bank of Kigali PLC acknowledges and appreciates exemplary employees by giving those gifts. It was also observed that the majority of respondents with 69.9% agreed that in Bank of Kigali PLC exemplary department and employees are awarded certificates. It was also noted that with 65.6% strongly agreed that Bank of Kigali PLC recognize achievement of employees. It was also observed that the majority of respondents with 57% strongly agreed and 43% agreed with this statement. On the other side researcher realized that The majority of respondents with 80.6% agreed. Therefore, it is from these facts the first hypothesis stipulating that "Bank of Kigali PLC applies employee motivation strategies effectively" have been assessed and confirmed.

The performance of Bank of Kigali PLC within the period of 2019-2023 also was analyzed and results demonstrated that. From 2019 up to 2023 the ratios of net profit margin 36.19%; 37.60%; 35.98%; 31.23% and 33.35 respectively. Return on Assets ratio during the covered period. From 2019 up to 2023. The ratio of Return on Assets are 3.66%; 2.95%; 2.95%; 3.22% and 3.53% respectively. From 2019 up to 2023, the ratios of Return on Equity are as follow: 16.90%; 14.86%; 18.16%; 18.72% and 20.42 respectively. Also relationship between the studied variable were analyzed through Multiple Regression Analysis and results shows that compensation strategy, working conditions, Job security and employee Recognition to a constant zero, financial performance would be at 0.347. A unit increase on compensation strategy would lead to increase in financial performance by a factor of 0.162, a unit increase in working condition would lead to increase in financial performance by a factor of 0.282, a unit increase in job security would lead to increase in financial performance by a factor of 0.194 and unit increase in employees' recognition would lead to increase in financial performance by a factor of 0.211. Therefore, these allow researcher to confirm the second Hypothesis stipulating that "employees' motivation strategies have a positive and strong effects on the performance of Bank of Kigali PLC".

Recommendations

After discussing on the the effects of employees' motivation strategies on the performance of Bank of Kigali PLC: 2019-2023, several relevant recommendations are proposed to this banks to ensure their performance.

1. Bank of Kigali PLC should improve bonuses given to employees as some employees said that there is no recognized structure to distribute bonuses.
2. Bank of Kigali PLC should improve the way of rotating its employees to facilitate them to perform on the assigned activities as some employees said that employee rotation is not easy in this bank.

Suggestions for further researches

Basing on the importance of human resource motivational strategies on the banks' financial performance, further research and deep analysis could be done on the following areas: -

1. Impact of compensation program to the performance of financial institutions in Rwanda.

2. Impact of non-financial motivational strategies on employees' performance in Rwandan commercial banks
3. The effects of employees' recognition on the performance of commercial Bank in Rwanda

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APPENDIX

Questionnaire

Dear respondent,

Data collected in this survey is intended for academic purposes only and will be used in partial fulfillment of research project to assess the effect of motivational strategy on the performance of commercial banks in Rwanda. A case of bank of Kigali PLC. Period 2019-2023. All information gathered will be handled with the strictest of confidentiality. There are 2 sections.

Section One: General Information

Please tick the most appropriate

1. Please indicate your Gender

- Male
- Female

2. Level of education

- Not educated
- Unclassified level
- Primary education
- Secondary
- Bachelor's degree
- Master's degree

3. Age of respondents

- 18-30
- 31-42
- 43-54
- 55 and above

To what extent do you agree with the following statement regarding to **the effectiveness of motivation strategies applied by Bank of Kigali PLC?** Using a scale of 5 – 1 tick the

appropriate answer from the alternatives provided for each of the questions. **5. Strongly Agree**
4. Agree 3. Neutral 2. Disagree 1. Strongly Disagree

Statement	Rating				
	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
Compensation					
Salary is fair and equitable within the internal job descriptions					
The monthly pay is package is attractive in Bank of Kigali PLC					
In Bank of Kigali PLC employees are rewarded for work well done					
Bank of Kigali PLC are motivated by pension and health insurance receive received					
Employees at Bank of Kigali PLC are motivated by the given extraneous allowances					
Working conditions					
The office seats are comfortable and the office furniture provide adequate convenience and movement for higher work performance					
Office space arrangement optimizes walking space and flexibility to improve performance					
Computers have updated software, backups and security for better performance					
There is adequate personal protective equipment, awareness and drills for staff to boost performance					
Bank of Kigali PLC have sufficient technological tools and equipment such as computers and printers, air conditioners to improve employee					

performance					
Job security					
I am sure that I can work for my organization for a long period.					
If my job were eliminated, I would be offered another job in my current organization.					
My job is secure regardless of any economic condition					
My current organization would transfer me to another job if I were laid off from my present job.					
Employee Recognition					
The organization acknowledges and appreciate exemplary employees by giving them gifts					
Exemplary department and employees are awarded certificates and their names are displayed in the notice board					
Bank of Kigali PLC recognize achievement of employees					
My organization has a well-defined criteria to recognize employees					
My manager and supervisor usually appreciate any work I do well timely and sincere					

To what extent do you agree with the following statement regarding **the effects of employees motivations to the financial performance of Bank of Kigali PLC?** Using a scale of 5 – 1 tick the appropriate answer from the alternatives provided for each of the questions. **5. Strongly Agree 4. Agree 3. Neutral 2. Disagree 1. Strongly Disagree**

Statement	Rating				
	Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
Both financial and non-financial compensation I received motivate me to work hard					
Working in a comfortable and safety environment facilitate me to accomplish well all assigned responsibility					
I try my best when serving Bank of Kigali PLC because it gave me a long time and good contract					
Recognition and appreciation increases my morale to put extra effort than normal when doing my duties assigned					
Recognition for exemplary performance is very important to me					
Seeing my colleague being appreciated spurs me to perform better					