

# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

## THE EFFECT OF WORK ENVIRONMENT ON WORKFORCE MOTIVATION: THE CASE OF DASHEN BANK S.C

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JUNE 2024 ADDIS ABABA, ETHIOPIA

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BY

#### **KALEWENGEL ZEBENE**

# A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE PROGRAM OF MASTER OF ART IN MASTER OF BUSINESS ADMINISTRATION

JUNE, 2024 ADDIS ABABA, ETHIOPIA

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#### **DECLARATION**

I Kalewengel Zebene Mola, registration number/I.D. number SGS/0049/2012B, do here by declare that this thesis The Effect of Work Environment on Workforce Motivation: The Case Of Dashen Bank S.C is my original work and has not been submitted to any other college, institution or university other than St. Mary's University for academic credit.

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Signature	_
Dato:	

#### **CERTIFICATION**

This is to certify that this study, The Effect of Work Environment on Workforce Motivation: The Case Of Dashen Bank S.C." undertaken by Kalewengel Zebene for the partial fulfillment of Masters of Business Administration (MBA) at St. Mary's University, is an original work and not submitted earlier for any Master's program either at this University or any other University.

Research Advisor: Alazar Amare/Ph.D./

Signature:

Date\_\_\_15/06/2024\_\_\_\_

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#### **LIST OF ACRONYMS**

EM Employees Motivation

IPA Institute of Public Administration

PSM Public Service Motivation

PsWE Psychosocial Work Environment

PWE Physical Work Environment

SPSS Statistical Package for Social Science

#### **ABSTRACT**

The purpose of this study is to examine the effect of the work environment on workforce motivation in Dashen Bank S.C. The study encompasses all employees working in in Dasgen Bank branches in Addis Ababa city Administration, Dire Dawa city Administration, Amhara and Oromia Regions. From work environment indicators physical work environment and psycho-social work environment were selected and their effect on workforce motivation is checked. In order to test whether these variables determine the workforce motivation, multiple- regression was employed. Since employees are working in dispersed places and the population is also high, to manageability of the data, stratified random sampling technique was used. From the 679 workers, 252 permanent professional workers participated to fill structured survey questionnaire and 250 employees returned the questionnaire. The study applied descriptive and explanatory research designs. The data collected from surveys entered SPSS and analyzed by descriptive and inferential statistics methods. Employees are working in dispersed places and the population is also high, to increase manageability of the data Stratified random sampling technique was used. Working conditions, safety and security, and legally prescribed provisions of employees' welfare under physical work environment. Interpersonal relations, reward system, and supervision under psycho-social work environment. Attraction to organization policy, commitment to customer interest, compassion, and self-sacrifice are considered in employees' workforce. These were used in measuring public service motivation in this study. From work environment indicators physical work environment and psycho-social work environment were selected and their affect employees' workforce motivation was checked by mean, standard deviation, correlation and multiple regression. The result of mean showed that about the actual position of physical work environment was better inspire of employees than psycho-social work environment. However, psycho-social work environment was found to have poor positive relationship with employees' workforce motivation and had medium significantly affect employees' workforce motivation. The Dashen Bank's administrators should more consider employees' work environment while making conducive working conditions (temperature, tools, equipment and electric light), safety and security and legally prescribed provisions of employees' welfare.

Keywords; Physical work environment, psychological work environment, Workforce motivation

#### **CHAPTER ONE**

#### INTRODUCTION

#### 1.1 Background of the study

In management, employee motivation is critical to organizational success. Highly motivated employees perform better, are more productive Motivation plays a crucial significant part in all private and public organizations. Organization cannot run and cannot attain desire goals and without motivating their employees (Ali & Ali, 2016). When employees are motivated to work at higher levels of productivity, the organization runs more efficiently and is more effective at reaching its goals. This contrasts with an unmotivated workforce, who can negatively disrupt an organization and distract employees from their work. For this reason, it is imperative that managers understand the power of reward systems and how they are used to influence employee behavior (Sev et al., 2013).

(Ruiz, 2017) as cited in Kassahun Getachew (2018) employee turnover creates challenges for businesses and without a strategy a firm may lose skilled workers, profits, and reputation. Examples of tactics to retain employees included compensation and rewards, employee engagement programs, management opportunities, on boarding and socialization, and training and development. The attributes of employee retention are engagement with a good working environment, inspiring leadership, positive working relationships, relevant training and development, good remuneration of pay and reward, organizational policies, and management's interest in employee well-being. A motivated workforce can be a significant factor in organizational success (Nongo, 2005).

Rao (2008, p.8) identified four main types of international employees, firstly there are foreign parent expatriates which make up of people employed from a foreign parent headquarters. Next are host countries national which conclude of people that are nationals of a host country but are employed directly by the venture. Thirdly are third-country expatriates of the foreign parent which are people that work in a totally new country where neither the headquarters are located nor any host country. Finally, there

is the third country expatriate of the new venture essentially meaning people that are employed by venture but they are nationals of a country outside of the headquarters and any host countries. Others have proceeded with describing these international employees as simply parent-company nationals, host-country nationals and third-country nationals (Özbligin, Groutsis, & Harvey, 2014).

The use of performance measurement attempts to identify the strengths and weaknesses of employees and to motivate them to improve their performance. Managing employees' workforce hosts employee context and company context. Employee context contains improve employees, performance, improving working ability and sustainable knowledge and innovation while company context contains reduces time, enhancement customer's satisfaction, reduces costs, improves quality and increases customers' number (Vuong, 2022).

Opperman (2002) stated that, working environment means those processes, systems, structures, tools or conditions in the workplace that impact favorably or unfavorably individual performance. The working environment also includes policies, rules, culture, resources, working relationships, work location, internal and external environmental factors, all of which influence the ways that employees perform their job functions.

Recently, the workplace has witnessed dramatic changes due to globalization, technology, demographic changes, and so on. Such diversity in the workforce might influence the way organizations operate. Lately, several young workers are joining the workforce to work with or even manage people who are as old as their parents (Ellter, Suleman and Alnaji, 2017).

Rahmawanti, et al., (2014), the creation of a good work environment can affect employee performance. Physical work environment and non-physical work environment also affect the motivation and morale of employees because if the work environment in the company is comfortable and pleasant, of course, employees can improve their performance so that company goals can be achieved properly. A good work environment will make employees feel comfortable working. Convenience will certainly increase employee performance improvement. In fact, the discomfort of the work environment that helps employees has fatal consequences, namely the decline in employee performance (Putri, et al, 2019).

Work environment can be defined as the location in which a task is performed. However,

from an employment perspective, the work environment entails the physical geographical location of the job as well as its immediate surroundings (typically the tools and equipment required for the performance of the different tasks required for the job, work processes and procedures, quality of the air, noise level and any additional perks) (Mutia & Sikalieh, 2014; Atambo et al.,2013).

The workplace environment plays a crucial role for the employees. Nowadays employees may have a large number working alternatives, and then the environment in workplace becomes a critical factor for accepting and/or keeping the jobs. The quality of environment in workplace may simply determine the level of employee's motivation, subsequent performance and productivity (Leblebici, 2012).

Foldspang et al., (2014), the physical working environment of the employee includes the overall health and safety of the employee including the identifiable workplace, causes of accidents and illness. The psychosocial working environment of the employee includes, among other things, a set of job factors related to the interaction between people, their work and the organization. The wellbeing of the employees is conceptualized here as the more explicit results of the working environment, that is, work-related injuries, work-related diagnoses, illness/sickness, etc.

Employee motivation is a topic that has received very significant attention by managers and researchers a like (Gautam et al., 2006). It is acknowledged with certainty that no organization may possibly thrive without their employees. Employees are the main reason any organization might have the potential to keep in existence for a long time.

#### 1.2 Problem of the Statement

No organization in today's competitive world can perform at peak levels unless each employee is committed to the organization's objectives and works as an effective team member. One of the challenges facing modern organizations involves maintaining employee commitment in the current working environment (Coetzee, 2005).

Negative motivation relies on fear, anxiety, and insecurity which "drive [people] to work by inspiring a sense of threat" (Dolot, 2015, p. 23). It relates to defense mechanisms which, within an organization, essentially boil down to the fact that employees are

strongly motivated in two situations – the fear of losing a reward or facing punishment.

Noble (2009) states that more attention should be paid in identifying and dealing with the working environment because when employees have negative perception to their environment they sometimes suffer from chronic stress. Leadership behavior in an organization is one of the factors that play a significant role in enhancing the interest and commitment of employees in the organization (Obiwuru et al., 2011). However, in Dashen Bank, the loyalty and commitment of employees are deteriorating from time to time, as it is manifested by high turnover intention and decrease in performance of employees.

Employees have been observed to complain of too much heat in the operating room, poor ventilation and lighting, equipment being too close to each other. This increases the risk of accidents in the workplace and increases stress level which reduces productive capability of employee. As a result of the seeming disregard for ergonomics in the focused firms, reduced job satisfaction was observed which could have impact on employees' performance and negatively influence organizational overall performance (Nzewi et al., 2018).

The workplace environment in most of the industry is unsafe and unhealthy. These include poorly designed workstations, unsuitable furniture, lack of ventilation, inappropriate lighting, excessive noise, insufficient safety measures in fire emergencies and lack of personal protective equipment. People working in such an environment are prone to occupational disease and it impacts on employee's performance. Thus, productivity is decreased due to the workplace environment. It is a wide industrial area where the employees face serious problems in their work place like environmental and physical factors. So, it is difficult to provide facilities to increase their performance level (Chandrasekar, 2011).

According to Ajala, (2012). Poor and unsafe workplace environment, result in significant losses for workers, their families, and national economy.

Walta Media and Corporate (2017), the problem of employees' satisfaction in Addis Ababa all sub-cities was the scarcity of public service managers and office leaders' potential. Unpleasant relationship among workers, lack of recognition and reward led

to demotivation in all sub-cities level. Related to the above, we mentioned absenteeism and going home before the leaving time happened.

Though workforce motivation is this important for organizational goals to be achieved the servant is being blamed with the very poor motivation to work which subsequently affect performance. There is no single research which examines the effect of work environment on workforce motivation in Dashen Bank S.C. This triggers the researcher to study the effect of work environment, both physical and psycho-social, to the employees' workforce motivation stands from customers complain due to employees do not welcome, employee's absence or coming late and employees turn over. The aim of this research is to examine the effect of work environment (physical and psychosocial environment) on workforce motivation to contribute to theory and practice. Therefore, this thesis will be answered for this basic question: How do physical and psychosocial work environment factors affect workforce motivation in Dashen Bank S.C?

#### Basic research questions

- What is the status of the physical work environment in Dashen Bank S.C?
- What is the current actual position of the psychosocial work environment in, employees' workforce motivation Dashen Bank S.C?
- Does the physical work environment positively affect workforce motivation in Dashen Bank S.C?
- \* Does psychosocial work environment positively affect employees' workforce motivation in Dashen Bank S.C?

#### 1.3 . Objectives of the study

#### 1.3.1General objective

The main objective of this study is to examine the effect of work environment on workforce motivation in organization: the case of Dashen Bank S.C.

#### 1.3.2 Specific objectives

- To Investigate the status of the physical work environment of Dashen Bank S.C.
- To Examine the current actual position of the psychosocial work environment of Dashen Bank S.C.
- To assess the employees' workforce of Dashen Bank S.C.
- To Identify the effect of physical work environment on employees' workforce motivation of Dashen Bank S.C.
- \* To Examine the effect of psychosocial work environment on employees' workforce motivation of Dashen Bank S.C.
- To find out which factor is dominantly affecting employees' workforce motivation from the factors under consideration.

#### 1.4. Research hypothesis

Based on different literatures the following hypotheses are developed.

- H<sub>1</sub>: There is a positive relationship between physical work environment and employees' workforce motivation.
- H<sub>2</sub>: There is a positive relationship between psychosocial work environment and employees' workforce motivation.
- H₃: The physical work environment significantly affects employees' workforce motivation.
- H<sub>4</sub>: The psycho-social work environment is significantly affecting employees' workforce motivation.

#### 1.5. Scope of the study

This study was delimited to examine the effect of work environment on workforce

motivation in Dashen Bank S.C. Therefore, physical work environment, psycho-social work environment and employees' workforce motivation are focused. Working conditions, safety and security, and legally prescribed provisions of employees' welfare under physical work environment. Interpersonal relations, reward system, and supervision under psycho-social work environment. Attraction to organization policy, commitment to customer interest, compassion, and self-sacrifice are considered in employees' workforce motivation. The questionnaire was applied to only 252 permanent office professional workers by simple random sampling technique.

#### 1.6 Significance of the study

The significance of this study can be provided as follows.

- ✓ The primary significance is full filing an academic requirement for Master of
  Business Administration for the researcher to study the gap.
- ✓ The study has given the researcher a chance to gain experience and knowledge in conducting research.
- ✓ Useful for Dashen Bank S.C as inputs the effect of the work environment on employees' workforce in the organization.
- ✓ Enable leaders, managers and employees of Dashen Bank S.C to tackle existing problems related with employees' workforce.

#### 1.7 organization of the study

The research paper was organized into five chapters. The first chapter includes introduction, problem statement, objectives of the study, research questions, research hypothesis, scope of the study and significance of the study. The second chapter holds up related to literature review discussed about motivation, work environment and conceptual framework. Chapter three focuses on methodology, sources of data, instrument and model specification. The fourth chapter of the study presents data

analysis and presentation of the main findings of the study. The last chapter discusses conclusion and recommendations based on the major findings of the study.

#### CHAPTER TWO

#### **REVIEW OF RELATED LITERATURE**

This literature review attempts to discuss the various literature related to working environment which has impact on employee's workforce motivation. The discussion also identifies gaps left by other researchers of similar studies. However, this study attempts to fill those gaps so that the write-up can contribute to a new body of knowledge in the academic world. Through this review, literature is re-packaged and analyzed as a way of bringing new insights into the problem studied.

#### 2.1 Employees' Workforce Motivation

The term motivation derives from the Latin root which means stimulate. Motivated employees show a deeper sense of ownership of the organization's resources and hence tend to use them in a more efficient manner. Motivation is behavior; it isn't a thing or special event that can be observed directly. It is a compound which describes specific behaviors. Two aspects of the behavior described by the concept of motivation consists of justifying the behavior or purpose of a behavior and appropriate consuming energy. In other words, when behavior is motivated to get a particular purpose, or when severity and incidence level of energy is different from previous situation. Thus, the term motivation refers to two different problems. First, what does make a man activate? Then, what does dominate the form of some activities to others? Sometimes we meet some people who say: "there is no motivation!" or "I am not motivating enough to do anything!" term of motive is known as a force within individuals that lead them to a target (Pakdel, 2013).

Motivation is the acts of stimulating of one or oneself to take a desire course of action .It is the approves or act of on incentive to action .The creation and maintenance of common objectives an environment in which individuals words together in group toward common objective .The manager's job is not to manipulate people rather than motivate them (Banti, 2006).

Motivation level is the directly and positive relationship with the employee performance and the organization commitments organizations spent more on the training and enhancing capabilities of the employees. They be hosted more and with increasing the financial and non-financial rewards. The mind setting was increased. The behavior of the companies changes with the passage of change of technology as well as change of the moods of the origination. The new environment in the organization changed due to the set global standard introduce new rewards systems (Asim, 2013).

#### 2.2. Theories of motivation

There are two main types of motivation theories i.e. content and process motivation theories. Content theories focus on WHAT, while process theories focus on HOW human behaviour is motivated. The main content theories are Maslow's needs hierarchy, Alderfer's ERG theory, McClelland's achievement motivation and Herzberg's two-factor

theory. The main process theories are Skinner's reinforcement theory, Victor Vroom's expectancy theory, Adams equity theory and Locke's goal setting theory (Sahito & Vaisanen, 2017). However, the most influential theorist Maslow's Hierarchy of needs and additionally Frederick Herzberg's Hygiene and Motivational Factors Theory will be analyzed more in detail since they are related with this research. Victor Vroom's expectancy theory will be included because the theory is related with performance, reward and motivation.

#### 2.3. Maslow's Hierarchy of Needs

The most known theory is the Maslow's Hierarchy of needs which consists of the physiological levels: safety and security, social, esteem or egoistic, self-fulfillment or self-actualization. Maslow's Hierarchy of needs can illustrate a theoretical explanation of why salary is important. In Maslow's Hierarchy of needs, when basic necessities of human beings are fulfilled, the individual wants to use his capabilities at a full potential. If the organization is not providing him opportunities to overcome his job assignments up to the level of his abilities, he will never be satisfied. It also increases the level of stress in the place of work (Maslow, 1943). Maslow's hierarchy of needs (cited in McLeod, 2018) Maslow (1943, 1954) stated that people are motivated to achieve certain needs and that some needs take precedence over others.

Our most basic need is for physical survival, and this will be the first thing that motivates our behavior. Once that level is fulfilled the next level up is what motivates us, and so on.

The original hierarchy of needs five-stage model includes:

1. Physiological needs - these are biological requirements for Human survival, e.g. air, food, drink, shelter, clothing, sex, sleep.

If these needs are not satisfied the human body cannot function optimally. Maslow considered physiological needs the most important as all the other needs become secondary until these needs are met.

- 2. Safety needs protection from elements, security, order, law, stability, freedom from fear.
- 3. Love and belongingness needs after physiological and safety needs have been fulfilled; the third level of human needs is social and involves feelings of belongingness. The need for interpersonal relationships motivates behavior.

Examples include friendship, intimacy, trust, and acceptance, receiving and giving affection and love. Affiliating, being part of a group (family, friends, work).

- 4. Esteem needs which Maslow classified into two categories: (I) esteem for oneself (dignity, achievement, mastery, and independence) and (ii) the desire for reputation or respect from others (e.g., status, prestige).
- 5. Self-actualization needs realizing personal potential, self-fulfillment, seeking personal growth and peak experiences. A desire "to become everything one is capable of becoming" (Maslow, 1987, p. 64).

Figure 2.1 Five stage of Maslow's Hierarchy of Needs



Source: McLeod, 2018

## 2.4.1 Frederick Herzberg's Hygiene and Motivational Factors Theory: Vroom and Deci: 1970

Fredrick Herzberg's Hygiene and Motivational Factors Theory (cited in Mulatu, 2014) in his research, in his theory he listed a number of factors that are similar to Maslow 's hierarchy of needs, except his theory is more inclined to the working environment. He divided these factors into two major categories namely hygiene factors (dissatisfiers) and motivators (satisfiers). Under the hygiene factors he stated factors such as working conditions, company policies and administrative practices, salary and benefits, supervision, status, job security, co-workers and personal life while the motivators

include factors such as recognition, achievement, advancement, growth, responsibility and job challenge. Herzberg argues that hygiene factors must be initially observed in the job before motivators can be used to stimulate the job and the resultant feeling of motivation to be achieved. This implies that you cannot use motivators until all the hygiene factors have been fulfilled. Hygiene 's theory spells out unique and distinct issues which people need in their work to enable them to feel motivated to perform well.

#### 2.4.1 Vroom's expectancy theory

The expectancy theory places an emphasis on the process and on the content of motivation as well, and it integrates needs, equity and reinforcement theories.

Victor Vroom's (1964) expectancy theory aims to explain how people choose from the available actions. Vroom defines motivation as a process that governs our choices among alternative forms of voluntary behavior. The basic rationale of this theory is that motivation stems from the belief that decisions will have their desired outcomes.

The motivation to engage in an activity is determined by appraising three factors. These three factors are the following:

- **Expectancy-** a person's belief that more effort will result in success. If you work harder, it will result in better performance.
- **Instrumentality-** the person's belief that there is a connection between activity and goal. If you perform well, you will get a reward.
- Valance- the degree to which a person values the reward, the results of success.

Vroom supposes that expectancy, instrumentality and balance are multiplied together to determine motivation. This means that if any of these is zero, then the motivation to do something will be zero as well. Expectancy × Instrumentality × Valance = Motivation.

Public service motivation (PSM) represents an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions. People are motivated to work in the public service because of altruism, a desire to serve, or a wish to have an impact on society is a long-standing one. It is closely associated with the idea of public service ethos, which is rooted in an understanding that the public service is different from the private sector, both because of the tasks it performs and the behaviors it expects of its employees (IPA, 2013). Unless workers in public institutions are motivated, they cannot serve as intended, if they cannot serve individual as well as organizational performance undoubtedly be decreased (Perry, 1996).

Perry and Wise (1990), explained that Public Service Motivation originated from three concepts. Rational motives is the concept related to individual satisfaction to be involved in decision making in public policy and therefore putting more efforts in public policy making. The norm-based motives are the concept related to awareness in one's responsibility in public service. Finally, the Affective motives are the concept related to one's compassion for others.

Perry (1996) studied six dimensions of the public service motivation of public employees. The six dimensions under investigation were: 1) Attraction to public policy making refers to the motives to urge and enforce self-image building. 2) Commitment to the public interest is the co-occurring motive in showing interest in public service. 3) Civic duty concerns awareness of one's duty to the public. 4) Social justice concerns the activities to promote the underprivileged group for resource or economics and political privileges. 5) Self- sacrifice is the motives, closely related to public service motivation, concerning the willingness to serve other people. 6) Compassion is the major motive held in most governmental officials. Results of Perry's study showed that only four dimensions of 1) attraction to public policy making, 2) commitment to the public interest, 3) compassion and 4) self-sacrifice can be used in measuring public service motivation.

A motivated workforce can be a significant factor in organizational success (Nongo, 2005). When employees are motivated to work at higher levels of productivity, the organization as a whole runs more efficiently and is more effective at reaching its goals. This is in contrast to an unmotivated workforce, who can negatively disrupt an

organization and distract employees from their work. For this reason, it is imperative that managers understand the power of reward systems and how they are used to influence employee behavior (Sev et al., 2013).

Public service workers' motivation can be affected by so many factors. One major factor which is studied by lots of researchers is work environment. Motivation leads to positive perception, which later influences high performance at both individual and organizational levels. Work environment can be defined as the location in which a task is performed. However, from an employment perspective, the work environment entails the physical geographical location of the job as well as its immediate surroundings (typically the tools and equipment required for the performance of the different tasks required for the job, work processes and procedures, quality of the air, noise level and any additional perks) (Mutia & Sikalieh, 2014; Atambo et al.,2013).

#### 2.4 Types of motivation

Many scholars have defined the word motivation and give divergent definitions about intrinsic and extrinsic motivation. According to Gans (2020), updated from Cherry, states that extrinsic motivation motivated to perform an activity to earn a reward or avoid punishment while intrinsic motivation motivated to perform an activity for its own sake and personal rewards.

#### 2.4.1 Extrinsic and intrinsic motivation

The various needs and expectation at work can be categorized in a number of ways for example the simple divisions into physiological and social motives or into intrinsic and extrinsic motivation.

**2.4.2 Intrinsic motivation** is related to psychological rewards such as opportunity to use one's ability, a sense of challenge and achievement, receiving appreciation, positive recognition, and being treated in a caring and considerate manner. The psychological rewards are those that can usually be determined by the actions and behaviour of individual managers (Mullins, 2005).

**2.4.3 Extrinsic motivation** is related to tangible rewards such as salary and fringe benefits, security, promotion, contract of service, the work environment and conditions of work. Such tangible rewards are often determined at the organizational level and may be largely outside the control of individual managers (Mullins, 2005).

#### 2.5 Importance of motivation

Varma (2018), Organizations are in deep need of motivated employees as it is being understood that motivation affects or helps to achieve the following organizational objectives:

-Unified direction of the

Higher level of effectiveness and efficiency.

- -Elevated organizational commitment.
- -Optimum use of resources.

group/Teams.

- -Building a performance-oriented environment (Creative & Innovative).
- Increases organization ability to face uncertain business challenges.
- Employee retention and attraction for stable and continuous manpower supply.

#### 2.6 Challenges to motivation

Varma (2018), it is altogether not very easy for an organization to create a motivated and committed environment, following are a few challenges faced:

- -Dynamic and competitive business environment.
- -Ignorance and less understanding of the importance of motivation on the part of management.

  -Non commitment of organization towards employee expectation, a narrow mindset.

  -Non competitive organizational structure and people policies and practices.
- -Less understanding of the employee expectations.
- -Existing performance management system.
- -The vague organizational expectation from employees.
- -Competitive employee market, creating high mobility of employees.

#### 2.7 Risk of de-motivated employees in organizations

Badubi (2017), employees who lack motivation in the workplaces are a risk factor when it comes to executing day to day operations of the business. Some employees are engaged in company equipment and tools daily, some of which need maximum attention and safety when using. So, it is the responsibility of the organization to have a well-balanced workforce of employees and their emotions as far as work issues are concerned.

#### Operational risks

- Absenteeism: Vander Merwe and Miller (1988) cite a definition used by the United States Department of Labor which defines absenteeism as the failure of workers to report on the job when they are scheduled to work. Regarding this definition, non-attendance such as vacation leave, military service, block release leave and suspension do not qualify as absenteeism and should be completely excluded from the ensuing absenteeism analysis process. Levy (2006, p.412) provides a more comprehensive definition in describing absenteeism as the chronic or continued failure of the employees to attend for duty, especially when the pattern of absenteeism suggests that either the absence is avoidable, or that the employees failed in their duty to the employer in accordance with their contract of employment or common law duty to attend the place of work regularly and reliably.
- Poor quality work: In terms of quality outputs and results, disgruntled employees will not perform at their best hence produce shoddy products or services that will not be competitive in the market there by costing an organization.
- Toxic work environment: Cordial and mutual relationship among employees will be disrupted. Employees' behavior and attitudes will be affected since their moral is down.

#### Personal risks

It is the desire of the organization to keep their staff for longer periods of time. Organizations spend a lot of money and time training their employees. High staff turnover due to unhappy employees will cost the organization of all the spent resources. This will result in disruptions of the organization's operations as replacement of staff will be needed as well as more costs of training for new employees. Strategic leadership is the critical point in achieving company's objectives. The negative side of leaders can jeopardize the firm's operations (Hogan and Hogan 2001).

#### Reputational risks

The morale of the entire office can be brought down when one employee lacks motivation. Employees who are not satisfied with their job might resort to quitting; therefore, this scenario should be avoided. The employees are to perform to their abilities in order to satisfy their customers and to retain them all the time. It is very easy for customers to spread word of mouth about a company that they are not satisfied with its performance, and the information can be spread very rapidly which can ruin the company's reputation. Leadership is very vital because according to Stankiewicz-Mroz (2015), change in human resources will be expected, as well as re-evaluating the paradigms. Managerial skills will be needed to pull people together for the reputation of the company.

#### **Environmental risks**

Employees who are not happy with the organization will manifest their dissatisfaction to the outside world. Customers are bound to experience unwelcoming acts of aggression and bitterness emanating from unhappy employees. Poor customer service will be the order of the day among employees, which will end up tarnishing the name of the business. A company is bound to follow international regulations not only it domestic laws (Darroux & Xixiang, 2013), even those that impact on the environment.

#### Health risks

Employees who are not entirely happy at work can have health problems including stress. Stress related illnesses will jeopardize wellness efforts in the workplace of keeping healthy employees. Stressed and de-motivated employees may cause

accidents at work when using machineries and other dangerous tools. Work stress and other psychosocial factors are recognized worldwide as a major challenge to workers' health and the health of organizations. All levels in the organization are responsible for the safety of risks in the company and help with avoidance of such risks (Tasmin & Salehudin, 2016).

#### Financial risks

Employees who are highly motivated will always put their best efforts into their work and help the company to be productive. Production at work will bear more output in which it will be able to generate much needed income. If employees are happy absenteeism will be reduced thereby saving costs for their organizations. Taylor (2009 & 2012) agrees that financial crisis can be because of economic circumstances, making it extremely difficult for business to operate. This then will extend to difficulties in acquisitions. Again, according to Peter and Daniel (2013), Political influence, outside the context of deficit accommodation, can also provide accommodation for specific fiscal policy initiatives.

#### 2.8 Techniques for increasing motivation

Motivation is a powerful energy that drives and excites employees, which results in their maximum contribution. Setting and achieving goals, clear expectations, recognition, feedback as well as encouraging management all contribute to an increase in workplace motivation. According to Picincu (2020), there are six effective ways to motivate employees.

#### Create a culture of recognition

Employees' happiness can improve a company's bottom line by leading to greater productivity. Implement an employee recognition program that aligns with company's culture and values. Consider rewarding top performers with gift cards, extra paid time off, or professional development training and rewards must meaningful.

#### **Empower your team**

The better they understand the company's goals, the more likely they are to put in their best work. Giving them autonomy is just as important. Encourage your team members to try new ideas, offer their input at team meetings, and take risks when the situation allows for it. Request their feedback and be transparent about decisions.

#### Prioritize work-life balance

This approach can prevent burnout and increase productivity in the workplace. Employees value companies that give them the chance to manage their own time. Consider allowing staff to work remotely one or two days a week first. A flexible schedule can save employees' hours of commuting time. As a result, they have more energy, feel less stressed, and get more done.

#### Emphasize employee wellness

Wellness programs help reduce health care costs and improve employee morale, movement, and mental wellbeing. These initiatives may increase productivity and engagement while reducing stress in the workplace. A company provides its staff with gym memberships, free counselling, health screenings and more.

#### Invest in employee development

Any investment in employee development is an investment in business. Organizations worldwide use this approach to mold their future leaders and help their staff achieve peak performance. As employees develop their skills, they will perform at a higher level. They will also feel more motivated to help the company succeed and achieve its goals.

Employers who provide training and development have a better reputation and find it easier to attract top performers. Their employees are more loyal and engaged, which reflects positively on the company's image. Training programs also tend to attract people who want to better themselves and reach their full potential.

#### Provide continuous feedback

Traditionally, companies review employees' performance at regular intervals, such as every six months or once a year. Many companies find this approach consistent and time-consuming.

Continuous feedback has several distinct advantages. First, it helps performers leverage their strengths for the benefit of the organization. At the same time, it helps employees who are struggling in a particular area to overcome their limitations and perform better.

Furthermore, it allows setting short-term performance goals for team members and guiding them every step of the way. Creating a culture of continuous feedback may also improve communication, misunderstanding, and leading to a more productive workplace.

#### 2.8 The concept of work environment

Literally, the term environment refers to the surroundings and anything that affects human being throughout the lifetime. In a business context, a working environment refers to the environment where employees work collectively to achieve organizational objectives (Awan & Tahir, 2015).

Work environment can be defined as the location in which a task is completed. Work environment according to Akintayo (2006) refers to the immediate task and national environment where an organization drawn its inputs, processed it and returned the outputs inform of products or services for public consumption. However, from an employment perspective, the work environment entails the physical geographical location of the job as well as its immediate surroundings (typically the tools and equipment required for the performance of the different tasks required for the job, work processes and procedures, quality of the air, noise level and any additional perks). As known, the work environment in an organization plays a crucial role in determining the productivity levels of its workforce and the organization's ability to sustain these productivity levels and retain its workforce and may determine, how well the employees get along with the organization, the employees' error rate/s and level of innovation and

collaboration with other employees, levels of absenteeism, and ultimately, the duration of time the employee choose to stay with the organization. (Mutia &Sikalieh, 2014).

According to Nakpodia (2011), a good working environment exists when all the essential needs and facilities that could help employees do their work are provided. Such facilities and needs include decent furniture, air-conditioned offices, teaching facilities and materials, pleasant communications and network of information technology, good working atmosphere, and exposed organizational climate. Vischer (2007) also expressed work environment according to the integration of psychosocial dimensions that include employer relationship, motivation and progression, career demands, and social support.

The workplace environment plays a crucial role for the employees. Nowadays employees may have a large number working alternatives, and then the environment in workplace becomes a critical factor for accepting and/or keeping the jobs. The quality of environment in workplace may simply determine the level of employee's motivation, subsequent performance and productivity. How well employees get along with the organization influences the employee's error rate, level of innovation and collaboration with other employees, absenteeism and ultimately period to stay in the job (Leblebici, 2012).

According to Srivastava (2008) and Chandrasekar (2011), work environment is also found to cause significant variance in employees' job behavior and their perception of organizational effectiveness. Among the various components of work environment, working condition, welfare provisions, interpersonal relations, and trust and support predominantly contribute to employees' job behavior and organizational effectiveness. The results also specified that psycho-social environment in workplace exert more impact on employees' job behavior and organizational effectiveness than the physical environment does. Work environment constitutes physical and psychosocial environments and has effect on employees' job satisfaction and performance, and organizational effectiveness.

From a broad perspective, a work environment can be defined as the location in which a task is performed. However, from an employment perspective, the work environment entails the physical geographical location of the job as well as its immediate surroundings (typically the tools and equipment required for the performance of the different tasks required for the job, work processes and procedures, quality of the air, noise level and any additional perks). As known, the work environment in an organization plays a crucial role in determining the productivity levels of its workforce and the organization's ability to sustain these productivity levels and retain its workforce and may determine, how well the employees get along with the organization, the employees' error rate/s and level of innovation and collaboration with other employees, levels of absenteeism, and ultimately, the duration of time the employee choose to stay with the organization (Mutia & Sikalieh, 2014).

#### 2.9 Work environment and Employees' Workforce motivation

Kohun (1992), defines working environment as an entirely which comprises the totality of forces, actions and other influential factors that are currently and, or potentially contending with the employee's activities and performance. The working environment is the sum of the interrelationship that exists between the employees and the environment in which the employees work.

Brenner (2004) believed "the ability to share knowledge throughout organizations depends on how the work environment is designed to enable 8 organizations to utilize work environment as if it were an asset. This helps organizations to improve effectiveness and allow employees to benefit from collective knowledge". In addition, he argued that a working environment designed to suit employee's satisfaction and free flow of exchange of ideas is a better medium of motivating employees towards higher productivity.

Opperman (2002) defines working environment is a composite of three major sub environments: the technical environment, the human environment and the organizational environment. Technical environment refers to tools, equipment, technological infrastructure and other physical or technical elements. The technical environment creates elements that enable employees to perform their respective responsibilities and activities. The human environment refers to peers, others with whom employees relate, team and work groups, interactional issues, leadership and management. This environment is designed in such a way that encourages informal

interaction in the workplace so that the opportunity to share knowledge and exchange ideas could be enhanced. This is a basis to attain maximum productivity. Organizational environments include systems, procedures, practices, values and philosophies. Management has control over the organizational environment. Measurement system where people are rewarded on quantity, hence Leblebici (2012), workers will have little interest in helping those workers who are trying to improve quality. Thus, issues of organizational environment influence employee's workforce. The workplace environment plays a crucial role for the employees. Nowadays, employees may have a large number working alternatives, and then the environment in the workplace becomes a critical factor for accepting and/or keeping the jobs. The quality of environment in the workplace may simply determine the level of employee's motivation, subsequent performance and productivity. How well employees get along with the organization influences the employee's error rate, level of innovation and collaboration with other employees, absenteeism and ultimately time period to stay in the job.

## 2.9 Physical work Environment and Workforce Motivation

According to O'Toole (2011) physical surroundings are often overlooked in discussions on learning in the workplace. The physical environment, however, may hold significant messages for organizational members in relation to what they need to know about the culture, structure and roles and routines of the organization. There are different dimensions of the physical work environment factors like working conditions, safety and security, legally prescribed provisions of employees' welfare about prescribed provisions. Three of them are undertaking in this study are: safety and security, working condition and employee's welfare Srivastava, (2008).

According to Ajala, (2012) examined the influence of workplace environment on workers' welfare, performance and productivity, while Taiwo, (2010), examined the influence of work environment on workers' productivity in Lagos, Nigeria. However, despite the overwhelming importance of the physical work environment and employees' engagement to work organization respectively studies that address the association between these constructs appear fragmented.

# 2.10 Psycho-social /Psychological work environment and motivation

According to Massoudi & Hamdi (2017), behavioral components of workplace

environment: Aside from the job scope itself, one factor that significantly influences how employees feel about work is the environment. By work environment, it means everything that forms part of employees' involvement with the work itself, such as the relationship with co-workers and supervisors, organizational culture, room for personal development, etc. A positive work environment makes employees feel good about coming to work, and this provides the motivation to sustain them throughout the day. If you're looking for a new job, then we would say that assessing the work environment is a crucial step you shouldn't skip. After all, this is the place you might be working at in future, and you wouldn't want to be dragging yourself to work every single morning! The result will show that Behavioral components of office environment have a greater effect on productivity, than the physical components alone.

Waiyaki (2017), effect of motivation on employee performance concludes there was also a lack of constructive feedback, mentorship and training which had an impact on the overall motivation of the employees. Under the Psychosocial work environment interpersonal relations, reward systems and supervision are included Srivastava, (2008).

## 2.11 Empirical review

# 2.11.1 Physical work environment

Ryu et al., (2011), Structural equation modeling shows that the quality of the physical environment, food, and service were significant determinants of restaurant image. Also, the quality of the physical environment and food were significant predictors of customer value. The restaurant image was also found to be a significant antecedent of customer perceived value. In addition, the results reinforced that customer value is indeed a significant determinant of customer satisfaction, and customer satisfaction is a significant predictor of behavioral intentions.

Physical layout and artifacts, despite being taken largely for granted in daily living, continually embody meanings and representations that are important to the people whom they surround. The implication here is that any exploration of culture or

organizational life that does not include some degree of symbolic interpretation of the corporeal setting is omitting an important, though complex, store of meaning (O'Toole, 2001).

## 2.12 Psychosocial / psychological work environment

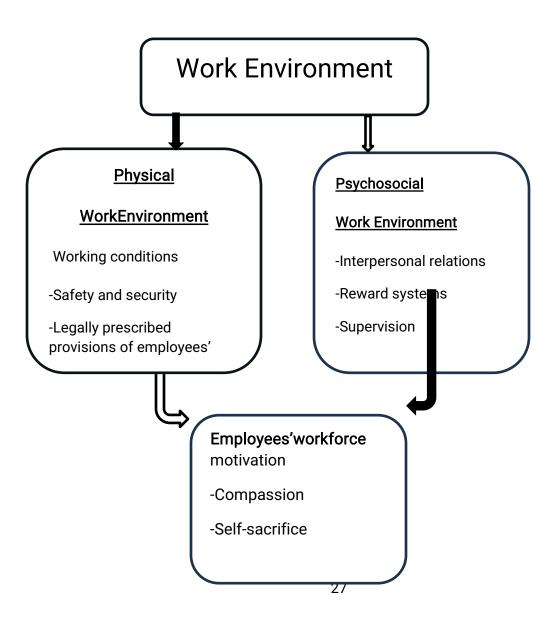
Kaur (2013), Psychological wellbeing is becoming extremely crucial in today's era. It has become the need of the hour and organizations are seriously taking psychological wellbeing as a means of success for the organization as well as for the individual. We tested to what extent the psychological wellbeing of the employee facilitates the motivational level and its contribution to the organization. Psychological wellbeing in the organizations facilitates the employees to perform better, builds up the confidence, develops the talent, help in teamwork, increases employee commitment, high morale, productivity, efficiency, quality of service and handles personal life well.

Hanna & Mona (2014), the psychosocial work environment is an important factor in psychiatric in-patient care, and knowing more of its correlates might open up new paths for future workplace interventions. Thus, the aims of the present study were to investigate perceptions of the psychosocial work environment among nursing staff in psychiatric in-patient care and how individual characteristics—Mastery, Moral Sensitivity, Perceived Stress, and Stress of Conscience—are related to different aspects of the psychosocial work environment.

# 2.13 Conceptual framework

According to adapted from Atambo et al (2013) & Leblebici (2012), Work environment constitutes the physical work environment and psychosocial work environment. These variables are expected to influence the dependent variable being employees' workforce motivation in Dashen Bank S.C Administration offices.

Figure 2. 2 Conceptual frameworks



Source: Atambo et al, (2013), Leblebci (2012), Perry (1996), Vuong and Nguyen

# **Operational Definitions**

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- Work environment is the place where in which the work is done.
- Physical environment is a tangible and visible work environment.
- The psychological environment is the psychological and social work environment.
- Workforce motivation is the drive or inspiration that an individual must perform in the company.

#### **CHAPTER THREE**

#### 3. RESEARCH METHODOLOGY

## 3.1. Description of the study area

This study was conducted in Dashen Bank S.C. Administration offices. Dashen Bank was established on September 20, 1995GC. Dashen Bank was founded by eleven visionary shareholders and veteran bankers with an initial capital of Birr 14.9 million in September 1995. Upon securing license from the National Bank of Ethiopia, Dashen opened its doors for service on the first of January 1996 with eleven fully-fledged branches. The head office is located at- Sierra Leone St, Addis Ababa, Ethiopia.

Dashen Bank coined its name from the highest peak in Ethiopia, mount Dashen, and

aspires to be "Best in class Bank in Africa". The Bank aimed to be among the leading banks in Africa and it will extend its reach across Africa both for competitive benchmarking and business. Ras Dashen is Part of the Simien Mountains National Park, an exotic setting with unique wildlife and breath-taking views on a landscape shaped by nature and traditional agriculture. The Simien Mountains is home to endemic wildlife including the Walia Ibex, Simien Fox or Ethiopian Wolf and the Gelada Baboon.

Headquarter in Addis Ababa, the Bank is among the biggest private Banks in Ethiopia. Dashen is the most reputable brand in the domestic banking market; a reputation earned Ethiopia. It operates through a network of more than 800 plus Branches, nine dedicated Forex Bureaus, 400 plus ATMs and 1,300 plus Point-of-Sale (POS) terminals spread across the length and breadth of the nation. Wherever business takes customers around the world, Dashen Bank is already there.

The Bank also works in partnership with leading brands in the electronic payments industry (AMEX, VISA, MasterCard &UnionPay) and prominent money transfer operators (Western Union, MoneyGram, Express Money, Dahabshiil, EzRemit, Kahh, Transfast, and Ria, World Remit). Dashen Bank is the first bank in Ethiopia to provide a full-fledged payment card service as a principal plus member of AMEX, VISA, MasterCard and Union Pay (as the first African Bank to sign such agreement).

The Bank issues AMEX branded debit cards that give clients the added convenience of round-the-clock banking through Automated Teller Machines (ATMs) and conduct purchases at a growing number of merchant locations via point-of-sale terminals (POS). Dashen is exclusively acquires and issues American Express cards in Ethiopia.

Dashen provides Salary Card for staff of institutions who opt to relieve themselves of the hassle related to handling salary payment. The Bank also provides Sharik Card to all Sharik account holder to operate accounts 24/7 on ATM and merchant POS and An-Nissa Card to all women's having An-nissa account to operate accounts 24/7 on ATM and merchant POS.

The Bank gives services for clients to added convenience of round-the-clock banking through Automated Teller Machines (ATMs) and conduct purchases at a growing number of merchant locations via point-of-sale terminals (POS). Dashen is exclusively acquires and issues American Express cards in Ethiopia.

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Dashen Banks' Omni channel banking service which offers digital payment capability and access to aggregated digital products and services from Retailers, the Entertainment Industry, Airtime Dealers, Bill Payment Points, Airlines, social media Players and third-party service providers. The service is available on both smart phones and ordinary mobile sets using USSD. The USSD gateway for Dashen Bank's mobile money services is \*996# customers can transact at their convenience, easily, safely and affordably, regardless of where they are – at any-time using Amole digital platform, without necessarily being physically present at the transaction point, all done without leaving the comfort of their homes, office or moments of relaxation.

As mentioned by the Dashen Bank's customers can access services and make payments on Amole services include: Fund transfer, Transfer within own account, Transfer within Dashen Bank account, Transfer to other Bank, Transfer to mobile (registered & unregistered),Mobile payment, Bill payment, DSTV subscription payment, School fee payment, Air time top up, Digital content sales payment (concert tickets, Ethiopian great run ticket payments & many more), Utility payment, Air ticket purchase, Merchant payment, Remittance (Direct Remittance to mobile wallet), Balance enquiry, Transaction history/statement, Transaction alerts/SMS messages, Salary payment

Currently, the bank has about 500 branches with over 7000 employees lead by the board director of Ato. Dula Mekonnen.

## 3.2. Research design

When dealing with research problems, one can choose any of the three types of research (Yin, 1994): exploratory, explanatory, and descriptive. This research aim and research question reveal

that is mainly explanatory and descriptive methods. Because the data was collected through a questionnaire to examine the effect of work environment on workforce motivation in organization: the case of Dashen bank S.C. This is a type of research that explains phenomena by collecting numerical data that are analyzed using mathematically based methods (in particular statistics) (Creswell, 1994).

# 3.3. Research approach

To achieve the objective of this study, the researcher applied a quantitative research approach. Quantitative research was used to provide numerical measurement and analysis of the adoption circumstances. 17 items of survey questionnaire were

prepared- 6 questions under physical work environment, 6 questions under psychosocial work environment and 5 questions under the workforce motivation.

#### 3.4. Source of data

The study was based on both primary and secondary data sources to reach valuable findings. The primary data was collected from employees working currently in the office by survey questionnaire and from office leaders while secondary data sources was collected from publications, textbook and websites,

## 3.5. Population and sampling technique

## 3.5.1. Target Population

A population is any complete group of people, companies, hospitals, stores, college students or the like that share some set of characteristics (Zikmund, 1994).

Accordingly, the target population of this study was employees of Dashen sBank working in the country dispersed about 500 branches. From total em7000 employees of Dashen Bank, 252 employees were selected as the sample size of the study. Simple Random sampling technique was applied to select the branches and individual respondents to accomplish this study.

Since the population of the study are many in number it was difficult to use census, and also imitating the sample size of similar studies was not possible because it was difficult to gate this kind of research that is done in the Dashen Bank or other banks. Therefore, the researcher has used mathematical formula for determining sample size, because it is easy and developed by experienced scholars. The total population of this study encompasses 679 permanent employees from 20 branches. To minimize these numbers of employees, the researcher has targeted 252 employees selected by using a formula given by Yemane (1967).

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

Where n is the sample size, N is the total population and e is the error term (margin of error).

The study assumes that the margin of error 5% and confidence level or error free of 95%.

$$n = \frac{679}{1 + 679(0.05)2}$$

## 3.6. Sampling technique

In this study, stratified random sampling technique was used because the population from which a sample is to be drawn does not constitute a homogeneous group. According to Kothari (2004), in a stratified sampling the population is divided into several sub-populations that are individually more homogeneous than the total population (the different sub-populations are called 'strata') and then I have selected the items from each stratum to constitute a sample. Since each stratum is more homogeneous than the total population, I was able to get more precise estimates for each stratum and by estimating more accurately each of the component parts. The population (offices) can be divided into three groups; Administrative (compliance and regulatory affairs, risk management, financial management, human resource management and operations management), information technology and customer service. Then after, the researcher selected sample from each stratum in a proportion base because the physical as well as the psycho-social environment cannot be generalized from one office to the others. Therefore, the researcher considered offices as stratum and individuals were selected by using simple random sampling technique from each office to give equal chance of being selected for all employees. (Zikmund, 1994).

# 3.7 Variables, Instrument, Validity and Reliability test

- **3.7.1 Variables:** There are two groups of variables in this research. These are the dependent &independent variables.
- \* The dependent variable is workforce motivation.
  - Motivation is because of altruism, a desire to serve, or a wish to have an impact on society is a long-standing one. (IPA, 2013)
- \* Independent variables are consisting of two components: the physical work environment and psycho-social work environment. These components can further

be divided into the form of different independent variables.

- ✓ The physical environment: working conditions, safety and security, legally prescribed provisions of employees' welfare are the dimensions which are used to measure this variable. It is measured through administering questionnaire to assess the extent of perceived adequacy and favorability of the above components of physical work environment (Srivastava, 2008, & Mutia& Sikalieh,2014).
- ✓ The psychosocial environment: which is relating to both the psychosocial and
  the social aspects of something, or relating to something that has both aspects.
  Interpersonal relations, reward system, supervision are the different dimensions
  of psycho-social work environment variable. They measure to assess the extent
  of motivational orientation of psycho-social environment of the organization
  (Srivastava, 2008, &Mutia& Sikalieh, 2014).

#### 3.7.2 Instrument:

Structured survey questionnaires 17 items with 5-point Likert scale questions which were developed by Koopmans *al.,*(2013) was used.

# 3.7.3 Validity

To check whether the instrument is valid or not, questionnaire was checked by the respected advisor, well educated (master's and above), from the offices' workers under study before distributing the questionnaire, peer review and their comments was included.

# 3.7.4 Reliability

The reliability of the questionnaire was tested by Chronbach's alpha.

According to Gliem and Gliem (2003): Cronbach's alpha reliability coefficient normally ranges between 0 and 1.

Table 3. 1 Reliability test

Cronbach's alpha	Internal
	constituency
<b>0.9</b> <α	Excellent
0.8<α<0.9	Good
0.7<α<0.8	Acceptable
0.6 <α<0.7	Questionable
0.5 <α< 0.6	Poor
α<0.5	Unacceptable

Table 3. 2 Reliability Statistics

Variables	Cronbach's Alpha	No. of Items
Physical work environment	.991	6
Psychosocial work environment	.998	6
Workforce Motivation	.999	5

Table 3.3 shows that there is actually no lower limit to the coefficient. The sums of all three variables were tested. The data collected through questionnaires of an average is 0.996 and can be used for further statistical analysis.

# 3.8 Method of data analysis

First the data was presented by using tables, charts and pie charts. Then after, descriptive statistics and inferential analysis were used to analyze the data. Descriptive statistics allow researchers to present the data acquired in structured, accurate and summarized manner (Collis & Roger Hussey, 2003). The descriptive statistics were applied to analyze the collected data includes frequency and percentages.

Inferential analysis is concerned with the various tests of significance for testing hypothesis, normality, autocorrelation and multicollinearity to determine with what validity data can be said to indicate some conclusions. To measure the employees' workforce motivation questionnaires were adapted from distinct scales which were developed by Koopmans al.,(2013) with five Likert scale standardized questionnaires that were directed toward measuring workforce motivation. In the measure workforce motivation, the respondents were rated their level of agreement with each item on a five -point Likert scale (interval scale) ranging from 1 (Strongly disagree), 2 (Disagree), 3 (undecided), 4 (Agree), 5 (Strongly Agree).

The data collected from the returned questionnaire 250 was entered into SPSS (Statistical package for social science software) version 20 for analysis. The data was sorted to group questions according to applicable constructs under test. Finally, factor analysis and correlation a multiple regression analysis was conducted by using all dependent and independent variables in the dataset.

## 3.9 Model specification

Multiple regression analysis was employed to test the effect of work environment on employees' workforce motivation in the organization.

The model of this research can be demonstrated as;

EM=  $\beta_0 + \beta_1$ PWE + $\beta_2$ PsWE +ei

Were.

EM= Employees' Motivation

β₀= Constant

β<sub>1</sub>= Coefficient

PWE= Physical Work Environment

β<sub>2</sub>= Coefficient

PsWE= Psychosocial Work Environment

ei= error term

## 3.10 Ethical Consideration

In research, ethical consideration is one of the most important points that deserve attention. This is mainly due to: The necessity to strictly respect the consent of the participant whether they are willing to participate in the research or not. Likewise, it is to assure the subjects of the study that they are free to withdraw from participating in the study whenever they find it necessary. Thus, the researcher secures that the research is strictly governed by the above ethical principles, and they are asking their willingness and they have also agreed. This was done during data collection.

#### CHAPTER FOUR

#### DATA ANALYSIS AND INTERPRRETATION ON RESULT AND DISCUSSION

#### 4.1 Introduction

This chapter presents the analysis and discussion and inferences made based on the responses obtained. All the data obtained were coded and entered SPSS (Statistical Package for Social Science) version 20 and inferences were made based on the result. The research instrument was a questionnaire. The location of the study was Dashen Bank S.C branches in Addis Ababa and its area, Amhara Region, Dire Dawa and Sidama Region. The study population comprised permanent employees of the selected 20 offices purposely.

# 4.2 Analyses of data obtained through Questionnaire

# 4.2.1 Response rate from each office

Two hundred fifty-two (252) questionnaires were distributed to employees of Dashen Bank S.C. in 20 offices of 4 regions, but a total of 250 questionnaires were filled and returned. The percentages of the returned questionnaires were 99.2 percent.

# 4.2.2 Demographic detail of respondents

Table 4. 1 Demographic detail of respondents

S/No	Items	Fraguanay	Percentag	Valid	Cumulative
	items	Frequency	е	percent	percent
1	Gender				
	Male	115	46.0	46.0	46.0
	Female	135	54.0	54.0	100.0
	Total	250	100.0	100.0	
2	Age				
	18-24 years	50	19.8	20.0	20.0
	25-34 years	140	55.6	56.0	76.0
	35-44 years	51	20.2	20.4	96.4
	45-54 years	6	2.4	2.4	98.8
	Above 55 years	3	1.2	1.2	100.0
	Total	250	99.2	100.0	
3	Educational level				
	Certificate	2	.8	.8	.8
	Diploma	30	11.9	12.0	12.8
	First degree	199	79.0	79.6	92.4
	Master's degree and above	19	7.5	7.6	100.0
	Total	250	99.2	100.0	
4	Office				
	Finance	88	34.9	35.2	35.2
	Trade	99	39.3	39.6	74.8
	Health	38	15.1	15.2	90.0
4	Office Finance Trade	88	34.9 39.3	35.2 39.6	74.8

	Education	25	9.9	10.0	100.0
	Total	250	99.2	100.0	
5	Work experience in				
	the office				
	6 month-2 years	89	35.3	35.6	35.6
	3-5 years	118	46.8	47.2	82.8
	6-9 years	31	12.3	12.4	95.2
	10 years and above	12	4.8	4.8	100.0
	Total	250	99.2	100.0	
6	Marital status				
	Married	161	63.9	64.4	64.4
	Unmarried	89	35.3	35.6	100.0
	Total	250	99.2	100.0	

Source: SPSS own computation, 2024

Table 4.1 shows that there were 115 (46.0%) male respondents and 135 (54.0%) female respondents. So, female respondents are greater in number than male respondents. Respondents of age shows that 50 (20%) of the respondents are between in the age of 18-24 years, 140 (56.0%) of the respondents are between the age of 25 -3 4 years, 51 (20.4%) of the respondents are between the age of 35 to 44 years, 6 (2.4%) of the respondents are between in the age of 45- 54 and 3 (1.2 %) respondents are the age of above 55 years. This implies that most respondents are youngsters i.e. between the ages of 25-34.

The educational background of the respondents shows that 2 (0.8%) of the respondents are

Certificate, 30 (12.0%) of the respondents are diploma holders, 199 (79.6%) of the respondents have degree and 19 (7.6%) of the respondents have master's and above. It indicates that most respondents are degree holders.

Offices background of the respondents is 88 (35.2 %) from finance offices, 99 (39.6 %) from trade office, 38 (15.2 %) from health office and 25 (10 %) from education office. This implies that most of the respondents are from trade offices.

Work experience in the offices of the respondents are 89 (35.6 %) from 6 month-2 years, 118 (47.2 %) from 3-5 years, 31 (12.4%) from 6-9 years and 12 (4.8 %) 10 years and above. This implies that majority respondents are from 3-5 years of work experience in the offices.

The rest of marital status of the respondents are 161 (64.4 %) married and 89 (35.6 %) unmarried (single). Therefore, most respondents are married.

# 4.4.3 Descriptive statistics of variables

Table 4. 2 Descriptive statistics of physical work environment

Physical work environment	Mean	Std. Deviation
My office provides an environment in which I feel safe and	4.27	.687
secure.	4.27	.067
I am satisfied with the work location area.	4.14	.679
My workplace provides undisturbed environment without any	4.14	.717
noise that allows me a time to perform my duties.	4.14	./1/
My office is committed to ensuring my health and wellbeing.	4.20	.786
I am happy with my office overall job security and safety.	4.34	.738
The office tools, temperature and spatial arrangement help	2.54	007
me to do my job properly.	2.54	.887

Source: SPSS own computation, 2024

Table 4.2 shows that the numbers under Mean are the average of all respondents answered. According to Zikmund et al., (2013), in Likert scale above an average 3.5 agree and below an average of 3.5 results are disagree. Therefore, the result shows that respondents agreed about the given items. The assurances are much with my obligations (M=4.37), I am happy with my office overall job security and safety (M=4.34) and I believe in and take pride in my work and my work place (M=4.29) are high averages. Generally, about 93.3 % agreed that physical work environment is conducive and good status for employees to perform their work. But one item i.e. the office equipment, temperature and spatial arrangement help me to do my job properly (M=2.54). This is below average because the office temperature is not conducive, and arrangement of equipment is not properly setting in the office.

Table 4.2 shows varying perceptions among respondents. The results from standard deviation, there is no above number 1. Therefore, the perception of standard deviation is moderate.

Table 4. 3 Descriptive statistics of psychosocial work environment

Psycho-social work environment	Mean	Std. Deviation
I am satisfied with the benefits of my office extends to me.	2.61	.886
The office has a fair promotion policy.	2.71	.721
I am happy with the recognition and rewards for employees outstanding.	2.28	.816
My supervisor offers advice or help when I need it to do my job.	2.22	.767
I have a positive relationship with my supervisor depending on the job.	2.71	.956

have enough opportunities to interact with other employees on a	3.74	011
formal level.	5.74	.511

Source: SPSS own computation, 2024

Table 4.3 shows that the numbers under Mean are the average of all respondents answered. According to Zikmund et al (2013), in Likert scale above an average 3.5 are agree and below 3.5 an average result is disagree. Therefore, only one item i.e,. I have enough opportunities to interact with other employees on a formal level. (M= 3.74). That means, employees are not satisfied more by psycho-social work environment. It shows varying perceptions among respondents. The results from standard deviation, there is no above number 1. Therefore, the perception of standard deviation is moderate.

Table 4. 4 Descriptive statistics of employees' motivation

Employees' motivation	Mean	Std. Deviation
Hardworking employees are recognized by the office.	2.49	.793
My supervisor believes that motivated employees are the greatest asset in the office.	4.28	.783
I always work properly to avoid punishment from my immediate supervisor.	4.28	.776
The motives that I got from the office contribute for job accomplishment.	3.64	.939
The rewards are prepared by the office added to my outward inspiration.	2.54	.887

Source: SPSS own computation, 2024

Table 4.4 shows that the numbers under Mean are the average of all respondents answered. According to Zikmund et al (2013), in Likert scale above an average 3.5 are agree and below 3.5 an average result is disagreed. Therefore, hardworking employees

are recognized by the office (M= 2.49) and the rewards are prepared by the office added to my outward inspiration (M=2.54). This indicates that hard workers are not recognized by the office.

Table 4.4 shows varying perceptions among respondents. The results from standard deviation, there is no above number 1. Therefore, the perception of standard deviation is moderate.

## 4.5 Correlation analysis

Table 4. 5 Correlation analysis

Correlations							
		Physical	Psycho-social				
		Work	work				
		environment	environment	Motivation			
Physical Work	Pearson	1					
environment	Correlation	I					
	Sig. (2-tailed)						
Psychosocial	Pearson	.403**	1				
work environment	Correlation	.403	l				
	Sig. (2-tailed)	.000					
Motivation	Pearson	.618**	.179**	1			
	Correlation	.010	.179	'			
	Sig. (2-tailed)	.000	.005				

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed). N=250

Source: SPSS own computation, 2024

Table 4.5 shows the result of correlation analysis of employees' motivation with physical work environment and psycho-social work environment. Results indicate that every variable is related to itself, that is why r=1 diagonally along the table. Physical work environment is perfectly positive relationship with employees' motivation but psycho-social work environment weak positively related with

employees' motivation.

The correlation coefficient value (r) ranges from 0.10 to 0.29 is considered weak, from 0.30 to 0.49 is considered medium and from 0.50 to 1.0 is considered strong (Zikmund et al., 2013). Thus, as the Spearman's correlation matrix shows there are significant positive relationship between employees' motivation and all other variables. The relationship between employees' motivation and physical work environment is positive relationship but the relationship between employees' motivation and psycho-social work environment is very weak relationship. The justification behind selecting the spearman rho method is that the questionnaire type is Likert scale.

## 4.5.1 Checking assumptions of the multiple regression analysis

The researcher, at the inception, examined the basic assumptions of multiple regression that include linearity, multivariate normality, multicollinearity, and homoscedasticity (Cohen et al., 2003; Williams et al., 2013). As suggested by Pallant (2010), these assumptions of multiple regression should be tested before the actual data analysis starts.

Considering the sample size, the rule of thumb in the regression analysis is that at least 20 cases are required per independent variable in the analysis. The total number of independent variables in this study is two (2). Therefore, the sample size requirement appears to be satisfied as the effective sample size in this study is 250.

# 4.5.2 Linearity

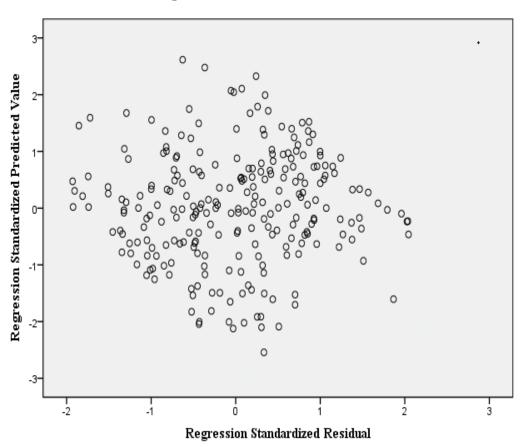
The Linearity assumption of multiple-regression holds that the predictor variables in the regression model shall have a straight-line (linear) relationship with the outcome variable (Tabachinik and Fidell, 2007). However, linearity would not be a concern if the residuals are normally distributed and homoscedastic. In this study, the linearity assumption was checked by drawing a scatter plot and inspecting for the nature of the line indicating the relationship amongst the variables. In the scatter plot of the standardized residuals, the residuals are in approximately rectangular distribution; with

large number of points concentrated around the center. This indicates that the linearity assumption of regression is met. The scatter plot presented in figure 4.1 moreover, shows that there are no outliers.

Figure 4. 1 Scatterplot between Regression Standardized Predicted Value and Regression Standardized Residual.

Scatterplot

Dependent Variable: Motivation



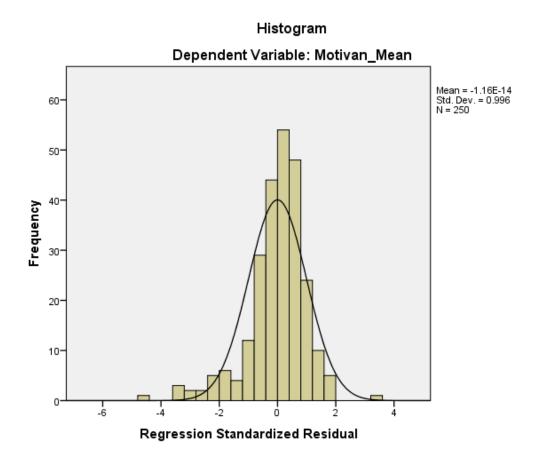
Source: SPSS output, 2024

From the scatter plots presented above, one can visually inspect that there exists a linear relationship between each independent variable and the dependent variable (motivation). The correlations between the variables are positive.

## 4.5.3 Multivariate normality

The other assumption of regression analysis is that the residuals are normally distributed. Cohen et al., (2003), asserted that normally distributed errors are require for reliable significant tests and confidence intervals in smaller sample sizes, not to come up with unbiased, efficient and consistent regression coefficients. This assumption is checked by using the histogram and the normal probability plot (P-P plot) of regression standardized residuals (sometimes called a quantile-quantile or q-q plot) (Cohen et al., 2003). Both charts are presented and analyzed below.

Figure 4. 2 The Histogram for the Regression Standardized Residual



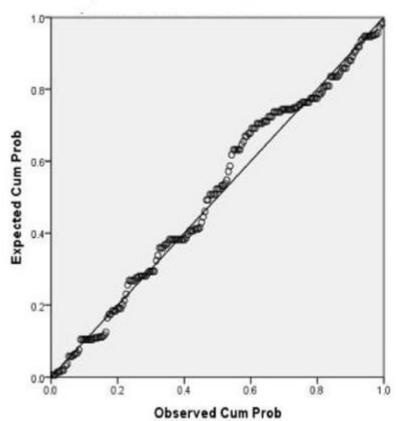
Source: SPSS output, 2024

The histogram shown above has a bell curve with a pick in the middle, and fairly symmetrical demonstrating the approximately normal distribution of errors (residuals). An alternative graphical method for checking normality is given below.

Figure 4. 3 Normal Probability Plot (P-P) plot of Regression Standardized residuals

Normal P-P plot of Regression Standardize Residual

Dependent Variable: Motivation



Source: SPSS output, 2024

As it is shown in the P-P plot above, the observed values of the regression standardised residuals are plotted against the expected values from the standard normal distribution. Accordingly, it can be noticed from the chart that the residuals lie, approximately on the diagonal regression line signifying that the residuals are normally distributed.

#### Multicollinearity

Multicollinearity refers to the presence of a highly strong degree of linear relationship among some or all independent variables involved in a regression model (Garson, 2014; Williams et al., 2013). The researcher computed the Variance Inflation Factor (VIF) to assess whether strong relationships (Multicollinearity problem) exist among the independent variables. VIF helps to identify the strength of relationship among the independent variables (Cohen, 2003; Belsley et al., 1980). A common rule of thumb while detecting multicollinearity is that the VIF of 10 or higher (or equivalently, tolerance of .10 or less) is reason for concern (Pallant, 2010). This is commonly detailed in such a way that a value of 1 indicates that there is no correlation between the independent variables considered in the model. VIFs between 1 and 5 indicate the existence of moderate correlation, whereas VIFs greater than 5 represent strong multicollinearity which is severe enough to warrant corrective measures. If left unsolved the coefficients will be poorly estimated, and the p-values are put into question. To be more understood VIF and tolerance are complementary measures to assess multicollinearity. VIF focuses on the increase in variance of estimated coefficient due to multicollinearity, while tolerance measures the proportion of variance in a predictor variable that is not explained by other predictors.

The results of the multicollinearity test are presented in the following table and analyzed subsequently.

Table 4. 4 Multicollinearity test results

Model	Collinearity Statistics			
	Tolerance	VIF		
(Constant)				
Physical work environment	.315	3.174		
Psychosocial work environment	.465	2.152		

Source: SPSS output, 2024

Table 4.4 indicated above shows that the VIF (Variance Inflation Factor) and tolerance are two statistical measures used in research to assess multicollinearity among predictor variables in regression analysis for the relationship between the variables.

VIF quantifies the extent of multicollinearity by measuring how much the variance of the estimated regression coefficient is increased due to multicollinearity. It is calculated for each predictor variable, and VIF value greater than 1 indicates the presence of multicollinearity. Typically, a VIF value greater than 5 or 10 is considered high, indicating strong multicollinearity.

Tolerance, on the other hand, is the reciprocal of VIF (1/VIF). It measures the proportion of variance in predictor variables. A tolerance value close to 1 indicates low multicollinearity, while a value close to 0 indicates high multicollinearity.

The variables involved in the model given to be 3.174 and 2.152, which suggests that there is no problem of multicollinearity. Moreover, the bivariate correlation between the independent variables indicated that the coefficient is less than 0.80, i.e 0.403, which

according to Garson (2014), is not a concern for multicollinearity. Tolerance for both independent variables also meet the requirement for getting rid of multicollinearity concerns. The tolerance was found to be 0.315 and 0.465, which is not a matter of worry. Therefore, based on the results of the above tests, one can conclude that the multicollinearity assumption of the regression analysis is adequately met (Pallant, 2010; Belsley et al., 1980).

## Homoscedasticity (Homogeneity of Variance)

This assumption holds that the regression residuals have constant variance, whatever the value of the explanatory variable. The regression model errors (residuals) are generally assumed to have finite variance that is constant across all independent variables or predictors (Willams et al., 2013). This assumption is tested by plotting the standardized predicted residuals of the dependent variable against the standardized residuals. In this study, the rectangular pattern of values in the scatter plot between regression standardized predicted values and standardized residual given in figure 4.1 indicates that the homoscedasticity assumption is met.

### Results of multiple regression analysis

In this part, results of the regression analysis concerning the effect of work environment on government employees' motivation are briefly discussed. The entire discussion covers such issues as the model summary, overall model fitness statistics (F-test of overall significance in regression), and regression coefficients and their statistical significance for each independent variable.

Table 4. 5 Model Summary and overall fit statistics

				Мо	del Summary	
Mode	R	R	Adjuste	Std.	Change Statistics	Durbin-

				Error of						
				the	R	F				
		Squar	d R	Estimat	Square	Chang			Sig. F	
I		е	Square	е	Change	е	df1	df2	Change	Watson
1	.623ª	.388	.383	.41226	.388	78.283	2	247	.000	1.275

a. Predictors: (Constant), Psychosocial work environment, Physical Work environment

b. Dependent Variable: Motivation

Source: SPSS output, 2024

R-Squared measures the proportion of the variance in the dependent variable that is accounted for the independent variables involved in the model. In the model summary table presented above, the value of R-Square indicates that nearly 39% of the variance in employees' motivation is explained by the independent variables incorporated in the model (i.e. physical work environment and psychosocial work environment. Even though the R-squared is not too large to represent a substantial level of variation, it is still considered reasonable for most cross-sectional studies. Moreover, the standard error of the estimate, which shows how precise the model is to estimate the dependent variable, is small, i.e. 0.41 indicating that it is fair enough to use the model for prediction. Interpreting the Durbin Watson test statistic ranges from 0 to 4, a value close to 2 (around 2) suggests no autocorrelation. A value significantly less than 2 indicates a positive autocorrelation, meaning that there is a pattern of increasing or decreasing residuals. A value significantly greater than 2 indicates negative autocorrelation, where residuals alternate in sign. Therefore, the Durbin Watson in this research is 1.275.

Table 4. 6 ANOVA

#### **ANOVA**<sup>a</sup>

		Sum of		Mean		
Mode	el	Squares	Df	Square	F	Sig.
1	Regressio n	26.610	2	13.305	78.283	.000 <sup>b</sup>
	Residual	41.980	247	.170		

249
-----

a. Dependent Variable: Motivation

b. Predictors: (Constant), Psychosocial work environment, Physical Work environment.

Source: SPSS output, 2024

The ANOVA table presented above showed the F-statistics with null hypotheses that there is no linear relationship between the dependent and independent variables. It shows the model is a significant fit to the data. In other words, the output presented in the table above, with F=78.823 and 249 degrees of freedom the test is statistically significant at P=.000. Thus, a linear relationship among the variables incorporated in the model can be assumed.

Table 4. 7 Results of multiple regression analysis

				Standardize		
		Unstandardized		d		
		Coefficients		Coefficients		
Model		В	Std. Error	Beta	Т	Sig.
1	(Constant)	.100	.501		.199	.002
	Physical work environment	.882	.074	.652	11.98 6	.000
	Psychosocial work environment	.137	.059	.543	1.542	.003

Source: SPSS output, 2024

Table 4.7 shows the regression coefficients and their significance in the model. From the results one can deduce that one of the two dimensions of work environment, i.e. physical work environment was found to have a positive, direct and significant effect on employee motivation in Dashen Bank with a standardized regression coefficient (beta

weight of  $(\beta=0.652)$  with a probability value of (p=0.000). It is significant at 1% significant level. However, psychosocial work environment was found to have a positive but medium significant affect employees' motivation in the target organization. The regression analysis also showed that physical work environment has unstandardized coefficient of 0.882, which further indicates that physical work environment is the most important variable with larger ability of explaining motivation over psychosocial work environment based on the perception of the respondents.

Detailed explanations of the results depicted in table 4.7 above, are discussed below in further detail with reference to relevant literature.

## 4.6 Discussion of findings

# 4.6.1 Physical work environment

From the mean of physical work environment result shows that the average results of respondents are almost above 3.5. Therefore, physical work environment better inspire than psycho-social work environment in Dashen Bank S.C.

Standing from the results, physical work environment i.e. working conditions, safety and security and legally prescribed provisions of employees' welfare in Dashen Bank is dominantly strong positive relationship and strong significance with employees' motivation. This aligns with the dictates of the theory this work built up on which believes in the importance of recognizing human beings and their needs as paramount

in achieving organizational commitment and high productivity.

The finding from correlation and multiple regression is linked up with other studies. The following studies are well similar or link up with the researcher's findings.

Nzewi et al (2018), the findings of physical work environment and employee performance in selecting brewing firms in Anambra State, Nigeria. Physically the work environment plays a significant role in determining the performance of employees as it influences their job satisfactions level.

McGregor et al., (as cited in Rose, 2005), the human relations view simply allowed for a more sophisticated way than financial reward to manipulate the worker. They maintained that a worker is motivated by much more than just money or satisfying social relationships, and that especially a sense of achievement resulting from performing meaningful and challenging work is a potent employee need.

Bruce (2008), finding that reduction in workplace noise reduces physical symptoms of stress by as much as 27% and performance of data-entry workers increased with a 10% improvement in accuracy. Similarly, good ventilation and room temperature increased productivity and reduces stress in workers.

Mouri et al., (2018), employee welfare facilities were measured based on conducive work environment and provision of employee welfare programs such as maternity leaves, sanitary facilities, and refreshments. Therefore, there is a positive and statistically significant relationship between employee welfare facilities and employee performance of the judiciary. When employee welfare is enhanced, the performance of judiciary improved by 13.1 percent.

#### Psychosocial work environment

From the mean of psycho-social work environment result shows that the average results of respondents are almost below 3.5. Therefore, the psychosocial work environment is less inspire than the physical work environment in Dashen Bank S.C.

From the result of correlation and regression, psycho-social work environment is moderate relationship with employees' motivation and there is medium significance affect employees' motivation. It is less inspired to compare with other independent variable (physical work environment). Intrinsic and extrinsic reward and supervision feedback is low at the descriptive statistics of psychosocial work environment.

According to the findings of (Idemobi et al., 2017), a significant relation was found between the reward system in place and job satisfaction. However, some of the respondent's express dissatisfaction in the reward they receive in the organization in relation to what other workers of similar status receive in other organizations. Furthermore, reward systems were found to have a significant impact on workers' commitment.

Almost all the employees stated they would feel better and become more motivated after receiving quick feedback. Thus, most of the employees believe they would perform better due to quick feedback. Indeed, it is likely that the better you feel about yourself, the more motivated you will become and the better performance you will reach (Blanchard & Johnson, 2015).

# Hypothesis test

Table 4. 8 Hypothesis test

Hypotheses	Status
$H_1$ : There is a positive relationship between physical work environment	Accepted
and employees' motivation.	

H <sub>2:</sub> There is a positive relationship between psycho-social wo	k Accepted
environment and employees' motivation.	
H <sub>3</sub> : The physical work environment significantly affects employee	s' Accepted
motivation.	
H <sub>4</sub> : The psycho-social work environment significantly affects employee	s' Accepted
motivation.	

#### **CHAPTER FIVE**

#### CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Conclusions

The purpose of this study is to examine the effect of work environment on workforce motivation in organization: the case of Dashen Bank S.C. Workforce motivation helps employees get the most out of their job experience and is rapidly evolving to work towards employee goals and organizational needs effectively. Therefore, motivation is because of altruism, a desire to serve, or a wish to have an impact on society is a long-standing one. It plays a crucial significant part in all private and public organizations. Generally, organizations cannot run and cannot attain their desired goals and objectives without motivating their employees. When employees are motivated to work at higher levels of productivity, the organization runs more efficiently and is more effective at reaching its goals. Employees' workforce motivation is this much importance for organizational goals to be achieved, the public service is being blamed for the very poor

motivation to work which affects performance.

A worker's motivation can be affected by so many factors. One major factor which is studied by lots of researchers is work environment. Due to the high number of employees working in dispersed places and the population is also high, to increase manageability of the data Stratified random sampling technique was used. In conducting this study, descriptive and explanatory research design was adopted. Additionally, the raw data was analyzed by descriptive and inferential statistics methods. The study encompasses working in selected purposely 20 offices in 4 regions. The target population was 252 professional workers who participated to fill structured survey questionnaires of Likert scale. However, the survey questionnaire was collected from 250 respondents making response rate was 99.2 %. From work environment indicators physical work environment and psycho-social work environment were selected and their affect workforce motivation was checked by mean, standard deviation, correlation and regression.

The results of the study enable to conclude that physical work environment of the organization extend significant affect employees' workforce motivation and psychosocial work environment medium significant affect employees' workforce motivation in Dashen Bank S.C. Cronbach's alpha of internal consistency were Physical work environment=0.991, Psycho-social work environment=0.998 and Workforce motivation=0.999.

The result shows that from means of physical work environment implies that the actual position of physical work environment in Dashen Bank S.C is better significance affect or well inspire than other variable (psychosocial work environment). But the status of psychosocial work environment shares medium significant to inspire employees. Because the most result of mean is below average.

The results from correlation between independent variables and dependent variables are positive. Physical work environment is strong positive relationship with employees' workforce motivation (PWE=0.000) but psycho-social work environment is weak positive relationship and (PsWE=0.003).

From the multiple regression results one can deduce that one of the two dimensions of work environment, i.e. physical work environment was found to have a positive, direct and strong significant effect on employees' motivation in Dashen Bank S.C with a standardized regression coefficient ( $\beta$ = 0.652) with a probability value of (p= 0.000). However, Psycho-social work environment is insignificant affect employees' workforce motivation in the institution a standardized regression coefficient ( $\beta$ = 0.543) and (p=0.003). Thus, physical work environment in comparison with psycho-social work environment of workforce motivation, it exerts greater impact on employees' level of motivation.

#### 5.2 Recommendations

Based on the findings and conclusions drawn about the effect of work environment on workforce motivation in Dashen Bank S.C, the following recommendations are made:

- ➤ As it was explained physical work environment plays significant role on employees' workforce motivation in Dashen Bank S.C., leaders should give emphasis on those components; on working conditions, safety and security, legally prescribed provisions of employees' welfare.
- ➤ The Dashen Bank administrators should more consider employees' work environment while making conducive working conditions (temperature, tools, equipment and electric light) and safety and security.
- ➤ Improve tools and equipment setting arrangement as employees' interest to do their work properly without complain.
- ➤ Psycho-social work environment was currently status is weak positive relation with employees' workforce motivation. However, leaders ought to be aware to prepare some amounts of rewards and improving supervision feedback at least in part will increase employees' workforce motivation and subsequent job satisfaction.

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#### **APPENDEX**

Appendix 1: English version questionnaire

Questionnaire to be filled by employees working in Dashen Bank S.C. selected offices.

Introduction;

## Dear respondents;

This questionnaire aimed to collect data regarding the THE EFFECT OF WORK ENVIRONMENT ON WORKFORCE MOTIVATION IN ORGANIZATION: THE CASE OF DASHEN BANK S.C.

The study is undertaken for partial fulfillment of the requirements for the degree of Master of Arts in Business Administration (MBA). Therefore, the data you provide will be only used for academic purposes and will be kept confidential and the study result will only be used for academic purposes. Hence, be assured that your responses will not be revealed to anyone. However, your genuine and timely response is essential to complete the study. Therefore, you are kindly requested to complete the questionnaire by reading the instructions carefully.

## Thank You in Advance for Your Cooperation!!

If you have, any questions and comments feel free to contact the researcher with the following address.

Name: Kalewengel Zebene

Phone: 0912703717

# Part one: Personal Information of Respondents

2	>	Dear respondents	, I w	ould like to r	emi	nd you once	again to tick	the box.	
	1.	Gender:		Male		Female			
2	2.								
;	3.	Age: above		18-24		25-€4	35⊒44	4₫54	55 and
4	4.	Educational statuabove	S□	certifica□	<b>!</b>	Dip⇔ma	D⊐gree	Ma	asters and
į	5.	Branch Office			_				
(	б.	Experience in this and above	offi	ce □ 6 mo	onth	-2 yea⊏s     3	3-5 yea <b>,</b> 5	6-9 year	s⊐ 10
-	7.	Marital status □	Ma	arrieⴛ Unr	narı	ieф Divor	сеф Wido	wed	
Part	t tv	vo: Questions on n	nain	concepts ur	<u>ider</u>	the study			
Dea	r p	participants;							
Plea	ase	e make a tick (√) th	at n	nakes your p	erce	eption in the	following sta	atements	based on
a f	ive	e-point scale que	stior	n. The resp	ons	se categorie	es are "1=S	strongly	Disagree",

"2=Disagree", "3=Neutral", "4= Agree", and "5=Strongly Agree".

S/No										
	General questionnaires	Strongly	Disagree(1)	Disagree(2)	Neutral(3)	Agree(4)	Strongly	Agree(5)		
I.										
1	My office provides an environment in which I feel safe and secure.									
2	I am satisfied with the work location area.									
3	My workplace provides an undisturbed environment without any noise allowing me time to perform my duties.									
4	My office is committed to ensuring my health and well- being.									
5	I am happy with my office's overall job security and safety.									
6	The office tools, temperature, and spatial arrangement help me to do my job properly.									
II.	Questionnaire designed for Psycho-Social Work Enviror	me	nt							
1	I am satisfied with the benefits my office extends to me.									
2	The office has a fair promotion policy.									
3	I am happy with the recognition and rewards for employees outstanding.									
4	I have a positive relationship with my supervisor depending on the job.									
5	My supervisor offers advice or help when I need it to do my job.									
6	I have enough opportunities to interact with other									
	70	I		1	1		I			

	employees on a formal level.			
III.	Questionnaire designed for Employees Motivation			
1	Hardworking employees are recognized by the office.			
2	My supervisor believes that motivated employees are the greatest asset in the office.			
3	I always work properly to intrinsic and extrinsic motivation from my immediate supervisor.			
4	The motives that I got from the office contribute to job accomplishment.			
5	The rewards prepared by the office added to my outward inspiration.			