AY 2011

PERCEPTIONS ON MOTIVATION HELD BY BANKERS IN SRI LANKA
AN EMPIRICAL PERSPECTIVE

MOHOMED RAZIK FATHUMA RUWAIHA

Major in Business Administration   35092346-1

GRADUATE SCHOOL OF COMMERCE

WASEDA UNIVERSITY

C.E.   PROF. MASAKAZU SUGIURA   D.E.   PROF. OHTAKI REIJI

PROF. UMEZU HIROYOSHI

ABSTRACT

Banking industry in Sri Lanka, is currently experiencing a boom with intense competition resulted through rapid expansion, following the end of the civil war that deprived development in the north and east for three decades. Competition is an opportunity for employees as it derives new and better prospects for them. This study was concentrated on identifying the perceptions on motivation held by executive level employees in the banking sector in Sri Lanka. The study was a comparative analysis between the employees of licensed commercial banks and licensed specialized banks. The study attempted to identify what factors bankers perceive as motivating them, and factors that had an influence in their actual level of motivation.

The study used a quantitative approach for data analysis, collected from seventy respondents representing seven banks in Sri Lanka. The study attempted to test the validity of twenty one factors derived from, sixteen different theories of motivation in the context of Srilankan banking executives. The results analyzed using SPSS – Version 18, indicated that regardless of the type of the bank they work for, executives at banks in Sri Lanka are motivated by intrinsic factors with a positive coefficient of determination of 51%.

Out of the twenty one factors that employees perceived to be motivating them, eleven factors had an influence over the actual level of motivation. They were identified as self esteem, goal setting, agency (having ample control over their job activities), equity, training opportunities, job security, relationship with boss, relationship with colleagues, challenging work, manageable workload and upward movement.

Managing competition in the sector, many banks in Sri Lanka have embarked on M & A activities, but these activities are progressing in a slow phase. One of the reasons for the delay is that management believes that mergers between different banks could result in major human resource management issues. But the results revealed that this concern is not valid for the motivation aspect of HRM perceptions of motivation did not differ based on the type of bank the executives they worked for. Other demographic characteristics such as education, age and civil status had significant influence over the differences in the perceptions on motivation.

ACKNOWLEDGEMENT

Table of Contents

List of Tables

List of Figures

Appendix

CHAPTER 1. INTRODUCTION

This chapter discusses the background of the study, problem statement, research questions, significance of the study , methodology, limitations of the study and chapter organization.

Section 1.   BACKGROUND OF THE STUDY

1.1 Focus on Motivation

The purpose of this paper is to analyze and clarify perceptions regarding motivations held by professionals in financial institutions, specifically banking institutions. Banking industry covers a vast range of banks to include commercial banks, development banks, investment banks, savings bank and in the recent times Grameen banks – specializing in micro financing. This thesis will perform a   comparative analysis of the perceptions on motivations between commercial bankers and other specialized bankers in Sri Lanka.

Employee motivation is one of the key focus areas of both business entrepreneurs and academic researchers and is a blistering issue of modern business environment because motivation is one of the most powerful element on productivity. Every organization attempts to thrive in the business world through building up some form of core competence. Undoubtedly competency and commitment of human resources are one of the most valuable resources a company can obtain and develop. This form of core competence can neither be imitated nor substituted easily, and therefore they can be a source of sustainable competitive advantage.

Galbraith wrote "increasingly it is being recognized that competitive advantage can be obtained with a high quality, motivated workforce that enables organizations to compete on the basis of market responsiveness, product and service quality, differentiated products, and technological innovation" (Galbraith 1992).

"All organizations are concerned with what should be done to achieve sustained high level of performance through people. This means giving close attention to how individuals can best be motivated through such means as incentives, rewards, leadership and importantly, the work they do

1

and the organization context within which they carry out that work. The aim is to develop motivation process and a work environment that will help to ensure that individuals deliver results in accordance with the expectation of management". (Armstrong,2004).   Molander (1996) wrote "in order to be successful, a company needs employees who act towards achieving the goals of the organization and have a strong desire to remain in the company. Such loyalty and commitment can be may be generated by motivation".

1.2 Focus on Banking

This phenomenon is even more vital for service organizations where the output is a result of a real time process executed by the employee himself.   Banking and finance institutions stands at the forefront of the service sector in any country. As per Badiu & Susanu (2010) from historical records, banking is the oldest of all financial service professions.

In most of the countries, after a comprehensive history that included a totalitarian regime, banking regulations have been largely deregulated to open up the private sector domestic entities and foreign entities to enter into the local industry. This deregulation has caused intense competition in the industry as evidenced in the case of major commercial banks in Japan in 1980's (Koji,2004) and in Sri Lanka at present. Thus the importance of having a well managed, competent and motivated workforce has become a vital component, in the banking sector.

In the banking industry, there   is no question that employing the best and the brightest can transform products from commodities to value added services (Aidiesert 2011). Kariyawasam discussed the importance of human resource (HR) management for finance industry from four angles.

- to prevent hiring a wrong person, to retain employees and reduce high turnover,

- to prevent inefficiency and to receive maximum output,

- to prevent time and cost in repetition of recruitment process,

- to prevent litigation

This argument is valuable that it highlights the preventive view point that HR brings into an

organization.. Kariyawasam argues that it is not capital but HR that becomes a bottleneck for organizational growth, and that the traditional organizational hierarchy will not apply for customers today (Kariyawasam 2010. Unpub).

Employee motivation is one of the key elements of HR management. Without employee motivation an organization will not be able to build up a sustainable workforce.

1.3 Focus on Banking in Sri Lanka

This study on motivation focuses on the banking sector in Sri Lanka. The banking sector in Sri Lanka in mainly represented by licensed commercial banks (LCB) and licensed special banks (LSB).LSBs represent development banks, savings banks and housing finance institutions, out of which development banks are the key and dominant player. The composition of the banking institutions are represented in Table 1 below.

Figure 1   Banking Sector in Sri Lanka

	State Banks	Domestic Private Banks	Foreign Banks	Total
Licensed Commercial Banks	2	9	11	22
Licensed Specialized Banks	12	2		14
Regional Development Banks	6			
Savings Banks	2			
Housing Finance Institutions	2			
Development Banks	2	2		

(Source: Cenral Bank of Sri Lanka, Annual Report 2009)

These banks have scattered all over the country in 5610 branches .

Sri Lanka was faced with a civil war in the north and eastern parts of the country for 30 years which came to an end in the year 2009.The Liberation of Tamil Tiger Elam or popularly known as the LTTE, was one of the most dangerous terrorists organization that pioneered modern suicide bombing (171 suicide attacks from 1983- 2000 the highest number by a single terrorist

organization – Source :Bloomberg 2009)

Figure 2   Geographical presentation of War zone

The LTTE embarked onto a military war claiming a separate state for the Tamil community of Sri Lanka in the north and east part of the small island in the areas depicted in light grey in figure 1. During the subject 30 years, development activities of Srilanka were carried out in a very slow phase. The north and east part practically had no development at all. The war also consumed a major part of the national income of Sri Lanka (SL). Figure 2 depicts the military expenditure of Sri Lanka between 1983-200 in terms of real value, as a percentage of GDP   and as a percentage of total government Spending.

Figure 3   Sri Lanka Military Expenses.

	Current GDP	Military Expenditure	Government Expenditure	% Share	
	Rs. billion			Mil/GDP	Mil/Govt exp
1983	121.6	1.75	N/A	2.0	4.40
1990	321.7	14.60	N/A	5.0	14.60
1995	668.0	43.15	251	6.5	17.19
2000	1,125.0	70.77	453	6.3	15.62
2001	1,245.0	68.29	486	5.5	14.05
2002	1,403.0	64.14	589	4.6	10.89
2003	1,563.0	61.98	661	4.0	9.38
2004	1,798.0	73.45	690	4.1	10.65
2005 (est)	1,847.0	84.98	853	4.6	9.96

Source : *Cost of Conflict in Sri Lanka – 2006*. Viewed on 14 May, 2011.

http://www.strategicforesight.com/ccinsrilanka/chp2_4military_expenditure.htm

As it indicates SL has spent more than 5% of Gross Domestic Production (GDP)   on military expenditure while the neighboring countries of India and Pakistan on average spends around 3% of GDP for the same purpose (Otanji, 2005).

After the war, at present SL is experiencing an economic boom all over the country, especially in the cleared areas of north and east. With the new prospects, banking sector is also

experiencing an expansion stage to locate operations in these cleared areas, and other newly developed areas. Up to the mid 2000`s the business focus of SL was mainly centered on Western Province which is the home for Colombo – the commercial capital of SL.

According to the central bank of SL During year 2009, the outreach of the banking sector has now improved with the expansion of branch network of both LCBs and LSBs. There was a notable increase in the number of bank branches established outside the western province. The no of new branches opened by the LCBs was 49, of which 38 were outside the western province. Further, out of 49 new bank branches, 17 branches were branches were opened in the eastern province while 10 branches were opened in the northern province. In the case of LCBs only one branch was opened within the western province, out of 17 new branch openings during the year. Further 45 extension offices were opened by LCBs, for the purpose of facilitating main branches, of which 41 were established outside the western province. The LSBs, also opened 23 new extension offices. A large no of bank branches functioning outside the western province reflect s the growing demand for financial services in the region at a faster rate than in the past. (Central Bank of Sri Lanka : CBSL Annual Report 2010). The expansion of bank branches over the past few years can be graphically presented as in figure 2 below.

Figure 4   Expansion of branch network of   Banking Sector in Sri Lanka (2002- 2009)
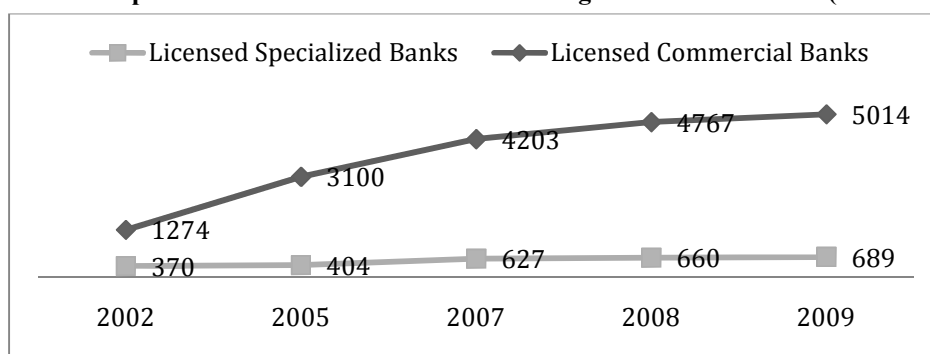
Source: CBSL Annual Report 2010

In the current context banking   institutions are faced with severe threats enforced by non banking financial   institutions that provide similar services. With the deregulation of finance laws of the country,   some of the facilities such as refinance banked credit facilities and deposit

acceptance which were conventionally vested with banks are now opened for non financing institutions such as leasing companies.

In summery the current context of the banking sector of Sri Lanka could be summarized using Micheal Porter`s five forces model as graphically presented in figure 3 below.

Figure 5   Application of five forces model to the banking industry of Sri Lanka.

Bargaining Power of Customers

More informed customers .

Customer has more options to choose from

Threat of New Entrants

Deregulation

No fear in terms of security

Rivalry

Rapid Expansion of branches in the freed and newly developed areas

Threat of substitutes

None banking financial instructions been allowed to provide similar facilities

Bargaining power of suppliers

Drastic reduction in refinancing facilities

These factors have increased severe completion among banks and thus like in any other countries, motivating and retaining employees is a crucial concern for the banking sector in Sri Lanka.

Section 2.   **PROBLEM STATEMENT**

In the current context, banking industry in Sri Lanka is faced with intense competitions. Thus to be able to compete with other competitive   banks and financial institutions that provide similar services, service provided by bank's employees could be considered as one major source of value creation. To be able to provide a superior service, banks should have a sound pool of human resources who are motivated to deliver an unmatched service. Further, with the improved economic conditions in Sri Lanka contributing to the severity of the banking sector, more opportunities have become available for bank officers to switch into other competitor banks or other finance institutions which are rapidly expanding. Therefore, it is important to identify what motivates bankers and how to motivate them.   This study will help bank managers in Sri Lanka and rest of the world to, re consider and re design their approaches to motivation strategies.

Section 3.   **RESEARCH QUESTIONS**

This study is guided by the following research questions.

1.   What motivational factors do bankers of Sri Lanka value the most?

2.   Are they motivated by intrinsic needs or extrinsic needs?

3.   What is the optimal mix of intrinsic factors and extrinsic factors that has an influence over the actual level of motivation of bankers in Sri Lanka?

4.   What demographic characteristic of bankers influence their perceptions of motivations the most?

5.   What is the best approach the banks should adopt in order to retain its executive employees, which are a scare resource?

Section 4.   **SIGNIFICANCE OF THE STUDY**

The purpose of this study to identify what are most important motivation factors for executive level staff of licensed commercial banks and licensed specialized banks in Sri Lanka .Understanding the

motivational needs and preferences of bankers will help banks to build up a competent, committed and sustainable workforce by motivating through the fulfillment of their needs in a reasonable manner. This study will also help academicians and students to understand the perceptions of motivations of bank officers in Sri Lanka.

Section 5.   METHODOLOGY

This study uses the deductive approach to research and will use quantitative survey design to test the research hypotheses. The research method consists of two parts, which are the literature review and empirical study. The literature review has been used to conceptualize and build up a theoretical framework linking the concepts of motivation to base the study on. The empirical study consists of sample selection and administering questionnaire to discover answers to the research questions mentioned above.

Section 6.   CHAPTER ORGANIZATION

This study is composed of the following chapters:

Chapter 1 explains the background of the study, followed by a statement of the problems, research questions, methodology, limitations, and chapter organization .

Chapter 2 will review the relevant literature on motivation and banking as the background of the hypothesis and as the basis to develop research variables and measures.

Chapter 3 will describe the methodology and procedures including population and sample, research instruments and variables, data collection and statistical tools used in data analysis

Chapter 4 will present the statistical analysis of the collected data as well as the interpretation of the data.

Chapter 5 will include the findings, any realized limitation of the research, and provides any recommendation for future research.

CHAPTER 2. LITREATURE REVIEW

Section 1.   DEFINITION OF MOTIVATION

Fred Luthans (2004) defines motivation as a process that starts with a physiological or physiological deficiency or need that activates a behavior or a drive that is aimed at a goal or incentive.   As per Armstrong (2004)   motivation is   concerned with the factors that influence people to behave in certain ways. He further describes motivation as a goal directed behavior   and that, People are motivated when they expect that a course of action is likely to lead to the attainment of a goal and a valued reward – one that satisfies their needs.   Robbins, Couter and Coulter (1998) defined motivation as the willingness to exert high levels of effort's ability to satisfy some individual need. Perry and Porter (1982) have defined motivation as an amount, quality and direction of employee's effort that energizes their behavior within the working environment, .

As per Luthan's   definition, the key to understand the process of motivation lies in the meaning of , and relationship among needs, drives and incentives. The Figure1 below   depicts the motivation process. Needs set up   drives aimed at incentives. In a systematic sense motivation consists of these three interacting and interdependent elements.

Figure 6   **Relationship between needs, drives and incentives**

Needs ⟶ Drives ⟶ Incentives

Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 230

Needs: Needs are created whenever   there is a physiological or psychological imbalance.

Drives: Drives or motives (the terms could be used interchangeably as per Luthans – 2004), are set up to alleviate needs. Drives are action centered and provide an energizing thrust towards reaching an incentive.

Incentives: Incentives are anything that will alleviate a need and reduce a drive.

Thus, attaining   incentives will tend to restore physiological or psychological balance and will reduce or cut off the drive.

Figure 7   Types/ categories of secondary needs

Need for Achievement	**Need for Security**
- Doing better than competitors - Attaining or suppressing a difficult goal - Solving a complex problem - Carrying out a challenging assignment successfully - Developing a better way to do something	- Having a secure job - Being protected against loss of income or economic disaster - Having protection against illness and disability - Being protected against physical harm or hazardous conditions - Avoiding task or decisions with a risk of failure and blame
Need for Power - Influencing people to change their attitude or behavior - Controlling people and activities - Being in a position of authority over others - Gaining control over information and resources	
Need for Affiliation - Being liked by many people - Being accepted as part of a group or a team - Working with people who are friendly and cooperative - Maintaining harmonious relationships and avoiding conflicts - Participating in pleasant social activities	**Need for Status** - Having the right car and wearing the right cloths - Working for the right company in the right job - Having a degree from the right university - Living in the right neighborhood and belonging to the country club - Having exchange privileges

Source : Gary Yukl, *Skills for managers and leaders*, 1990

As per Luthans (2004), needs/ motives of human beings could be broadly categorized into three types as primary motives, general motives and Secondary motives. Each of these needs are briefly described in the section below.

1.   *Primary Needs/ Motives:*   Two criteria must be met in order for a motive to be included in this classification . It must be unlearned and it must be physiologically based. Thus defined, the most commonly recognized primary motives include, hunger, thirst, sleep, avoidance of pain and maternal concerns.

2.   *General Motives:*   To be included in the general category, a need must be unlearned but

not physiologically based. Whereas primary needs seek to reduce the tension or simulation, these general needs induce the person to increase the amount of simulation. Examples of general motives include, curiosity , manipulation and activity motives.

3.   ***Secondary Motives:*** A motive must be learned in order to be included in the secondary classification.   Examples of secondary motives include   need for power, need for achievement, need for affiliation, need for security, and   need for status. Figure 7 indicates examples of these important secondary needs.

Whereas the general drives seem relatively more important than the primary motives in the context of organizational behavior and human resource management, the secondary drives are unquestionably the most important.

Section 2.   THE HAWTHRONE STUDIES

The Hawthrone studies, experimented by Elton Mayo from the Human Relations School is one of the earliest and pioneering theories in the field of motivation. He conducted behavioral experiments at the Hawthorne Works of the American Western Electric Company in Chicago. He made some illumination experiments, introduced breaks in between the work performance and also introduced refreshments during the pause's. On the basis of this he drew the conclusions that motivation was a very complex subject. It was not only about pay, work condition and morale but also included psychological and social factors. Although this research has been criticized from many angles, the central conclusions drawn were :

- People are motivated by more than pay and conditions.
- The need for recognition and a sense of belonging are very important.
- Attitudes towards work are strongly influenced by the group.

The study derived the term " Hawthrone Effect"   which is a   term referring to the tendency of some people to work harder and perform better when they are participants in an experiment. Individuals may change their behavior due to the attention they are receiving from researchers rather than because of any manipulation of independent variables.

11

Section 3.   **THE CONTENT THEORIES OF MOTIVATION**

These content theories are concerned with identifying the needs and drives that people have and how these needs are drives are prioritized (Luthans, 2004). They are concerned with the types of incentives or goals that people strive to attain in order to be satisfied and perform well. The basis of these theories is the belief that an unsatisfied need creates tension and a state of disequilibrium. The content theories are referred to as " Static" because they incorporate only one or a few points in time and   are either past or present time oriented.   Therefore they do not necessarily predict motivation or behavior, but they are still important to understand what motivates people at work.

The content theories go as far back as the 20th century ,when pioneering scientific managers such as Fredrick W Taylor, Frank Gilbreth, and Henry L Gantt proposed sophisticated wage incentive models to motivate workers. Next came the human relations movement pioneered by Elton Mayo, focusing on economic conditions and work conditions. Subsequently the content theories deemed to   focus on higher level needs pioneered by the contributions of Abraham Maslow, Fredrick Herzberg, Claytom Alderfer, David McClelland and Douglas McGregor.

The main objective of this study is to identify what motivate banking officers,   and thus content theories   are the most relevant theory.

2.3.1. Maslow's Hierarchy of needs.

Abraham Maslow in a   classical paper in the year 1943,   outlined the elements of hierarchy of needs, as a theory of motivation. Drawing chiefly from   humanistic psychology and his clinical experience, he suggested that the needs of a person can be organized in a hierarchical manner. He identified five types of needs, which people try to fulfill which are mentioned below.

Physiological needs –   The most basic level in the hierarchy , the physiological needs generally corresponds to the unlearned primary needs of humans. The needs of hunger, thirst and sleep and sex are some examples.

Safety needs -   This second level of needs is roughly equivalent to the security needs. These needs

are concerned with emotional and physical safety.

Belonging needs - This third or intermediate level of needs, corresponds to the affection and affiliation needs.

Esteem needs - Esteem needs represent the higher level of needs and reflects the needs for power, achievement and status.

Self-actualization needs - This level represents the culmination of all the lower, intermediate and higher needs of the human. People who have become self actualized are self fulfilled and have realized all their potential.

These needs, and corresponding examples can be graphically depicted as in Figure 2 below.

Figure 8   Maslow's Hierarchy of needs

As per Maslow, these needs arise in a hierarchy and once a given level of needs is satisfied, it no longer serves to motivate and that the next level of need has to be activated in order to motivate the individual.
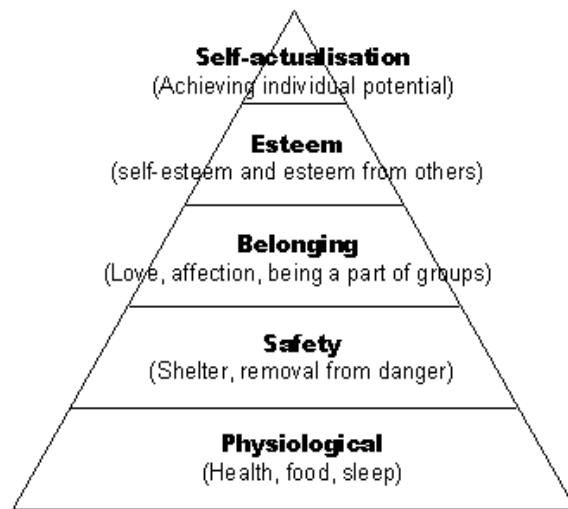
Source : Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 242

Maslow's theory has an intuitive appeal and has been very influential. However the theory has not been verified by empirical research and it has been criticized for its apparent rigidity that the needs will arise only in a hierarchy. Specialists in human and organizational behavior makes the remark that different people have different priorities and it is difficult to accept that people's needs progress steadily up the hierarchy.

2.3.2. Herzberg's Two – Factor Theory of Motivation

In a motivational study conducted in 1957, with 200 accountants and engineers in Pittusburgh, Pennsylvania, Herzberg concluded that the wants of employees can be divided into two groups. One group revolves around the needs to develop in one's occupation as a source of personal growth and he named these as motivators. The second group operates as an essential base to the first and is associated with fair treatment and he named these needs as hygiene Factors. These needs are indicated in detail in table one in Table 2 below.

Figure 9   Herzberg's Two - factor Theory

Hygiene Factors	Motivators
Company policy and Administration	Achievement
Supervision, Technical	Recognitions
Salary	Work itself
Interpersonal Relations, Supervisor	Responsibility
Working Conditions	Advancement

Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 243

As per Herzberg the fulfillment of the needs of the second group does not motivate the individual to high levels of job satisfaction and extra performance of the job. The hygiene factors prevent dissatisfaction, but they do not lead to satisfaction. In effect, they bring motivation up to a theoretical 0 level and are a necessary floor to prevent dissatisfaction, and they serve as a take off point for motivation.

All though the two factor theory provided a new light on the content theories of motivation, which have up to that point that had generally focused on hygiene factors, the theory is criticized for the sample that was used for the study. Absence of inputs from low complexity jobs and blue color jobs is considered is a major drawback in the study. However, this study deals with officers of development banks who are white color employees engaged in high complexity jobs. Thus, this two factor theory is valid for this study.

2.3.3. Alderfer's ERG Theory.

Like Maslow and Herzberg, Craig Alderfer stressed that there is value in categorizing needs and that there is a basic distinction between lower – order needs and higher – order needs. He identified three groups of core needs which are ,

- Existence Needs – Which are concerned with survival (Physiological well being)

- Relatedness Needs – Stress the importance of interpersonal and social relationships

- Growth Needs – These needs are concerned with the individual's intrinsic desire for personal development.

In ERG theory, Alderfer is suggesting more of a continuum of needs than hierarchical levels or two factors of prepotency needs. Alderfer does not contend that a lower level of need must be fulfilled before a higher – level need becomes motivating or that deprivation is the only way to activate a need. For example, according to ERG theory the person's background or cultural environment may dictate that the relatedness needs, will take precedence over unfilled existence needs and that the more the growth needs are satisfied, the more that they will increase in intensity. Further, Maslow's hierarchy of needs, suggested a process called satisfaction – progression, in which a person moves up the hierarchy after a lower – order need in being routinely met. On the contrary Aderlfer's approach can be termed as frustration – regression. When higher – order needs are stifled or cannot be met due to personal circumstances, the lack of ability or some other factor, the individual is inclined to regress back to lower – order needs and feel those needs more strongly.

2.3.4. David McClelland's Theory of Needs.

David McClelland has developed a theory based on three types of motivating needs :

- Need for Power

- Need for Affiliation

- Need for Achievement

These needs, represents the secondary needs introduced in section 1 above.

15

According to McClelland, basically people for high need for power are inclined towards influence and control. They like to be at the center and are good orators. They are demanding in nature, forceful in manners and ambitious in life. They can be motivated to perform if they are given key positions or power positions.

In the second category are the people who are social in nature. They try to affiliate themselves with individuals and groups. They are driven by love and faith. They like to build a friendly environment around themselves. Social recognition and affiliation with others provides them motivation.

People in the third area are driven by the challenge of success and the fear of failure. Their need for achievement is moderate and they set for themselves moderately difficult tasks. They are analytical in nature and take calculated risks. Such people are motivated to perform when they see at least east some chances of success.

McClelland observed that with the advancement in hierarchy the need for power and achievement increased rather than Affiliation. He also observed that people who were at the top, later ceased to be motivated by this drives.

2.3.5. The relationship between three content theories of motivation

Figure 10   The relationship between content theories

Alderfer's ERG Theory	Maslow's Hierarchy of needs	Herzberg's Two Factors
Growth	Self Actualization	Motivators
	Esteem	
Relatedness	Love	Hygiene Factors
Existence	Safety	
	Physiological	

Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 244

The relationship between the   content theories of Maslow, Herzberg, and Aldefer discussed

above could be graphically presented as figure 10 above.

A closer look at the figure above will reveal the fact that, there are some similarities in   all these motivational needs, presented in the three different theories. Every need indicated above has a source and based on the sources, the motivational needs could be further categorized into two groups. Luthans in 2004 mentions that, motives can be thought of as being generated by needs which arise through two separate but interrelated sources. One method to characterize these sources are as Extrinsic or Intrinsic Motives. Extrinsic motives are tangible and visible to others while intrinsic motives are internally generated within an individual. The following section will discuss these two concepts in detail.

Section 4.   INTRINSIC AND EXTRINSIC MOTIVATION

2.4.1. Meaning of Intrinsic and Extrinsic Motivation

Deci and Ryan (2005) reports that intrinsic motivation comes from within and is long lasting .Extrinsic motivation on the other hand depends on external factors and is short lived. They further mention that motivation could be of two forms – autonomous or controlled. Intrinsic motivation   represent autonomous motivation while extrinsic motivation is a form of controlled motivation, which make people act under pressure.

According to Aronson, Wilson and Akert (2002)   intrinsic motivation refers to internal factors such as interest , enjoyment, choice, perceived competence, etc. and extrinsic motivation refers to external factors which can be measured in monitory terms such as salary and bonuses.

As per Frey and Osterloh (2002),   extrinsic motivation servers to satisfy indirect or instrumental needs. As such extrinsic needs are almost always means to an end. In the case of intrinsic motivation, on the other hand the activity itself or the corresponding and goal satisfies a direct need in its own right. This is further affirmed by   Gange and Deci (2005)   in their reporting the intrinsic needs derive satisfaction from performing the activity itself from implementation of an activity without receiving any apparent reward.

Luthans (2004) illustrates that in the work place intrinsic motivators include feelings of

responsibility, achievement, accomplishment, that something was learned from an experience, feelings of being challenged or competitive, or that something was an engaging task or goal, and extrinsic motivators include pay, benefits and promotions.

Amstrong (2004) explains that extrinsic motivation is what it done to or for people to motivate them. This includes rewards, such as increased pay, praise or promotion and punishments, such as disciplinary action, withholding pay or criticism.

2.4.2. Self Determinant Theory by Daci and Ryan

The Self Determinant Theory (SDT) proposed by Daci and Ryan (2000) is a key theory on intrinsic motivation and it proposes two types of motivation-autonomous and controlled. Autonomy involves acting with a sense of volition and having the experience of choice. Intrinsic motivation is an example of autonomous motivation. Controlled motivation involves acting under pressure. It is an example of extrinsic motivation. Here, there is a perception of contingency between the behavior and desired consequence such as reward. Extrinsic motivation can vary in degree to which it is autonomous vs controlled. SDT posits a controlled to autonomous continuum to describe the degree to which the external regulation has been internalized. It proposes that individuals have three innate psychological needs. These are:

• **Need for competence**: It concerns succeeding at optimally challenging tasks and being able to attain desired outcomes.

• **Need for autonomy**: It concerns experiencing choice and feeling like initiator of one's own actions.

• **Need for relatedness:** It concerns establishing a sense of mutual respect and reliance with others.

Satisfaction of these needs will enhance intrinsic motivation. Thwarting of these needs on the other hand will undermine intrinsic motivation. Intrinsic motivation is long lasting and does not need any outside stimulus.

2.4.3. What is more important Intrinsic or Extrinsic work motivation?

Whether to follow an entirely extrinsic motivation approach or intrinsic one the issue still remain undecided. Decktop, Mange and Circa (1999) suggest that in addition to extrinsic compensation, intrinsic rewards intrinsic rewards motivate employees to improve their performance to a great extent. Biswas and Verma (2007) explore that extrinsic factors as level of pay and job security are fundamentally critical for an employee to perform well on the job. However, organizations must create an environment whereby employees derive intrinsic and social satisfaction to extract optimal performance from their employees.

Frey and Osterloh (2002) suggest that both intrinsic motivation and extrinsic motivation is important for an organization for the following reasons.

Intrinsic Motivation

- Only intrinsically motivated employees will endeavor to contribute to the firm specific resource pool.

- Extrinsically motivated employees will only focus on quantifiable measures such as targets, and will not pay attention to other non quantifiable – yet important organizational aspects such as respect for one's colleagues, discretion, initiative and team spirit.

- If employees are paid according to clear, concrete targets, they will be less inclined to come up with inevitable less clearly quantifiable changes to the system.

- Intrinsic motivation   facilitates transfer of tacit knowledge.

Extrinsic Motivation

- The main objective of organization is not to fulfill employee objectives but organizational objectives. Extrinsic motivations directly contribute to the attainment of the   organizational goals.

- Intrinsic motivation can also assume an immoral dimension.

- Extrinsic motivation can keep unwelcome emotions in check.

- Intrinsic motivation can arise as a result of combination of self determination and a sense of competence, and this   also give rise to a pleasant flow experience. Thus   rewards can

sometimes serve to create intrinsic motivation.

Therefore it is important for an organization to have an optimal level of combination of both intrinsic and extrinsic motivational practices.

Section 5.   PROCESS THEORIES OF MOTIVATION

The content models discussed above, attempt to identify what motivates people at work. They try to specify correlated of motivated behavior. The process theories, on the other hand, are more concerned with the cognitive antecedents that go into motivation or effort and, more importantly with the way they relate to one another. Victor Vroom, Porter and Lawler and   J Stacy Adams have contributed to the process theories of motivation, which are discussed below.

2.5.1. Vroom's Expectancy Theory.

The expectancy theory of motivation has its roots in the cognitive concepts of pioneering psychologists Kurt Lewin and Edward Tolman. However, the first to formulate an expectancy theory directly aimed at work motivation was Victor Vroom. The model was build around the concepts of valence, instrumentality, and expectancy and is commonly called the   VIE theory.

- *Valence* – Valence refers to the individual's   preference for a particular outcome. In order for the valence to be positive the person must prefer attaining the outcome, to not attaining it.   A valence of zero occurs when the individual is indifferent to the outcome ; the valence is negative when the individual prefers not attaining the outcome, to attaining it.

- *Instrumentality* – This refers to the instrumentality of the first level outcome in obtaining a second level outcome. For example, superior performance   (A first level outcome) is being instrumental in obtaining a promotion (Second level outcome).

- *Expectancy* – Expectancy relates efforts to the first level outcome. Although at first glance , the expectancy theory may seem to be the same as the instrumentality input into   valence, it is actually quite different. Expectancy refers to the   first level outcomes whereas

instrumentality relates first level outcomes and second level outcomes. In other words, expectancy is the probability (ranging from 0 – 1) that a particular action or effort, will lead to a particular first level out .

In essence, the strength of motivation to perform a certain act, will depend on the algebraic sum of products of the valence for the outcome (which include instrumentality) times the expectancies, as depicted in the equation below.

$$\text{Motivationa Force} = \sum \text{ Valance X Expectancy}$$

Self confident people have higher expectancies than less confident people. Thus Vroom's theory presents a constructive framework to understand the motivation process of employees at work setting.

Figure 11 illustrates the process of expectancy theory.

Figure 11   Vroom's Expectancy theory
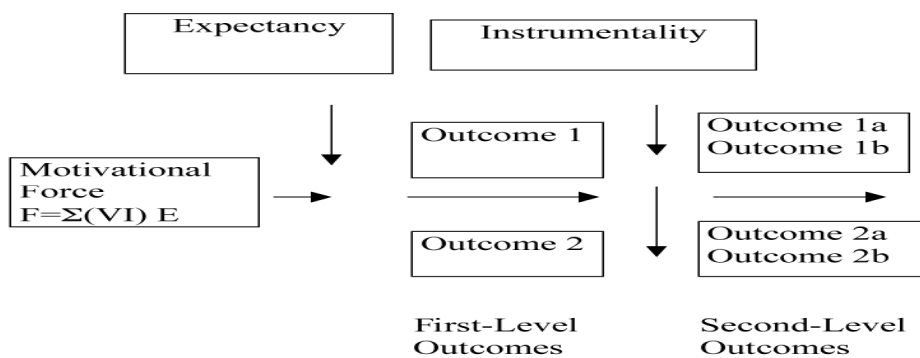
Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 247

2.5.2.   The Porter – Lawler Model.

The model presented by Porter and Lawler discusses the relationship between performance and satisfaction. This is an extended version of Vroom's expectancy theory and was the first time that the relationship between performance and satisfaction was dealt with by a motivational model.

Figure 6 Diagrammatically represent the Porter and Lawler model.

Figure 12   The Porter and Lawler Model
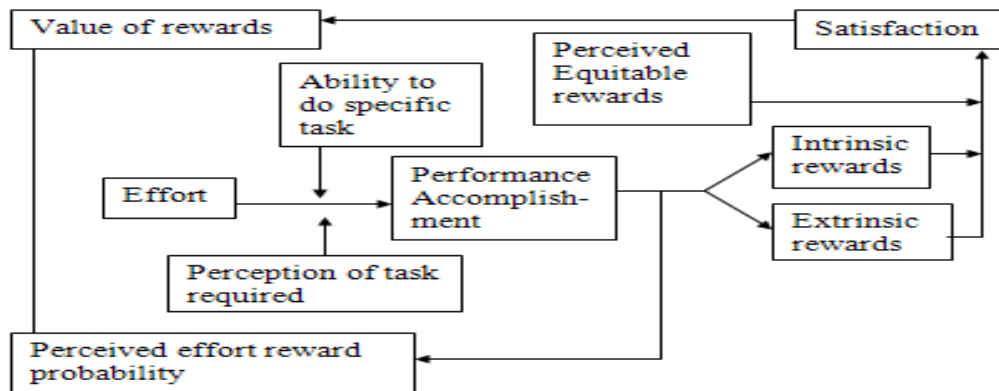
Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 249

Porter and Lawler start with the premise that motivation (Effort or force) does not equal satisfaction or performance. Motivation, satisfaction, and performance   are all separate variables and relate in ways different from what was traditionally assumed.   Figure 12 depicts the multivariable model used to explain the complex relationship that exists between motivations, performance and satisfaction. As shown in the model value of reward, perceived effort , and effort are basically same as Vroom's equation. It is important, however, that Porter Lawler model point out that effort (force or motivation) does not lead directly to performance. The rewards that follow and how these are perceived will determine satisfaction. In other words, the Porter – Lawler model suggests and this is a significant turn of events from traditional thinking – that performance leads to satisfaction.

In essence Vroom's expectancy theory and Porter and Lawler model summarizes that the

strength of a tendency to act in a specific way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual

Section 6.   COGNITIVE THEORIES OF MOTIVATION

Luthans in 2004 defines cognition as the act of knowing an item of information. Under the cognitive framework, cognitions precedes behavior and constitute input into person's thinking, perception, problem solving and information processing. The cognitive approach emphasizes the positive and freewill aspects of human behaviors and uses concepts such as expectancy. The assumption   here is that humans are logical beings that make the choices that make the most sense to them. This section describes motivational theories with cognitive approach where, the concepts of motivations are explained through the thought process of human beings.

2.6.1. Self Efficacy and Self Esteem

The self-concept has emerged as an important component of organizational paradigms. Conventional wisdom has for a long time led us to believe that individuals with a strong sense of self are more highly motivated, higher achievers, more resourceful, and that they are more resilient in the face of adversity than those individuals who have a weak self-concept. There are two dimensions of self concept in the context of organizational behavior. Which are self efficacy and self esteem.

Coopersmith (1967) defined self-esteem as the degree to which people perceive themselves to be capable, significant, and worthy. Other self-esteem scholars (e.g., Marsh, 1993; Wells & Marwell, 1976) generally agree that self-esteem may form around any number of dimensions of the self (e.g., physical self, social self). The aggregate of these evaluations is termed global self-esteem, the overall evaluation of personal worth that people make and maintain with regard to themselves (Coopersmith, 1967; Rosenberg, 1965).

Organization-based self-esteem reflects an employee's evaluation of his or her personal adequacy and worthiness as an organizational member. Employees with high organization-based self-esteem perceive themselves as important, meaningful, and worthwhile within their employing organization-they have come to believe that "I count around here" and that "I am an important part

of this place." Employees that possess high levels of organization-based self-esteem have confidence in their abilities and may be described by peers as being motivated, capable, and empowered.

Self-efficacy, is the second judgment that organizational members form of themselves that has significant organizational implications (cf. Eden & Aviram, 1993; Lee & Bobko, 1994; Martocchio, 1994). Self efficacy is a belief about the probability that one can successfully execute some future action or task or achieve some result. "Self Efficacy refers to the belief in one`s capabilities to organize and execute the courses of action required to manage prospective situations" (Bandura, 1995). The focus area of this theory is the people's belief about their causative capabilities.

Bandura suggests that people`s beliefs concerning their efficacy can be developed by four forms of influences. Which are,

- **Mastery of Experiences :** Experiences of an individual both positive and negative

- **Vicarious Experiences :** Experiences provided by social models

- **Social Persuasion :** Verbal persuasion by others which makes an individual belief that he has what it takes to succeed

- **Physiological and Emotional Status :** The self judgment of an individual.

High self-efficacious employees believe that they are likely to be successful at most or all of their job duties and responsibilities.

2.6.2. Goal Setting Theory

Goal setting theory developed by Edwin Locke brings the idea that Instead of giving vague tasks to people, informing specific and pronounced objectives, help in achieving them faster. The goal setting theory states that when the goals to be achieved are set at a higher standard than in that case employees are motivated to perform better and put in maximum effort. As the clearity is high, a goal orientation also avoids any misunderstandings in the work of the employees.

The core finding of goal-setting theory is that individuals who are provided with specific hard goals perform better than those who are given easy, nonspecific, "do your best" goals (Dubrin,

2004).

Goal setting theory revolves around the concept of self-efficacy discussed earlier, as the theory is based on the individual's belief that he or she is capable of performing a hard task.

2.6.3. Equity Theory

Figure 13   Equity Theory

$$\frac{\text{Out comes by a person}}{\text{Inputs by a person}} = \frac{\text{Out comes by another person}}{\text{Input by another person}}$$

Balance or Imbalance in the mind of individual

Rewards not equitable

Rewards that are Equitable

Rewards more than Equitable

Demotivation

Leave the job

Normal Reaction

Demotivation

Reduction in Quality and Quantity of Production
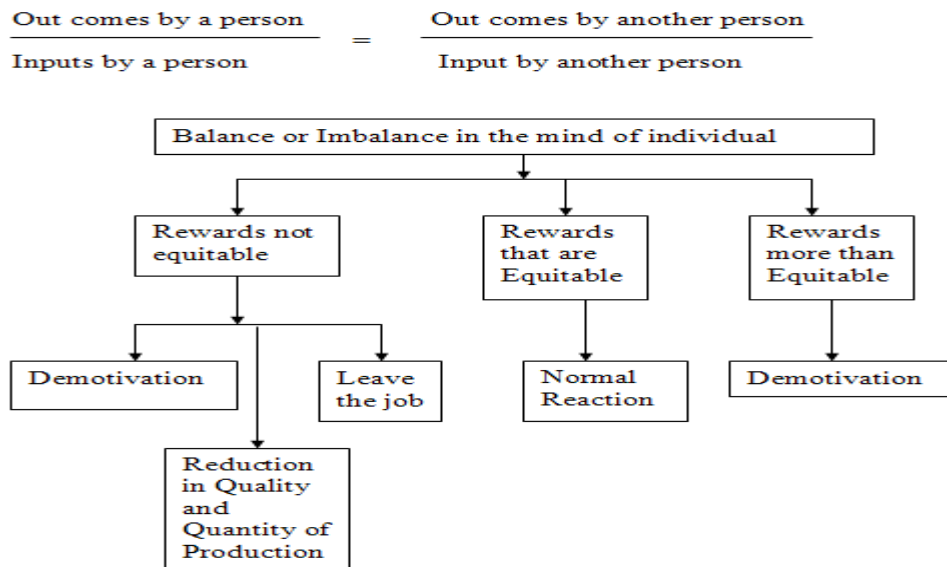
Source :   Luthans, Fred- " *Organizational Behaviour*" . Mc Graw Hill. 2004, 255

As a theory of work motivation, credit for equity theory is usually given to social psychologist   J. Stacy Adams.   The equity theory argues that a major input to the job performance and satisfaction is the degree of equity (or inequity) that people perceive in their work situation.

Inequity occurs when a person perceives that the ratio of his or her outcomes to inputs and the ratio of a relevant other's outcomes to inputs are unequal.   Systematically, this is represented in figure   above

Both the inputs and the outputs of the person and the other are based on the person's perceptions. Outcomes consist primarily of rewards such as pay, status, promotion, and other intrinsic interests of the job. In essence the ratio   is based on the person's perception of what the person is giving (inputs) and receiving (outputs) versus the ratio of what the relevant other is giving

25

and receiving. If the person's perceived ratio is not equal to the other's he or she will strive to restore the ratio to equity. To restore equity, the person may alter the inputs or outcomes, cognitively distort the inputs or outcomes, leave the field, act on the other or change the other. (Luthans, 2004)

2.6.4. Control and Agency Theory

Control and Agency theory on motivation are considered as more broad based and emerging theories of work motivation. As per Luthans 2004, control theory is essentially a cognitive phenomenon relating to the degree that individuals perceive they are in control of their lives , or in control of their jobs. Recent studies have shown that those who believe that they have such personal control, tolerate unpleasant events and experience less stress on the job than those who do not perceive such control. Thus, persons who are given more work, but also control to complete that work , may not feel as negatively about their new assignments.

An agency relationship involves one or more individuals (the principals) engaging in another person or persons (the agent) to perform some service on their behalf. The key to agency theory of work motivation is the assumption that the interests of the principals and the agents diverge or may be in conflict with each other. The implications to human resource management and organizational behavior involve how the principals can limit divergence from their interests or objectives by establishing appropriate rewards or incentives for the agents for appropriate outcomes.

Since the cognitive theories are based on the thought process of human beings, the expectancy theories described in Section 5 process theories of motivation, put forward the Vroom and Porter and Lawler , could be also classified as cognitive theories.

2.6.5. Psychological Contract

Schein (1980) described the psychological contract as " the depiction of the exchange relationship between the individual employee and the organization". The Psychological contract is the employer's perception of the reciprocal obligations existing with their employer; as such the employee has beliefs regarding the organization`s obligations to them as well as their own obligations to the organization. (Rousseau, 1989)

Shore and Tetrick (1994) mention that psychological contracts reduce individual uncertainty by establishing, agreed upon conditions. Psychological contracts, initially emerge at the time of pre – employment negotiation.

Rosseau (1989) distinguished between two forms of psychological contracts, as transactional and relational obligations. She linked the former with economic exchange and the latter type of contract with social exchange.

Thus psychological contracts are an important motivator, for the people who are motivated by cognitive factors.

Section 7. LITERATURE REVIEW ON BANKING

2.7.1. Definition of a bank

The Business Dictionary 2011 n.d., defines a bank as a "An establishment authorized by a government to accept deposits, pay interest, clear checks, make loans, act as an intermediary in financial transactions, and provide other financial services to its customers". The National Institute of Open School India n.d., defines a bank as a" lawful organization, which accepts deposits that can be withdrawn on demand. It also lends money to individuals and business."

As per the above definitions a bank acts as an intermediary between the parties that has excess money and those parties that are in need of money.

The principal business of a bank includes accepting deposits and lending those deposits for an income which is called as "interest". Other than acting as an intermediary, a bank also provides many other services which are based on a "fee". By nature banking industry is one of the most highly regulated industry in every part of the world.

Bank play a significant role in the economic development. The overall economic of a country is absolutely dependent on the efficient banking system. Industrial, agricultural and commercial progress of a country is not possible without a good banking system. The importance of banking as per the   National Insitute of Open Schooling India are, as follows;

- **Capital Formation :** Economic development depends upon the division of economic resources from consumption to capital formation. Capital grows out of savings. Banks play the prime role in accumulating capital by collecting the scattered savings of the people. Thus banks render a valuable service towards the development of a country by encouraging the growth of capital.

- **Inexpensive Media of Exchange:** Modern Banking provides inexpensive media of exchange. The cheques issued on the banks are frequently used instead of money in transacting business. Thus the cheques economize the use of currency notes.

- **Development of Trade and Industry :** Bank utilize their collected funds by advancing loans to commercial and industrial undertakings. In respect of foreign trade also, banks render a valuable service by issuing letter of credit etc.

- **Reservoirs of Funds:** Banks acts as the reservoirs of money in the country. In times of economic, crisis the bankers come forward to help the Government by purchasing the Government securities or by advancing loans.

- **Transfer of Funds :** Banks facilitate the transfer of funds from one place to another safely and at a very cheap cost through bank drafts, mail transfers, telegraphic transfer, travelers cheque etc.

- **Dealing in Foreign Exchange :** Banks deal in foreign exchange by purchasing and selling foreign currencies and by issuing letters of credit. Foreign remittances of funds are possible only through banks.

- **Money Market Operations :** The structure and ups and downs of money market in the country are largely dependent on the bankers activities. Under the guidance of the central bank all the banks in the country do their best for the sound management of money market.

- **Service to Customers:** Banks perform various agency services on behalf of their customers. They collect or make payments of bills of exchange, dividend, insurance premium etc, on behalf of their customers. They act as the trustees ore executors of documents etc. They also extend financial advices to their customers

(National Institute for Open Schooling India n.d.,)

28

2.7.2. Types of Banks

Figure 14   Types of Banks in Sri Lanka
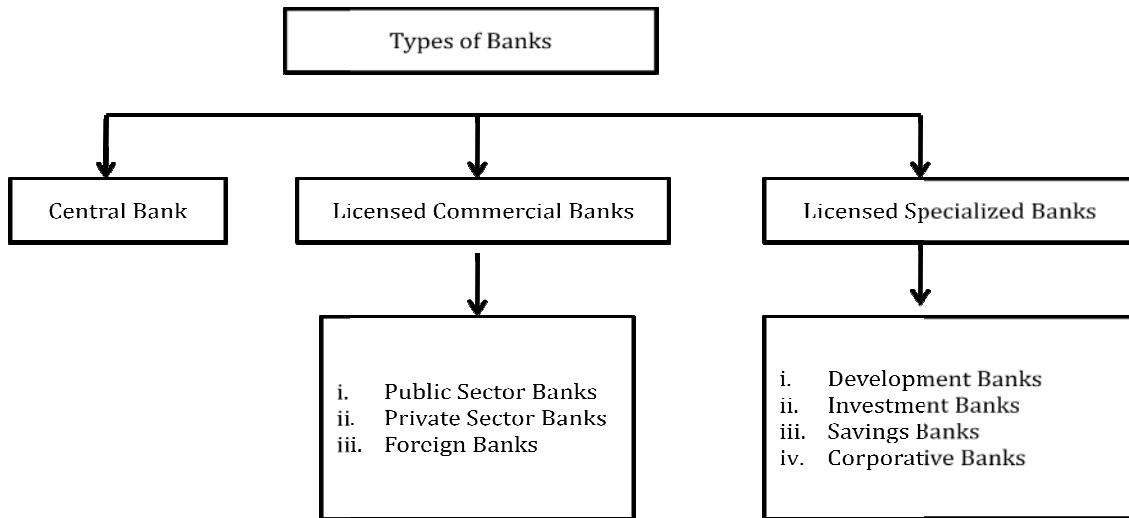
Source :   Kariyawasam, U.G.D.C., 2010, *Empirical investigation and assessment of service quality dimensions of   commercial banks and development banks*(Unpub.)

There are various types of banks operating in a country based on the different financial requirements of different categories of business and people. Based on the functions, the banking institutions in Sri Lanka can be divided into the following types as described in Figure 14 above.

- **Central Bank of Sri Lanka –** is entrusted with regulating and guiding the banking system of   Sri Lanka. Central bank is the most important institution in the banking system of a country established with the objective of regulating the banking and monetary system of the country. It issues notes and currencies within the country and is entrusted with responsibility of maintaining the price level in the country stable. It acts as banker to the Government and it directly or indirectly controls the activities of all other banks.

- **Licensed Commercial Banks –** The complete Real Estate Encyclopedia,2007 defines a commercial bank as a "A financial institution authorized to receive both time (savings accounts, cash deposits) and demand (checking accounts) deposits, to make loans of various types, to engage in trust services, to issue letters of credit, to accept and pay drafts, to rent

29

safety deposit boxes, and to engage in similar activities and ventures. Commercial banks in Sri Lanka are represented by state run public commercial banks, private commercial banks and foreign banks.

- **Specialized Banks –** These banks are established to perform a one or more specially assigned task. Japan is the home of specialized banks where different types of specialized banks are working with their special functions. In Sri Lanka these banks are represented by Development Banks, Housing Finance Institutions, Savings Banks and Cooperative Banks.

As the definitions indicate there are significant differences between the LBCs and LSBs in many aspects. Kariyawasam (2010) highlights the differences between the LCBs and LSBs in Sri Lanka as depicted in Table 3 below .

Table 1   Differences between LCBs and LSBs in Sri Lanka

	Licensed Commercial Bank	Licensed Specialized Bank
Incorporation	Governed by the Banking Act no of 2006 Sri Lanka	Governed by the Banking Act plus a special Act of Parliament
Specialty	Established to operate general banking activities	Established to operate one or few specially permitted activities
Operational Limitations	Executes all activities including call deposits.	Executes only a few specialized activities. No call deposits nor forex transactions.
Ownership	Held by general public	Largely held by government and or other institutional investors
Time Orientation	Short term focus	Long term focus
Staff	General qualification and abilities	Highly qualified and specialists.

Source :   Kariyawasam, U.G.D.C., 2010*, Empirical investigation and assessment of service quality dimensions of   commercial banks and development banks*(Unpub.)

2.7.3. History of Banking Industry in Sri Lanka

Banking operations in Sri Lanka was first commenced by the Britishes during the era of british colonization, mainly to facilitate the need for commercial banking to cater to the newly started coffee plantation in Ceylon (Sri Laka was then called as the British Ceylon). The first banks were established between 1843, and many foreign banks commenced operation is Sri Lanka subsequently.

At the same time, none banking money lenders also dominated the money lending business as domestic Ceylonese businessmen had very limited access to the British banks. These lenders were called as " Nattukottai Chettiars " and they were of Indian origin. They had 556 firms which gave loans to the plantation sector and the business community but were termed "shylocks" for charging exorbitant rates of interest from their slimy clients.

The Ceylonese businessmen found it almost impossible to make direct approach to the British Bank Manager for credit and often went through an intermediary designate "the Shroff" who was responsible for the cash holdings of the Bank and for credit guarantees for Ceylonese businessmen .

Following the depression in 1934, there was a cry from the Ceylonese to fill the vacuum created by restricted lending by the establishment of an indigenous commercial bank to serve the people of the country. The Commission which was appointed by the State Council in 1933, recommended the establishment of a state aided bank. (R Villavarajah – 2004)

Following the recommendation The Bank of Ceylon was established on 1st August, 1939. With the establishment of the Central Bank in 1950, the earlier system of currency issue, which was administered by the board of Commissioners of Currency, was replaced by the Central Bank. Following independence, long term financing institutions were set up to provide finance for long term development projects. With this initiative Development Finance Corporation of Ceylon (Now termed as DFCC Bank) was commenced in 1955 as the first Licensed Specialized Bank of Sri Lanka.

In 1961, The need for a bank to render greater services to the Co-operative Movement, to

develop rural banking and to extend agricultural credit to the masses had been long felt in Sri Lanka. With this   backdrop People's Bank was founded in 1961 . (R Villavarajah – 2004)

The year   1977, was a significant year in the history of Sri Lanka with the economy being transformed to an open economy. With the new economic policies the government's attitude towards banking and branches of foreign banks changed fundamentally. After 1977 it was the view of the Government that the entry of foreign banks will not only confirm the intentions of the Government to open the economy and liberalize trade and payments. But it will also give confidence to foreign investors.

Since then, there has been an increase in the number of foreign banks.

CHAPTER 3. RESEARCH METHODOLOGY

Section 1. RESEARCH   DESIGN

This study follows the quantitative approach for research. Where research data were gathered from a sample representing the population, and statistical tools were used to analyze the data. The primary data collected for this study have been tested for validity and reliability. The study is a comparative study, with two independent groups.

The study followed the deductive approach to research. Research hypothesis were generated from available literature on motivation. These hypotheses were tested using a questionnaire as the research instrument. The data were analyzed using PASW software – version no 18, using a scientific approach.

The research design represents an independent measures design. The each of the two separate groups tested, contained deferent and independent individuals. As per the independent measures design, each respond ant was tested only once.

The following sections explain the methodology in detail.

Section 2. MEASUREMENTS

This study attempts to indentify perceptions on motivation held by bankers in Sri Lanka. In other words what factors do bankers in Sri Lanka believe to be motivating them. To identify theoretical dimensions of motivation, 14 theories of motivation were studied in detail. Out of which the researcher attempts to test the relevance of 12 theories and how they affects the perceptions on motivations of bankers in Sri Lanka.

The 12 theories of motivation tested in this study were categorizes into two broad segments as organizational conditions and conceptual conditions as depicted in Figure 14 below.

Figure 15   Categorization of Theories of Motivation

Organizational Conditions

i.   Existence
•Financial Benefits
•Job Security
•Company Policies
•Work – Life Balance
•Workload

ii.   Relatedness
•Relationship with boss
•Relationship with colleagues
•Information sharing
•Involvement in decision making
•Social interaction
•Mutual target setting

iii.   Growth
• Training
•Career progression
•Lateral Movement
•Challenging work

Cognitive Conditions

i. Self Esteem

ii. Self Efficacy

iii. Expectancy

iv. Equity

v. Goal Setting

vi. Control and Agency

Having studied a broad depth of motivational theories, the researcher identified that some of the available theories were based on the idea of "what an individual thinks the organization should provide to him to be motivated" or in other words "what should exist in the organizations". These factors were termed as *organizational conditions.* The remaining theories were based on the idea "what factors affect the thought process of an individual in deciding what motivates him" and these factors were termed as c*ognitive conditions*.

3.2.1.   Organizational Conditions

Organizational conditions are exclusively represented by the need theories of motivation, discussed in chapter 2: section 3 above. The contents of the four need theories were   further categorized into three segments   as Existence need , Relatedness Needs and Growth needs , extracting the names used by Clayton Alderfer in ERG theory.

34

i. Existence Needs

The basic needs that an employee looks for in an organization were classified as existence needs. These needs are characterized by physiological and safety needs in the Maslow`s hierarchy of needs, and hygiene factors in Herzberg`s two factor theory. As indicated in Figure 14 above, in this study , the Existence needs were operationalized by the five factors . Namely ***financial benefits, job security, company policies, work life balance and work load.***

ii. Relatedness needs

Relatedness needs refers to the needs that people look for in organization relating to maintaining interpersonal relationships. These needs are characterized by Love needs in Maslow`s hierarchy of needs and forms part of the hygiene factors in Herzberg`s theory. Six factors were used to operationalize relatedness needs in this study. Which are – ***relationship with boss, relationship with colleagues, information sharing, involvement in decision making, social interaction and mutual target setting***.

iii. Growth needs

Growth needs refers to the factors that employees believe as what contribute to their organic growth within the organization. These are characterized by external esteem needs in Maslow`s hierarchy of needs and falls into the hygiene factors in Herzberg`s two factor theories. Growth needs are represented by the factors – ***training, career progression, lateral movement across the organization and challenging work.***

Based on the literature review on need theories, it is clear that the factors used in this study to operationalize need theories largely represent extrinsic motivators. Thus organizational factors of this study are considered as factors representing extrinsic needs of motivation.

3.2.2. Cognitive Conditions

Cognitive conditions were represented by six distinct theories that were discussed in chapter 2: literature reviews earlier. In operationalizing the cognitive factors, the theories were utilized as they are, without utilizing additional factors to represent each of them. The six theories used to characterize cognitive conditions are,

    i.   Self Esteem

    ii.   Self Efficacy

    iii. Expectancy

    iv.   Equity

    v.   Goal Setting

    vi.   Control and   Agency

These cognitive factors largely represent intrinsic motivation factors discussed in the literature review. Thus cognitive factors of this study are considered as synonymous with intrinsic motivation.

Section 3.   VARIABLES

3.3.1. Independent Variables

The independent variable of the study is " Conditions for Motivations". This variable is operationalized using two sub variables, which are depicted below.

Figure 16   Independent Variables

Independent Variable (Ii)	-	Organizational Conditions ~ Extrinsic Motivators
Independent Variable (Iii)	-	Cognitive Conditions ~ Intrinsic Motivators

Operationalization of independent variables have been discussed in   section 2 above.

3.3.2. Dependent Variables

Dependant variable of this study is the actual level of motivation of the executives in banking sector in Sri Lanka. Six independent factors have used to operationalize the dependant variable which are as follows.

     i.   Level of overall job satisfaction

    ii.   Readiness to accept challenge

   iii.   Belief that their competencies are optimally used

   iv.   Satisfaction with financial benefits.

    v.   Readiness to recommend the bank as a good employer

   vi.   Opinion about changing the industry

These factors were derived from literature reviews, pre research made with executives in the banking industry, and informal discussions conducted with two senior managers : one representing a licensed specialized bank and the other representing a licensed commercial bank.

Section 4. CONCEPTUAL FRAMEWORK AND RESEARCH HYPOTHESIS

The literature on motivation brings forth a very broad range of attributes. Some literature such as the need theories, suggest that employees are motivated by factors that perceive to be existed in organization. While some theories argue that employees are motivated by factors that affect the thought process in concluding what motivates them. Some theories such as the process theories combine both of these ideas.

This study attempts to study what motivates bankers in Sri Lanka. Thus it is imperative to study what factors out of the two mentioned above, influence them the most, and to which extent the two factors individually affect the motivation levels of the employees.

With this view, the following conceptual framework was designed to perform this study.

Figure 17   Conceptual Framework
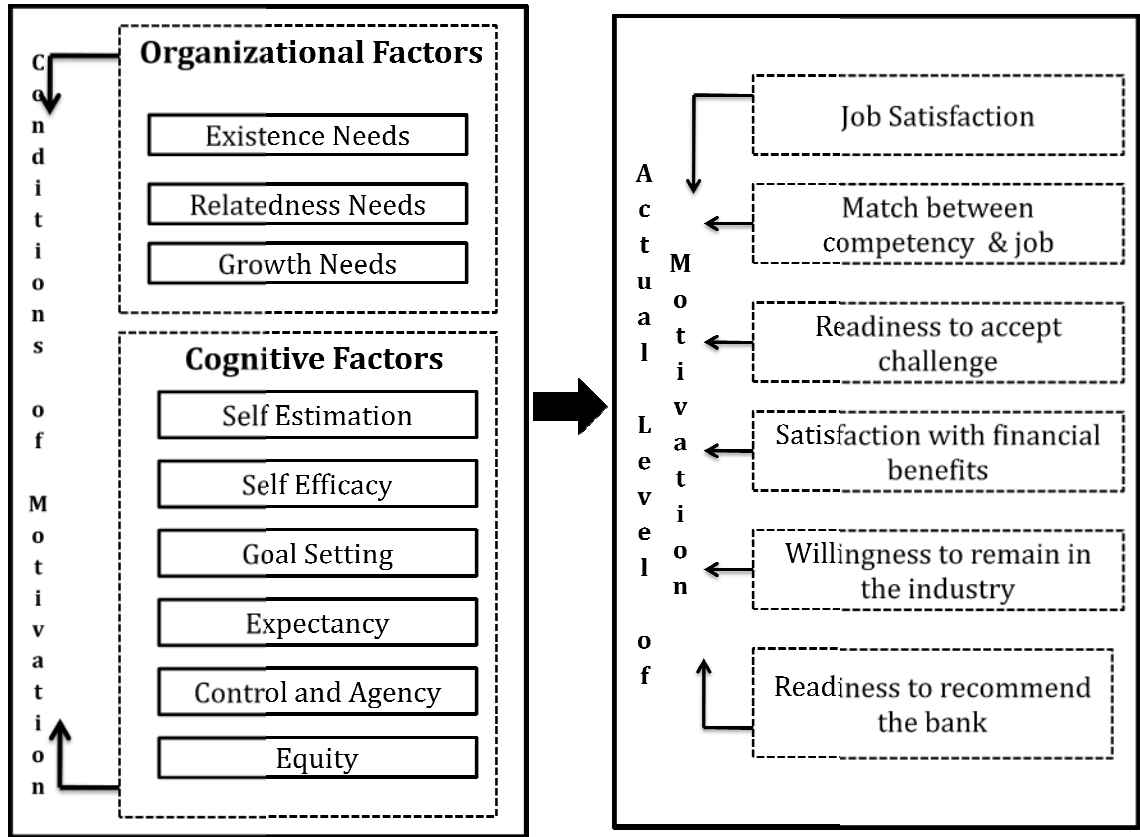
As described earlier, the independent variable of this study is Conditions of Motivation, which is operaionalized using two sub variables: Organizational Factors and Cognitive Factors. The dependant variable of the study is Actual Level of Motivation, which is operationalized using six factors. These conditions   of motivations   in other words, represent the perceptions of bankers as what motivates them.

Based on the conceptual framework and variables, two deductive hypotheses were formulated. They are as indicated below,

H1 - There is a positive correlation between perceptions on conditions of motivation, and actual level of motivation of bankers in Sri Lanka

Null Hypothesis of H1 - There is no positive correlation between conditions of motivation, and   actual level of motivation of bankers

H2 - Bankers in Sri Lanka are motivated by intrinsic factors.

Null Hypothesis of H2 - Bankers in Sri Lanka are motivated by extrinsic factors.

Section 5. RESEARCH INSTRUMENT

The main research instrument used in this study is a self administered questionnaire. Primary data collected through the questionnaire are the sole and exclusive inputs to the analytical part of this study, which follows a quantitative approach.

The questionnaire was distributed through personal networking. Both conventional paper based form and online form – with MS Word and Google Forms were used to collect data. The online forms facilitated remote data collection eliminating geographical barrier between the researcher and the respondents.

All thought the research focuses on two distinct and independent groups of respondents; they were tested with single questionnaire. The questionnaire comprised of 3 parts. Part 01 was focusing on demographic details of the respondent, and contained 9 questions.

Part 2 was the main and the most important section of the questionnaire. It contained 30 close ended questions linked to the independent and dependant variables. The respondent was requested to select a specific – one time choice, indicated on a five point Likert scale. A numerical value of 1 to 5 was assigned to the scale, with 1 indicating "Strongly Agree" and 5 indicating "Strongly Disagree". 16 questions were used to test the variable organizational conditions. As mentioned in section 3.2.1 above, three sub variables were used to operationalize the variable of organizational conditions. Accordingly, in the questionnaire 6 questions were used to test existence needs. Another 6 questions were used to test the variable of relatedness needs, while 4 questions were used to test the variable of growth needs.

The independent variable I(ii) – cognitive conditions were tested with 6 questions. The dependant variable which is actual level of motivations was tested with 8 questions.

Part 3 of the questionnaire, was an open ended questionnaire asking what the respondents believe what motivates them. This was not a mandatory question while all the reset were made

mandatory.

The questionnaire is attached as an appendix to this thesis, bearing appendix number 1.

Section 6.   RESEARCH OBJECT

The research object of this study is the employees in the categories of executives and above in licensed commercial banks and licensed specialized banks. Only the private sector banks are considered in this study. The sample used here is a simple random sample where each respondent has an equal probability of selection and their response is independent from each other. One respondent was tested only once following the sampling without replacement pattern.

The sample included 3 domestic LCBs, 3 Foreign LCBs and one domestic LSB as indicted in table 2 below.

Table 2   Banks included in the sample of the study.

Domestic Private LCB	Foreign LCB	Domestic LSB
- Commercial Bank of Ceylon - DFCC Vardhana Bank - Nations Trust Bank	- Citibank Sri Lanka - Deustche Bank Sri Lanka - HSBS Sri Lanka	- DFCC Bank

Appendix 2 to this report describes each of the institutions briefly. Since the foreign LCBs are operated mainly as branch networks financial indicators for the FLCBs were difficult to be obtained. Thus are not indicated in the description below.

CHAPTER 4. DATA ANALYSIS

Section 1. DESCRIPTION OF THE SAMPLE

This study used a sample of 70 banking employees in the categories of executive and above levels. More specifically, 35 executives from LCBs and 35 executives from LSBs. The basic demographic description of the sample is listed below.

4.1.1. Gender breakup

Incidentally the sample represented an equal proportion of males and females. This was a totally a random occurrence. Table 3 below represents the statistical description of the gender breakup.

Table 3   Gender Breakup

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	35	50.0	50.0	50.0
	female	35	50.0	50.0	100.0
	Total	70	100.0	100.0	

4.1.2. Age composition

The respondents were categorized into 4 age groups and breakup of the respondent in each category is represented in Table 4 below.

Age category   30-45 was the mode of the sample with 35 respondents belonging to this group.   As per Robbins and Judge (2010), this category of people belong to generation X and, in an organizational context, they are team oriented people and who dislike rules. They prefer work life balance and find maintaining relationships very important.

Table 4   Age Composition

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-30	27	38.6	38.6	38.6
	30-40	35	50.0	50.0	88.6
	40-50	7	10.0	10.0	98.6
	More than 50	1	1.4	1.4	100.0
	Total	70	100.0	100.0	

4.1.3. Civil status

The civil statuses of the respondents are depicted in table 5 below.

Table 5   Civil Status

Civil Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	not married	24	34.3	34.3	34.3
	married	45	64.3	64.3	98.6
	had been married	1	1.4	1.4	100.0
	Total	70	100.0	100.0	

4.1.4. Education level

The educational level of the respondents were assessed under 4 categories. Category iv is a special class of qualifications which are more popular in the commonwealth countries. These qualifications are offered by institutions that are not universities, but institutions incorporated by the parliament or the legislations of the country, such as the Sri Lanka Law College, and Chartered Institute of Management Accounting in the Unlighted Kingdom, Certified Public Accountants in Australia.

i. Bachelors Degree of any discipline: Undergraduate level qualification

ii. Masters Degree of any discipline: Graduate level Qualification.

iii. Professional Qualifications   : These represent other professional qualifications in the disciplines of   Banking and accountancy

iv. Advanced Level :   Under British education system. Which is equivalent to completion of High School under the Japanese system.

Table 6   Education Levels

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Bachelor	19	27.1	27.1	27.1
	Master	22	31.4	31.4	58.6
	Professional	19	27.1	27.1	85.7
	Advanced Level	10	14.3	14.3	100.0
	Total	70	100.0	100.0	

Table 6 above depicts the educational level of the respondents.

4.1.5. Description of the type of Job

The respondents were grouped into 3 categories based on the possible jobs that exist in a bank, as explained below.

i. Core activities that has direct customer interaction Ex – Credit function, leasing, cash handling

ii. Back office: Core activities that has no direct customer interaction. Ex – Disbursements

iii. Technical   : None core activities Ex – IT and Legal

The table 7   Below indicates the breakup of the respondents based on their type of job.

Over 50% of the respondents were involved in core activities while 8.6% of the respondents were into technical jobs.

Table 7   Type of Jobs

Type of Jobs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Core	40	57.1	57.1	57.1
	Back Office	24	34.3	34.3	91.4
	Technical	6	8.6	8.6	100.0
	Total	70	100.0	100.0	

4.1.6.   Length of experience in banking

Table no 8 indicate the length of experience of the respondents in the banking industry.

Table 8   Length of Experience

Experience in Banking

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5	30	42.9	42.9	42.9
	5- 10	18	25.7	25.7	68.6
	10-15	13	18.6	18.6	87.1
	more than 15	9	12.9	12.9	100.0
	Total	70	100.0	100.0	

Section 2.   SAMPLE ADEQUACY

The ideal population of this thesis would be employees in the levels of executives and above in all 36 banks in Sri Lanka. However, due to the impossibility of accessing all of them, this study was used sampling approach which was more convenient and approachable by the researcher. The 70 respondents of this thesis represented 7 banks in Sri Lanka.   Hence, the   estimated population of the study is 571 in numbers. (Please refer Appendix 3   - Calculation of the total population of the study).

The adequacy of the sample is tested using the statistical formula for determining the confidence level as indicate by Kumar R in the book Research Methodology – 3rd Edition: 2011 published by SAGE.

The formula is as indicated below.

$$\hat{x} = (t\,n)\frac{\sigma}{\sqrt{n}}$$

Where,

$\hat{x}$ = Estimated value of the population mean

t(n) = Value of t at the required percent *n* confident level

$\frac{\sigma}{\sqrt{n}}$ = Standard Error

  σ * = Standard Deviation

  n = Sample Size

  $\sqrt{}$ = Square Root

* Calculated by = Number of points on the scale / Number of Standard Deviations

Thus calculation of the required sample size at a confidence level of 95% is as follows.

$$\hat{x} = \bar{x} \pm (t\,0.05)\frac{\sigma}{\sqrt{n}}$$

At a level of accuracy at a percentage of 50 % , which is the worst tolerable level,

$$\bar{x} \pm (t\,0.05)\frac{\sigma}{\sqrt{n}} = 0.5$$

$$0.5 = \frac{1.96\,**\,X\,\sigma}{\sqrt{n}}$$

$$\sqrt{n} = \frac{1.96\,X\,\sigma}{0.5}$$

$$\sqrt{n} = \frac{1.96\,X\,(5/4\,***)}{0.5}$$

$$\sqrt{n} = \frac{1.96\,X\,1.25}{0.5} = 4.9$$

$$n = 24.01 \sim 24$$

* * *t* value 95% confidence value ,   * * * 5/ 4.

Hence, the required level of sample at a level of confidence level of 95%   with a tolerance level of 50% is 24. The study has a sample of 70 respondents. Thus well above the required size of minimum sample size.

Section 3.   DESCRIPTIVE ANALYSIS

The table 9 below is the output of the   frequency distribution of the independent variables of the study, using PASW software version 18. The table summarizes the frequencies of mean, standard error, mode, standard deviation, variance and rank.

Table 9   Summary of independent variables   – total sample

Statistics

	Equity	Mean of existence	Mean of relatedness	Self Esteem	Self Efficacy	Agency	Mean of growth	Goal Setting	Expectancy
Mean	4.33	4.32	4.27	4.27	4.21	4.13	4.11	3.73	3.11
Std. Error of Mean	.093	.042	.044	.076	.081	.089	.052	.109	.137
Mode	5	4	4	4	4	4	4	4	3
Std. Deviation	.775	.348	.370	.635	.679	.741	.433	.916	1.149
Variance	.601	.121	.137	.404	.461	.548	.187	.838	1.320
Rank	1	2	3	3	5	6	7	8	9

As per the table above the highest level of mean is recorded for the variable of equity, while expectancy records the lowest level of mean. The standard deviation for each variable is very lower comparatively to the mean of each variable indicating that each respondent`s response does not have a significant difference from the mean of the variable.

The study is a comparative analysis with two sub groups based on type of bank, in the sample. Thus it is important to understand how the responses differ in the two subject categories. Further, going beyond the default categorization based on the type of bank it is imperative to analyze the extent to   which   the responses differ based on the other demographic characteristics of the respondents.

Table 10 Measurement of difference in mean based on each demographic characteristic.

Factor of Motivation	Education	Civil Status	Gender	Age	Job Grade	Type of Bank	Tenure	Type of work
Work life balance	0.073	0.004	0.044	0.01	0.481	0.188	0.481	0.779
Information Sharing	0.008	0.036	0.116	0.005	0.063	0.946	0.063	0.148
Recognition	0.498	0.036	0.111	0.757	0.043	0.267	0.033	0.823
Job Security	0.002	0.163	0.149	0.031	0.987	0.019	0.987	0.338
Mutual target setting	0.344	0.675	0.753	0.161	0.06	0.892	0.05	0.156
Relationship with colleagues	0.049	0.91	0.005	0.085	0.664	0.674	0.664	0.77
Lateral Movement	0.852	0.013	0.661	0.719	0.886	0.012	0.886	0.339
Policies of the Bank	0.844	0.063	0.323	0.102	0.118	0.776	0.118	0.043
Manageable workload	0.518	0.918	0.013	0.462	0.116	0.401	0.116	0.255
Training opportunities	0.045	0.171	0.31	0.099	0.417	0.076	0.417	0.738
Challenging Work	0.032	0.361	1.00	0.767	0.831	0.284	0.82	0.794
Upward Movement	0.864	0.988	0.228	0.642	0.038	0.346	0.808	0.825
Self Efficacy	0.04	0.667	0.862	0.237	0.39	0.841	0.39	0.447
Equity	0.445	0.044	0.284	0.449	0.947	0.11	0.94	0.161
Agency	0.042	0.575	0.262	0.705	0.687	0.782	0.687	0.899
Financial Benefits	0.452	0.578	0.452	0.445	0.174	0.786	0.174	0.246
Relationship with boss	0.372	0.969	0.072	0.094	0.88	0.847	0.88	0.844
Involvement in Decision Making	0.868	0.798	0.064	0.1169	0.705	0.81	0.705	0.987
Social gathering	0.626	0.818	0.626	0.395	0.625	0.098	0.625	0.196
Self Esteem	0.862	0.479	0.091	0.155	0.103	0.747	0.103	0.985
Goal Setting	0.536	0.973	0.518	0.762	0.572	0.106	0.572	0.7
Expectancy	0.537	0.779	0.214	0.315	0.435	0.905	0.435	0.179
No of Sign fact Factors	**8**	**5**	**3**	**3**	**3**	**2**	**2**	**1**

An Independent T test was carried out to determine the significance of the means based on each demographic characteristic, and the results are depicted in table 10 above.

The independent T test in SPSS only compares the mean between two groups. Hence, the respondents were re grouped for the characteristics that had more that 2 indicators, which were Age, Level of education, Type of work , Tenure and job grade. By which the groups were split into two indicators.

Factors those are significant for each demographic characteristic is highlighted in grey, in the table.

Section 4.   RELIABILITY TESTING

Cronbach`s Alpha test was used to perform reliability analysis to assess the internal consistency of the measurements used in this study. The study uses three major measurements, which are : Organizational conditions / Extrinsic factors, Cognitive conditions/ Intrinsic factors, and Actual level of Motivation.

In an empirical study, it is important to test the reliability of the grouping of variables. In this study, the independent variables are directly derived from 14 theories of motivation which are already tested and proved. Thus, it is assumed that the grouping is already tested for independent variables, hence Cronbach's Alpha test was directly applied.   However, the measurements used to test the dependant variables were not derived from any previously tested theory. Hence factor analysis was used to evaluate the reliability grouping of the   dependant variable which was actual level of motivation, before calculating the Cronbach's Alpha.

De Vaus in 2004 suggests that an acceptable level of reliability should have a Cronbach`s Alpha > +.05. In case the alpha does not exceed +0.5 , he suggests to eliminate the variables that have a total correlation   less than +.03 .

Reliability of each measurements were carried out separately and the results are explained in the following sections in detail.

4.4.1. Reliability analysis for Organizational Conditions

The result of the primary reliability analysis for the 16 conditions for the variable of organizational conditions , is depicted in tables 11 and12   below. The overall alpha score of the variavle is a .726 which is a strong positive score. Essentially this meant that respondents who tended to select high scores for one item in the group did tend to select high scores for the others. Therefore the all the conditions under the variable of organizational conditions, were retained and continued to be included in the group for further analysis.

Table 11   Cronbach`s Alpha - detailed   :   Organizational Conditions

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Financial and Other Benefits	63.59	20.971	.213	.723
Recognition	63.26	20.252	.439	.705
Job Security	63.89	20.451	.161	.737
Work Life Balance	63.09	20.833	.256	.719
Policies of the Bank	63.60	20.736	.275	.718
Manageable Work load	63.73	19.853	.338	.711
Relationship with Boss	63.33	20.224	.438	.705
Relationship with Colleagues	63.21	20.374	.452	.705
Information Sharing	63.37	20.469	.412	.707
Involvement in Decision Making	63.80	19.554	.404	.704
Business and Social Gathering	64.14	19.776	.353	.710
Mutual target setting	63.73	20.230	.266	.720
Training Opportunities	63.67	19.615	.401	.705
Challenging Work	63.64	20.291	.306	.715
Upward Movement	63.60	19.287	.468	.698
Lateral Movement	64.00	20.667	.173	.732

Table 12   Cronbach`s Alpha - detailed   :   Organizational Conditions

Reliability Statistics

Cronbach's Alpha	N of Items
.726	16

4.4.2.   Reliability analysis for Cognitive Conditions

Table 13   Cronbach`s Alpha - summary   : Modified for   Cognitive Condition

Reliability Statistics

Cronbach's Alpha	N of Items
.554	5

Table 14 Cronbach`s Alpha   - detailed : Modified for   Cognitive Condition

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Self Esteem	16.40	3.519	.504	.406
Self Efficacy	16.46	3.498	.458	.422
Goal Setting	16.94	3.475	.237	.561
Equity	16.34	4.373	.046	.647
Agecy	16.54	3.353	.450	.418

The Cronbach`s Alpha test for the 6 variables used to measure the cognitive conditions, is attached in Appendix 4 for this report. The primary result with all conditions returned a weak score of + .415. Three of the conditions- expectancy, equity and goal setting, represented a total correlation bellow +.03. Arguably, all these three variables should have been eliminated from further analysis. However, the variable of equity, records the highest mean value in the total study (Please refer table 10), indicating strong influence it has over the study. Thus it was decided not to eliminate this factor from the study, despite Cronbach`s Alpha analysis recommends to do so. Out of three subject

variables only expectancy depicted a negative correlation. Meaning that, the respondents did not respond to the variable of expectancy, in the same tendency as they for the other variables in the same category. Thus it was decided to eliminate the variable of expectancy from further analysis.

After eliminating the variable expectancy, the overall Cronbach`s Alpha score improved from a +.415 to +.554 strengthening the relationship among the remaining variables of the group.

The results of the Chonbach`s Alpha after the eliminating the variable of expectancy is depicted in table 13 and 14 above.

4.4.3. Reliability analysis for Dependant Variable

The reliability test for the grouping of dependant variable was carried out using principal component analysis which is also called as factor analysis in SPSS. Assumptions used for factor analysis are as follows.

    a.   KMO score > 0.5

    b.   Bartleet Test significance < 0.5

    c.   Factor Loading > 0.5

    d.   Communalities > 0.5

    e.   No Cross Loading

The factors loaded for the analysis included all 6 sub variables used to assess the dependent variable which is actual level of motivation. Since only one dependant variable was required, the test was required to extract one set of factors, rather than based on Eigenvalues. The results of the factor analysis presented in table 15 shows that the KMO score was 0.664 and Bartlett's Test of Sphericity was very significant with a value of 0.000. Thus factor analysis could be performed for the data set with a very high level of validity.

Table 15   KMO Test for dependant variable

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.664
Bartlett's Test of Sphericity	Approx. Chi-Square	46.462
	df	3
	Sig.	.000

The table 16 below depicts the factors extracted by the SPSS as best representatives of the dependant variable, based on the responses for the questions relating to the dependant variable. Only 3 factors were extracted by SPSS eliminating 3 variables , out of total of 6 variables.   The three variables extracted are perception of match between capabilities and current position, Overall satisfaction level and   willingness to recommend the bank as a good employer. They were grouped together for further analysis and named as " over all motivation level".

Table 16   Component Matrix - dependant variable

Component Matrix[a]

	Component
	1
Position tallies capabilities	.753
Recommend the bank	.825
Satisfied	.852

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

The score of factor loading   indicates the correlation between the component and the variable. The factor loading over 0.5 indicates a very high correlation between each of the three components had a very correlation with the variable of dependant variable.

Table 17 below depicts the Cronbach's Alpha   reliability   test for the extracted dependant variable. The score is .739 which is a strong positive relationship among the three components, thus depicting a very high reliability score.

Table 17   Cronbach"s Alpha for dependant variable

Reliability Statistics

Cronbach's Alpha	N of Items
.739	3

Section 5.   HYPOTHESIS TESTING

The two hypothesis of the study was tested using Multiple Regression Analysis and Analysis of Variance using SPSS version 18. The criteria to be evaluated in a standard regresseion model are as follows.

a. **Whether the Coefficient of Correlation ~ R is positive or Negative ?**

The coefficient of correlation or the R value from the regression analysis measures the strength and direction of a linear relationship. (Field, 2004)

b. **The size of the score of Coefficient of Determination ~ R 2 .**

As per Field (2004), the coefficient of determination or the R2 from the regression table, indicates the   proportion of the variance (fluctuation) of one dependant variable that is predictable from the independent variable.

c. **Level of Significance < 0.05**

d. **Whether the F-statistics computed in the ANOVA table is less/ greater   than the F-table statistics.**

The F test from the ANOVA table is a very important score to evaluate the acceptance of null hypothesis. Field (2004), mentions that if the F value computed by SPSS is less than the corresponding value from the F table, the null hypothesis should be accepted.

4.5.1. Testing of Hypothesis 1

The multiple regression analysis was carried out for Hypothesis 1 using 21 independent factors and one dependant factor derived from the validity analysis.

Results of the multiple regression analysis for Hypothesis 1 is indicated in tables 18, 19,and

20 .As per the Table 18 regression table, the model presents a coefficient of correlation or an R value of .718. This indicate a strong positive relationship between the elements of perceptions of motivation and actual level of motivation. The coefficient of determination or the R Square is 51.6 %, indicating that a 51.6% of a variation in the actual level of motivation could be predicted by variations in the 21 independent variables. The results are quite significant at 0.05 which is less than the de facto level of 0.5 .

The F value calculated by the SPSS is 2.49, while the corresponding F value for regression degree of freedom of 21 and residual degree of freedom of 67 from the table is 0.9787. There is a quite large difference between the two respective F values.

Table 18   Regression Table : Hypothesis 1

Model Summary			
R	R Square	Adjusted R Square	Std. Error of the Estimate
.718	.516	.305	.533

a. Predictors: (Constant), Lateral Movement - G5, Mutual target setting - G1, Policies of the Bank - Ex 5, Relationship with Colleagues - R2,   Financial and Other Benefits - Ex1, Equity, Involvement in Decision Making - R4, Agency, Recognition -Ex 2, Upward Movement - G4, Self Efficacy, Work Life Balance - Ex4, Goal Setting, Business and Social Gathering - R5, Information Sharing - R3, Training Opportunities - G2, Job Security - Ex3, Relationship with Boss - R1, Manageable Work load - Ex - 6, Challenging Work - G3, Self Esteem

b. Dependent Variable: Over all Motivation

Table 19 ANOVA Table : Hypothesis 1

ANOVA[b]					
Model	Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
1 Regression	14.527	21	.692	2.439	.005[a]
Residual	13.614	48	.284		
Total	28.141	69			

54

Table 20   Coefficients Table : Hypothesis 1

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.385	1.157		2.062	.045
COGNITIVE CONDITIONS					
Self Esteem	.103	.184	.103	.562	.577
Self Efficacy	-.161	.145	-.171	-1.108	.274
Goal Setting	.188	.103	.269	1.828	.074
Equity	.125	.107	.151	1.161	.251
Agency	.130	.123	.151	1.053	.298
E**XISTANCE NEEDS**					
Financial and Other Benefits - Ex1	-.059	.139	-.058	-.426	.672
Recognition -Ex 2	-.125	.165	-.103	-.758	.452
Job Security - Ex3	.254	.095	.360	2.663	.011
Work Life Balance - Ex4	-.133	.144	-.125	-.926	.359
Policies of the Bank - Ex 5	-.008	.143	-.007	-.054	.957
Manageable Work load - Ex - 6	.042	.135	.049	.315	.754
RELATIONSHIP NEEDS					
Relationship with Boss - R1	.206	.181	.171	1.139	.260
Relationship with Colleagues - R2	.027	.215	.020	.124	.902
Information Sharing - R3	-.159	.167	-.125	-.949	.347
Involvement in Decision Making - R4	-.010	.124	-.012	-.084	.934
Business and Social Gathering - R5	-.154	.125	-.176	-1.234	.223
Mutual target setting - G1	-.158	.109	-.186	-1.448	.154
GROWTH NEEDS					
Training Opportunities - G2	.379	.126	.417	3.013	.004
Challenging Work - G3	.123	.148	.129	.827	.412
Upward Movement - G4	.006	.125	.007	.048	.962
Lateral Movement - G5	-.261	.114	-.331	-2.286	.027

 a. Dependent Variable: Over all Motivation
Where;

B – Unstanderdised Coefficient

Beta – Standardized Coefficient

T & Sig – Gives the rough indication of the impact of each predictor variable. A big absolute P value suggests that a predictor variable is having a larger impact on the dependant variable.

The results of the regression analysis for Hypothesis 1 affirmed that the null hypothesis should be rejected or in other words the **hypothesis 1- There is a positive correlation between perceptions on conditions of motivation, and actual level of motivation of bankers in Sri Lanka is should be accepted.** However, the correlation table also revealed that not all 21 component of the independent variable have   positive effects over the dependant variable, even thought the overall relationship was a strong positive relationship. Only 11 Components which are highlighted in table 20 above , had a positive relationship with the dependant variable.

Field (2004), suggests that the regression equation of a particular hypothesis could be built using the following formula.

Figure 18   Regression Formula

$$Y_i = (b_0 + b_1 X_1 + b_2 X_2 + \cdots + b_n X_n) + \varepsilon_i$$

Where,

Y i	=	Score of Dependant Variable
b0	=	Constant value
bn	=	Beta value corresponding to each independent variable
Xn	=	Independent Variable n
Ei	=	Error Value

Based on the findings the regression equation for the Hypothesis 1 could be indicated as follows.

Over all Motivation = [2.385   +(+ .103Self Esteem -.171 Self Efficacy +.269 Goal Setting -.151Equity +.151Agency) + (-.058 Ex1 -.103Ex2 +.360 Ex 3   - .125Ex4   - .007Ex5 +.049 Ex6 +.171R1 +.02 7R2   -.125R3   -.012R4 -.176R5   -.186G1+.417G2+.129G3+.007G4-.331)]+1.157

Where;

X1	= Financial and other Benefits		R3	= Information Sharing
X2	= Recognition		R4	= Involvement in decision making
X3	= Job Security		R5	= Business and social gathering
X4	= Work life balance		G1	= Mutual target setting
X5	= Policies of the bank		G2	= Training opportunities
X6	= Manageable workload		G3	= Challenging work
R1	= Relationship with boss		G4	= Upward Movement
R2	= Relationship with colleagues		G5	= Lateral Movement

4.5.2. Testing of Hypothesis 2

Hypothesis 2 deals with identifying what factor out of extrinsic and extrinsic factors, has the most influence over the actual level of motivation, among the bankers in Sri Lanka. For the purpose of testing hypothesis 2 a separate regression analysis was conducted, with only two independent variables. The two independent variables were the mean values for the overall extrinsic factors and intrinsic factors. Thus, the two independent variables were labeled as mean of extrinsic and mean of intrinsic while the depending variable remained as over all motivation level.

The results of the regression analysis for hypothesis 2 are indicated in tables 21 , 22 & 23 below.

Table 21   Regression Table ：Hypothesis 2

Model Summary[b]			
R	R Square	Adjusted R Square	Std. Error of the Estimate
.326[a]	.106	.080	.613

a. Predictors: (Constant), mean of Intrinsic factors after regression analysis, mean of extrinsic factors after regression analysis

b. Dependent Variable: Over all Motivation

Table 22   ANOVA Table   : Hypothesis 2

ANOVA[b]					
Model	Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
1 Regression	2.996	2	1.498	3.991	.023[a]
Residual	25.145	67	.375		
Total	28.141	69			

a. Predictors: (Constant), mean of Intrinsic factors after regression analysis, mean of extrinsic factors after regression analysis

b. Dependent Variable: Over all Motivation

Table 23   Correlation Table : Hypothesis 2

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.705	.975		1.749	.085
	mean_ex_after_reg *	.094	.231	.051	.408	.685
	mean_in_after_reg * *	.415	.170	.304	2.431	.018

a. Dependent Variable: Over all Motivation

*   Mean of Intrinsic factors after regression analysis

* * Mean of extrinsic factors after regression analysis

The results of the regression analysis returns a coefficient of correlation / R of   .326 indicating a positive relationship between the independent and predictor variables. The coefficient of determination / R Square returns a score of 10.6 % indicating that 10.6 % of change in over all motivation could be predicted by a variation in over all extrinsic motivation and/ or over all intrinsic motivation   (either or jointly).   The results reported a significance level of 0.023 which is well above the de facto significance level. The F value computed by SPSS was 3.991 while the corresponding F value from the table with regression degree of freedom of 2 and residual degree of freedom of 67 is 0.0073 indicating that the null hypothesis should be rejected.

Based on the above results the **hypothesis 2 - Bankers in Sri Lanka are motivated by intrinsic factors** could be accepted**.**

The regression formula for hypothesis 2 could be derived from the above results , is as follows.

Over all Motivation = [1.075 +.094Mean_Ex +.415 Mean_In +.975]

Where,

Mean_Ex   = Over all perception on extrinsic needs

Mean_In   = Over all perception on intrinsic needs

CHAPTER 5. FINDINGS AND CONCLUSIONS

Section 1.   FINDINGS OF THE STUDY

5.1.1. Wish list of factors of motivation for bankers in Sri Lanka

Research question no 1 is "What motivational factors do bankers of Sri Lanka value the most?" The question refers to the factors as they are in abstract form, regardless of how the factor contribute to the actual level of motivation.

Based on the analysis and table no 9 : summary of independent variables – total sample, equity is the factor that both bankers value the most. Existence needs are the 2nd most valued factor sought by bankers in Sri Lanka. The factors representing existence needs, based on their means are presented in table 21 below.

Table 24   Responses for existence needs

	Mean	Std. Deviation	Rank
Work Life Balance	4.76	.600	1
Recognition	4.59	.525	2
Financial and Other Benefits	4.26	.630	3
Policies of the Bank	4.24	.600	4
Manageable Work load	4.11	.733	5
Job Security	3.96	.908	6

As per the table, work – life balance is the most important extrinsic factor that bankers in Sri Lanka value the most followed by recognition.   Surprisingly financial and other benefits were ranked 3 out of 6. Job security was the least valued existence need by the bankers in Sri Lanka.

Relatedness needs and Self Esteem were ranked no 3 in the list of most valued motivational factors both bearing a mean of 4.26. Since relatedness needs in the analysis represented 6 distant factors of relatedness needs, it is important to analyze the relatedness needs in details. Table no 22 depicts the descriptive details of the relatedness needs.

Table 25   Responses to relatedness needs.

	Mean	Std. Deviation	Rank
Relationship with Colleagues	4.63	.487	1
Relationship with Boss	4.51	.531	2
Information Sharing	4.47	.503	3
Mutual target setting	4.11	.753	4
Involvement in Decision Making	4.04	.711	5
Business and Social Gathering	3.70	.729	6

Based on the table above, relationship with colleagues is the most valued relatedness need while relationship with boss is ranked as 2nd. Business and social gatherings is the least valued relatedness need, as it is ranked as 6th out of all 6 needs.

Self Efficacy and agency , are ranked as 5th and 6th respectively, among the most valued needs by the bankers.

Growth needs are ranked the 7th among the most valued needs, and table 23 below describes the order of preference for each factor that constituted growth needs.

Table 26   Responses to Growth needs

	Mean	Std. Deviation	Rank
Upward Movement	4.24	.690	1
Challenging Work	4.20	.672	2
Training Opportunities	4.17	.701	3
Lateral Movement	3.84	.810	4

As per the table above, bankers in Sri Lanka are concerned with upward movement the most, when it comes to the growth needs. Challenging work is rated as no 2, while training opportunities are rated as the 3rd valued growth need. Business and social gatherings, are the least valued growth need.

Goal setting was ranked as the 8th in the total list of factors of motivation. Interestingly, expectancy was the lowest ranked (9th) motivational need by the bankers in Sri Lanka. Indicating

that the bankers in Silence perceive that they will be motivated even if the reward promised is something that they have already achieved.

Based on the above analysis, a wish list for bankers in Sri Lanka, in terms of their preference of motivation in descending order, can be derived as depicted in figure 19 below.

Figure 19   Wish list of motivation for bankers of Sri Lanka.

1- Equity	12- Mutual target setting
2- Work life Balance	13- Involvement in decision making
3- Recognition	14- Business and social gatherings
4- Financial and other benefits	15- Self Efficacy
5- Policies of the bank	16- Agency
6- Manageable Workload	17- Upward Movement
7- Job Security	18- Challenging work
8- Self Esteem	19- Training opportunities
9- Relationship with colleagues	20- Lateral movement
10- Relationship with boss	21- Goal Setting
11- Information Sharing	22- Expectancy

The table no 9 proves that there were no significance in these preferences based on the type of bank. Hence figure no 19 is basically the wish list for both LCBs and LSBs.

5.1.2. Impact of intrinsic factors

The second research question of this study is " Are bankers in Sri Lanka motivated by extrinsic needs or intrinsic needs"? Section 4.5.2. - proved that that the hypothesis no 2 which is bankers in Sri Lanka are motivated by intrinsic needs, should be accepted.

Exploring the results of the test results for hypothesis 2, as depicted in table 20 it was revealed that intrinsic factors/ cognitive conditions have a B of.415 and extrinsic factors/ organizational conditions have a B value of .094. The B value is the regression coefficient which indicate how strongly a predictor variable influence the criterion variable, if all other predictor variables were held constant (Brace, Kemp, Snelger.,2009) Thus the B value of intrinsic factors shows a strong correlation of 45.1% with the actual level of motivation. On the other hand extrinsic

factors/ organizational conditions have a B value of .094, indicating that extrinsic factors influence 9.4% of the actual level of motivation.

There was no significant difference for the pattern of responses among the LCBers and LSBers with this regard. This finding could be affirmed by exploring the macro social elements of Sri Lanka. As per Gamage, Camaroon and Woods (2003) Srilankans think in terms of collective and not individual values as society is not built on the individual but on the family. The family concept has deeply rooted to the life style and behavior of Srilankans and this has a strong influence in collective behaviorism. The Srilankan culture orientation is supported by shared values which function as the basis of shared behavior. (Gamage, Camaroon & Woods, 2003) Thus, this factor could have had a greater impact on the finding that the respondents equally contributed to the conclusion, that they are motivated by intrinsic factors, regardless of the type of bank they belong to.

The very high B value of intrinsic factors in comparison to the same of extrinsic factors, indicate that intrinsic factors are a must factor in banks with very high level of expectation by the bankers. In a essence, these factors could even be **hygiene factor**s for bankers in Sri Lanka. However, this study did not explore this possibility due to lack of data and other resources.

In essence, the results also revealed that bankers in Sri Lanka are keen on the psychological contracts rather than the formal contract of employment, they have with their respective bank.

The findings also reveal that the cognitive factors and organizational factors together explain only 54.5% of the actual level of motivation. 45.5% of the actual level of motivation is explained by other factors, which were not focused in the study.

5.1.3. Reality: Actual factors of motivation

Albeit the wish list on motivation for bankers in Sri Lanka represent the factors the bankers perceive to be motivating them, it is also important to explore how these factors influence their actual level of motivation.

Table 20 – coefficient table for hypothesis 1 and the regression equation of hypothesis 1 indicate that not every factor in the conceptual framework and the derived wish list of motivation has a positive relationship with the actual level of motivation. 10 factors out of the 21 factors tested in

the study, actually distort the actual level of motivation of bankers. After eliminating the negatively correlated factors, the pool of conditions of motivation that has an influence over the actual level of motivation of bankers in Sri Lanka is as follows.

The factors are ranked in descending order based on the B value resulted by the regression analysis for the hypothesis as depicted in table 20.

Figure 20   Conditions of motivation that has an influence on motivation

1. Training opportunities	7. Challenging work
2. Job Security	8. Manageable work load
3. Relationship with boss	9. Self esteem
4. Goal Setting	10. Relationship with colleagues
5. Equity	11. Upward Movement
6. Agency *	

* Agency refers to   the degree to which employees want control over their jobs.

Based on the figure above, the extrinsic needs/ organizational conditions that affect the actual level of motivation of bankers could be regrouped as below.

a. **Existence Needs** – *Job security, manageable work load*

It is interesting to note that financial and other benefits do not have an affect over the actual level of motivation for bankers of Sri Lanka and hence, it is not a valid extrinsic need for them.

Job security is a vital condition as it was revealed from the results. This could be explained by the efforts and average Srilankan exerts to become a banking officer. As it was reveled in an interview with a senior manager in banking industry in Sri Lanka, to become an executive in a LCB, an employee should acquire a university degree with a minimum of second upper class pass together with full accreditation in some professional qualification, such as accounting. In the context of LCB, an average employee with no high level of education will have to wait 8 – 10 years in becoming an executive. Thus, after reaching the executive level, bankers are concerned with the job security in terms of the commitment and efforts they exerted to attain the executive level, with a retrospective

effect.

Manageable workload with the other factor representing the existence need. This could be explained by the family orientation that srilankans emphasize on as revealed by the study of Gamage, Woods and Camaroon in 2003. A manageable workload is important to have a healthy family life and stay connected to the family, as revealed by a survey conducted by the Daily Telegraph Newspaper in the year 2010, regarding happiest families in the UK. Thus manageable workload is quite important to srilankans as family in Srilanka does not only refer to the immediate family, but the extended family.

As described in the chapter 4 above, 50% of the respondents belonged to Generation X. Robbins and Judge (2010) mentions that to generation Xers, "money is an important indicator of career performance, but generation Xers are willing to trade off salary increases, titles, security and promotions for increased leisure time and expanded life style options, In search of balance in their lives, Exrers are willing to make personal sacrifices for the sake of their employer than previous generations". Thus the finding of the study in terms of work life balance coincides with other theoretical findings as well.

b. **Relatedness Needs** – *Relationship with boss, relationship with colleagues*

The most sought relatedness/ relationship oriented needs of the bankers in Sri Lanka are relationship with bosses and relationship with colleagues.

These findings are supported by the cultural and behavioral elements put forth by the study of Gamage, Camaroon and Woods (2003), who suggest that " in the context of Sri Lanka, the employment drive is rooted in the conscious or unconscious sense of social intimacy in which social power plays an important role. A sense of social intimacy means familiarity, friendship, feeling and closeness with society and structures." (Gamage, Camaroon and Woods ,2003).

Further, this is in line with the dominant work value with the generation Xers to whom "relationships are very important and value team – oriented work". (Robbins and Judge, 2010).

c. **Growth Needs**

Growth needs of bankers in Srilanka are comprised with training opportunities, Challenging

work and upward movement.

Based on the above findings, the motivation structure for executives in banking sector in Sri Lanka could be graphically presented as depicted in figure 21 below. Interestingly 82% of the structure of motivation is represented by cognitive conditions/ intrinsic factors. These cognitive conditions as depicted in figure 21 , are characterized by 4 conditions which are goal setting, self esteem , agency and equity .

18% of the motivation structure, is represented by 7 organizational/ extrinsic factors.

The study however did not focus on the order of preference, to identify which need precedes and which need follows. Thus only the composition of the structure is derived from the study and the design of the structure could not be derived from the data collected.

Hence the figure 21 represents only the composition of structure of motivation and not the shape of the structure.

Figure 21   **Motivation structure for bankers in Sri Lanka**
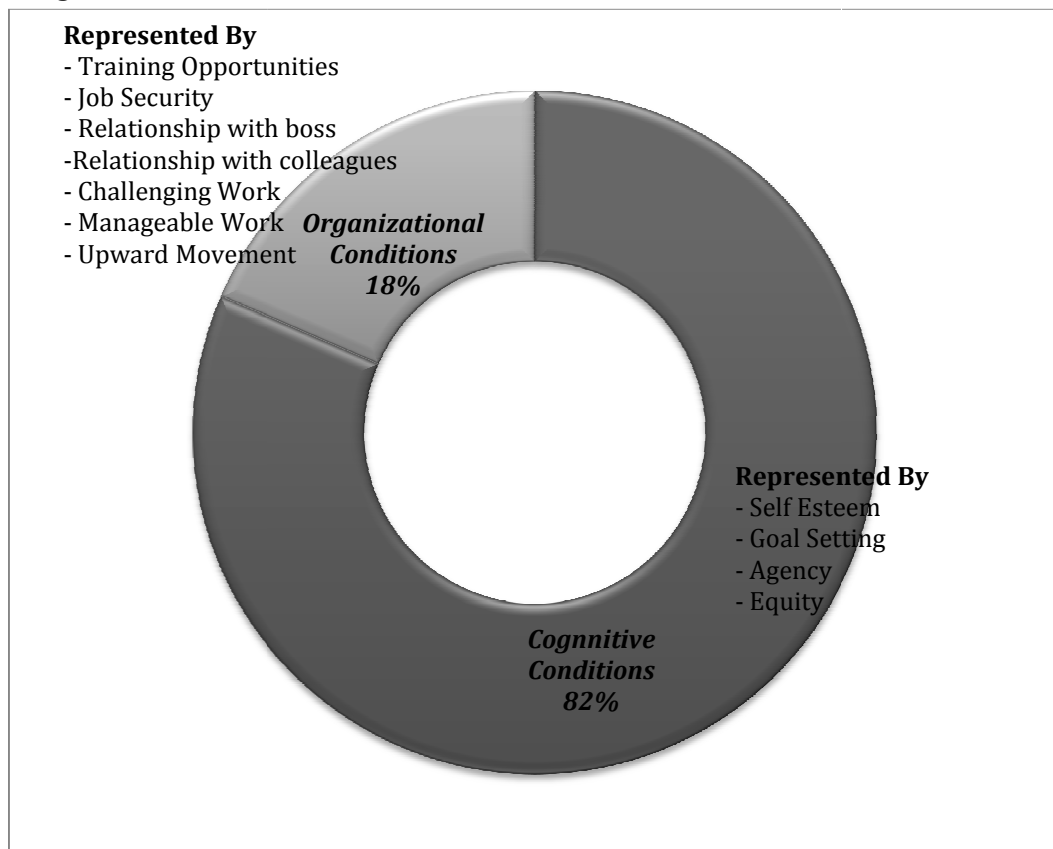
5.1.4. Most influential demographic characteristics

This study was guided by the assumption that the perceptions of motivations held by bankers predominantly differ based on the type of the bank they work for. However, Table 27 measurement of difference in mean based on each demographic characteristic shows that there are other demographic characteristics which has more significant influence over different conditions of motivation.

As per the table no 10, last education records returns highest number of significantly different conditions of motivations, while type of work has the least number of the same.

This section will discuss the findings based on each demographic characteristic that was sassed in the study, in detail.

a. Level of Education

Level of education had the highest influence in delivering no of significantly different conditions of motivation which is 8 in total. Last education was categorized into two groups for the purpose of running independent T test for analyzing means. Executives with bachelors and masters degrees were rated as high level of education, while executives with professional qualifications and advanced level were rated as low level of education.

People with low level of education preferred to have more recognition, work life balance, relationship with colleagues, information sharing, training, and self efficacy.

People with high level of education, preferred more of challenging work and agency.

b. Civil Status

Interestingly civil status had a larger impact on the preference of conditions of motivation with a total of 5 conditions with significantly different conditions.

Married executives had rated high scores for job security , work life balance and lateral movement. While the unmarried executives had given high scores for information sharing and equity.

c. ***Gender , Age and Job grade***

Gender, age and job grade had equal no conditions which recorded significantly different men differences, which are no 3 in total.

- ***Gender:*** Female executives had rated high scores for the conditions of work life balance and manageable work load, while male executive prefer relationship with colleagues with a high rating.

- ***Age:*** For the purpose of analyzing mean difference for the demographic characteristic of age, respondents were grouped into two sub groups. Executives below 30 years of age were named as young, while the executives over 30 years of age, were named as old. Younger executives preferred more of information sharing, while the older executives preferred job security and work life balance.

- ***Job grade:*** In analyzing the P value for the job grade, executives with the grade of senior executives and manager were grouped as "managerial" while the rest remained as "executives". Executives had given high scores for mutual target setting and upward movement, while the managers had given a high rating for recognition.

d. ***Type of Bank and Tenure.***

Type of bank and tenure had equal level of influence over the perceptions of motivations held by bankers. Both of them reported 2 significantly different mean values which are described below.

- ***Type of Bank :*** On the contrary to the assumption of researcher, type of bank had only a smaller influence on the manner the executive`s perception on motivation. Executives at LSBs had a significantly higher rating for both job security and lateral movement, while both type of bankers had more or less similar rating for the rest of the conditions tested in the study.

- ***Tenure :*** To analyze the P value for the tenure, the respondents were grouped into 2 groups with executives less than 5 years in banking experience, were grouped as "low level of experience," and the rest as " high level of experience" . Executives with higher level of

experience had a higher rating for mutual target setting. Executives with lower level of experience had a higher rating for recognition.

e. Type of work.

Type of work had the least significant over the perception on motivations held by bankers in Sri Lanka with only one condition being rated with a significantly different P value.   In grouping the respondents to run the independent T test to identify significant P values, executives in core activities were kept in the same group. While the executives involved in technical and back office activities were combined to form a new group as executives engaged in none operations activities.

Executives in core activities rated a higher score for mutual target setting, while the respondents had given similar ratings for all other conditions, regardless of the type work they are engaged in.

Based on the above findings, it can be concluded that Level of education is the demographic characteristic that has the highest level of influence forming perceptions on motivation with 8 conditions out of the 21 tested in the study, returning a P value less than 0.05.

Section 2.   RECOMMENDATIONS

In order to facilitate clear understanding of the recommendations made, a description of the currently available motivation schemes at banks in Sri Lanka, is attached to the appendix 5to this report.

Based on the findings of the study, the following could be recommended for the banks in Sri Lanka, in designing their motivation programmes in the future.

a.   More attention to be paid for establishing psychological contracts.

The findings of the study revealed that the bankers in Sri Lanka are motivated by cognitive conditions, indicating that they cannot be motivated by extrinsic benefits. This is quite vital for the sustainability of a bank, or any other service sector organizations where, as mentioned earlier, employees are the key source of competitive advantage.

The cognitive conditions tested in the study were related to the perception of the employees in understanding their linkages with the organization. This is best explained by psychological contracts. Therefore, it is recommended that banks in Sri Lanka pay more attention in creating, and maintaining solid psychological contracts with the executive employees.

As it was mentioned earlier, Sri Lanka is predominantly a relationship oriented society, with a strong emphasis on social exchange. Thus the form of psychological contract should be of relational form, with little emphasis on economic conditions.

It is also recommended that banks choose the right person to communicate the psychological contract to the employees. Psychological contract is all about communication and it begins in the recruitment stage. (Shore and Tetrick, 1994). Different people who involve in different stages of recruitment may give different signals to the employee. Thus, Shore and Tetrick (1994) also suggest that employee is likely to   view the immediate supervisor as the as the chief agent establishing and maintaining the psychological contract.

b.   ***Introduction of cafeteria plans in providing extrinsic benefits..***

The results of the analysis made clear indication that executives belonging to different demographic segments have different wish list for motivation. At the same time, the current motivation packages at Srilankan banks (please refer appendix 5) have ignored in accommodating these different preferences. The packages are not directed towards fulfilling a few needs in deep, but attempts to fill a little of many needs, as in the case of many institutions in Sri Lanka and other parts of the world . Bohlander and Snell (2007) mention that "typically employees are offered a basic or core benefits package on life and health insurance, sick leave and vacation".

Alternatively, banks in Sri Lanka could consider introducing "Cafeteria Plans" to accommodate the option of choosing one or two motivation package that will benefit employees to fulfill their desires.   Bohlander and Snell in 2007 defines cafeteria plan as "an employee benefit plan that allows staff to choose from a variety of benefits to formulate a plan that best suits their needs".

69

With these plans individuals may choose the benefits that are the best suited to their present needs. In addition, a cafeteria plan would prevent benefits from being wasted on employees who have no need for them and thus of no motivation values.

Examples of such packages could be such as, benefits for singles, benefits to provide for work life balance, benefits to develop executive women, benefits for based on generation (Examples: baby boomers, generation xers), benefits for health conscious workers, and benefits for higher education.

One important factor in establishing these cafeteria plans is to consider to what extent these individual packages should compliment or substitute with each other, as there could be employees who are interested in more than one package. Thus, there should be flexibility in choosing among packages. However, cost of maintaining such tailor-made packages could be one an issue, that has made the cafeteria plans unpopular outside United States of America.

Section 3. LIMITATIONS OF THE STUDY

Mentioned below are few of the limitations, identified by the researcher while carrying out the research, with suggestions for future research.

5.3.1. Significant Limitations   and recommendations for future research

1. The study was based on Sri Lanka which is a country that has four distinct religions and cultures which has a very significant influence in the life style, thinking, behavior and attitudes of the Srilakans. Details of the major ethnicities of Sri Lanka are presented in table 27 below.

These four distinct ethnicities of Sri Lanka have four different cultures, thus Sri Lanka is very high in deep rooted cultural diversity.   This is confirmed by the study of Gamage, Camaron and Woods in 2003 on entrepreneurial motivation in Sri Lanka. The researchers of the study mention that Socio – cultural behavioral patterns in Sri Lanka are critical in indicating business organizations in Sri Lanka.

Table 28   Ethnicity profile of Sri Lanka

Ethnicity	Religion Followed	Percentage of population as at June 2011
Singhalese	Pre dominantly Buddhism Christian Minor	73.8%
Tamils	Pre dominantly Hinduism Christian Minor	8.5%
Muslim and Malay	Islam	7.6%
Bugers and Unspecified (People with Portuguese, Dutch and British origin)	Christian	10.5%

Edgar Schein in 2004, has stressed the " organizational culture constructs have been observed through tangible manifestations of artifacts and ingrained values and perceptions of the individuals" (Schein, 2004).

The above literature suggest that the individual values largely affect the organizational behavior. In the context of Sri Lanka, the individual behavior is deeply influenced by the culture of the ethnicity they belong to. The study had not focused on this cultural aspects and it is recommended that this area could be further explored in future studies, especially that are focused on organizational behavior.

2.   The results of the statistical analysis for Hypothesis I indicated that the two independent variables (organizational factors, and cognitive factors) had an influence of only a 51.6% (coefficient of determination: R squared) on the dependant variable which was actual level of motivation. Although the coefficient of determination is acceptable it is worth exploring

what other factors influence the actual level of motivation. It could be due to unexplored mediator variables such as "availability of conditions of motivations in the present bank", which was not explored in the study.

3. The study used a scale of five points Likert scale. The clarity of the responses would have been higher if a seven point scale, as it was found that the respondents who were accessed through their supervisors, tended to stick to rating point 3 for questions pertaining to assessing actual level of motivation.

4. The data collected, could derive only the composition of the structure of motivation for bankers in Sri Lanka, indicating the percentages of cognitive conditions and organizational conditions. For further research it is recommended to assess the design of the structure on motivation for bankers in Sri Lanka, to identify which condition precedes and which condition follows, as for example clearly indicated by the Maslow`s hierarchy of needs.

5. The results indicated that for all cognitive conditions tested in the study, respondents had significantly similar responses, regardless of their demographic differences. This finding could even suggest that cognitive conditions be a hygiene condition for executives in banks in Sri Lanka. Thus it is recommended to be explored in further studies.

5.3.2. Other Limitations

1. The study was based on the case study of banks in Sri Lanka. The study could be expanded to include other financial institutions in Sri Lanka, and or banks in other parts of the world.

2. The study focuses on executive level employees, who are also considered as officer level employees. The scope of the research could be expanded to include employees representing all the levels across the organization.

3. This study only considers the motivation aspect of bankers. However, motivation is only one function of Human Resource Management. The study could be further expanded to include other functions of HRM, and into a more comprehensive study.

REFERENCES

[1] *96th Annual Report of the Federal Reserve Bank - 2009* n,d viewed on 31 May,2011. http://www.federalreserve.gov/boarddocs/rptcongress/annual09/sec5/c1t13.htm

[2] Armstrong, M., (2004). *" A Handbook of Human Resource Management Practice"* . 9th Edition. London : Kogan Page

[3] Badiu, D. Susanu M., (2010), Performance and changes evaluation & management : ways of developement in banking institutions, *The Annals of " Dunaea de Jos" – University of Galati*, 2010 (I), p.p 317-324

[4] Barbuto, J. E. (Jnr) 2005. Motivation and transactional, charismatic, and transformational leadership: a test of antecedents. *Journal of Leadership and Organizational Studie*s, 11 (4): P 26-40.

[5] Bartleet J .E., Kotrilik W J., Higgins C.C., (2001) .Organizational research : determining appropriate sample size in survey research. *"Information technology , learning and performance journal"* .Volume 19, No 1.

[6] Bostan, M., (1994), "Motivation". 1st Edition. Harvard University Press.

[7] Bruno, S.F. Osterloh M ., (2002). *" Successful Management by Motivation – Balancing Intrinsic and Extrinsic Incentives"*. Heidelberg : Swiss Association for Organization and Management in association with Springer.

[8] Bryman, A . Bell . E., (2003). *"Business Research Methods*". 1st Edition. Oxford University Press.

[9] *Cost of Conflict in Sri Lanka – 2006* n.d., viewed on 14 May, 2011. http://www.strategicforesight.com/ccinsrilanka/chp2_4military_expenditure.htm

[10] Crnomat D., (2008).Retention of IT consultants – how to grow employee loyalty, MBA thesis, Blekinge Institute of Technology.

[11] *Cronbach`s Alpha with SPSS n,d,* viewed on 8 June , 2011. http://www.bwgriffin.com/gsu/courses/edur9131/content/cronbach/cronbachs_alpha_spss.htm

[12] Dessler, G., (2001*)." Human Resource Management "*. 7th Edition. New Dekhi : Prentice Hall.

[13] Ekilawun, D., 2010, The relationship between transformational leadership And employees' commitment to codes of conduct- a study in directorate general of taxes of Indonesia, MBA, Waseda University – Japan.

[14] Families living in Chelmsford are the happier – 25 May,2011. Viewed on 26 June ,2011. http://www.telegraph.co.uk/family/7043679/Families-living-in-Chelmsford-are-happiest.html

[15] Greenberg, G .,(2004) *." Managing behavior in organizations"*. 4th Edition. Prentice Hall – International Edition.

[16] Kariyawasam, U.G.D.C., 2010, Empirical investigation and assessment of service quality dimensions of commercial banks and development banks, MBA, Manipal University – India.

[17] Kumar,R., (2011). *" Research Methodology- a step by step approach for beginners*". 3rd Edition London : Sage

[18] Luthans, F., (2005). *" Organizational Behaviour"* . 10th Edition. International Edition: Mc Graw Hill

[19] Minor, J B. (2006). " Oranizational Behaviour – essential theories or process and structure".2nd Edition. Armonk N.Y.

[20] Mundhra, D. D., (2010). Intrinsic motivational canvass in the Idian service sector : An empirical study , Vision – *the journal of business perspective* ,14(4), p.p 275-282.

[21] Robbins, S.T., Judge, T.A., (2010). " Essential of Organizational Behaviour". 10th Edition.Global Edition : Pearson .

[22]   Sansone, C. (Ed), Harackiewicz, J. M. (Ed) .(2000). *"Intrinsic and extrinsic motivation: The search for optimal motivation and performance"*.1st Edition. Acedemic Press; San Diego.

[23]   Sekaran, U., (1989). Paths to the job satisfaction of bank employees. *Journal of Organizational Behavior*, 10, p. 347- 359.

[24]   Setzler , A.J.,(2000). Controlling and motivating the workforce: Evidence from the banking industry in the late nineteenth and early twentieth century's, .*Australian Economic History Review*, 40 (3), p.p 219-238.

[25]   Shore L.M., Tetrick L,E., (1994). *"Trends in organizational behavior "*. Volume 1. John Willey & Sons.

[26]   Southard, G. Lewis J (2004). Building a Workplace That Recognizes Generational Diversity. "PM Magazine ". Volume 86, Number 3. Available at < http://www1.icma.org/pm/8603/southard.htm>. Viewed on 16 June 2010.

[27]   *Sri Lanka Demographic Profile* – n.d, viewed on 30 June,2011. http://www.indexmundi.com/sri_lanka/demographics_profile.html

[28]   *The Business Dictionary* n.d., viewed on 14 May, 2011. http://www.businessdictionary.com/definition/bank.html

[29]   White, G ., (2007), Diversity in workplace causes rise in unique employee benefits and changes in cafeteria plans. "*Journal of Management and marketing research – Southern Arkansas Univesity"*. P 1-9

[30]   White.G., "Diversity in workplace causes rise in unique employee benefits and changes in cafeteria plans." –*The Journal of Management and Market Research.*[Online] available at <http://www.aabri.com/manuscripts/08082.pdf > Viewed on 30 June, 2011.

Annual Reports

[31]   − DFCC Bank : 2010
[32]   − DFCC Vardhana Bank : 2010
[33]   − Commercial Bank of Ceylon Plc : 2010
[34]   − Nations Trust Bank : 2010
[35]   − Central Bank of Sri Lanka: 2010

Appendixes

Appendix 1   Questionnaire

This survey is conducted with the purpose of measuring motivational perceptions of bankers for completing thesis research at Waseda Business School in Tokyo, Japan. Please give answers to the questions asked in this questionnaire.   This is a questioner aimed at bankers in General and the results of this survey will be kept confidential.

Q 1 Please check the appropriate box – only one per question.

No	Question	Code
a.	**Gender**	□Male □Female
b.	**Age**	□20 – 30 □30 – 40 □40 – 50 □Over 55
c.	**Marital Status**	□Not Married □Married □Had Been Married
d.	**Education:**	□Bachelor □Master / Doctoral □ Professional qualification □A/L
e.	**Type of bank you work**	□Licensed Commercial Bank □Licensed Specialized Bank.
f.	**Type of your job at the bank**	□Operations (Direct involvement with customer) □Back office (Disbursements/ audit/ research) □Technical (Legal/ IT)
g.	**Years of Working experiences in total**	□Less than 5 years □5 to 10 years □10 to 15 years □More than 15 years
F.	**Length of employment at banking**	□Less than 5 years □5 to 10 years □10 to 15 years □More than 15 years
h.	**Your job grade**	□Executive/ Officer □Senior Executive/ Senior Officer □Manager

Q 2 .   For each Item please select one of the   5 options in the columns towards right.
SD: Strongly Disagree, **D**: Disagree, **N**: Neutral, **A**: Agree, **SA**: Strongly Agree

		SD	D	N	A	SA
1	Financial and other monitory benefits are HIGHLY important for me					
2	I want my work at the bank to be recognized					
3	I am concerned with securing my job at the current bank all the time.					
4	It is important to have a good balance between my work life and personal life					
5	The policies of the banks are important to me					
6	I feel much motivated when I handle a manageable workload					
7	It is important to have a good relationship with my boss					
8	It is important to have a good relationship with my colleagues					
9	A clear and sound information sharing process is quite important for me					
10	I want my voice to be heard in the decision making process of the bank					
11	I prefer to have more business trips and social gatherings relating to my job					
12	The targets given to me needs to be set with my consent.					
13	Training opportunities are quite important to me					
14	I am always looking forward for challenging work assignments					
15	I want to be clear with my next upward movement within the bank					
16	I want to be able to move across different departments in the bank					
17	I would want to have the feeling that I am an important part of the bank					
18	My performance is largely affected by the level of confidence I have on my own abilities					
19	I am happy if I am given high targets, because they make me energized to work hard					

SD: Strongly Disagree, D: Disagree, N: Neutral, A: Agree, SA: Strongly Agree

		SD	D	N	A	SA
20	I am motivated to perform a task ONLY if the reward is something that I am aiming for. (For Ex- If you already have a car, you will not be motivated if you are promised to be given a car again)					
21	I wanted to be treated fairly (as same as my colleagues) all the time.					
22	I can handle any type of tasks assigned to me, as I am generally good in organizing my self					
23	Currently I'm expecting different kind of position and job					
24	My current position corresponds with my competence / capability					
25	My current tasks are challenging.					
26	I am satisfied with my current financial benefits.					
27	Financial reward that I receive now matching my contribution.					
28	I will continue to be a banker for a foreseeable future.					
29	I am satisfied with my current job					
30	I recommend my bank as a good employer.					

Q 3 – Please feel free to write down the what motivates you the most in the box below.

Appendix 2   Institutions representing the research object

A) DFCC Bank

Table 29 Performance highlights of the DFCC Bank

	Financial Year 20010
Asset Base	LKR *56.5Bn
Stated Share Capital	LKR 4.69 Bn
NPL Ratio	10%
Operating Profit to Income Ratio	32.4%
EPS **	LKR 12.97
Earnings Growth	-10.5%
No of Employees	427
No of Branches	19
Net asset value per share	LKR 119
Credit Rating	AA+ (Fitch – Sri Lanka)

Source : Annual Report DFCC Bank Sri Lanka 2010

* LKR stands for Srilankan Rupees.

Formerly known as the Development Finance Credit Corporation of Ceylon, DFCC   Bank is the only LSB in Sri Lanka, that still remain as a 100% development bank with its original development banking values. DFCC Bank is the first Development Bank established in Sri Lanka, through a special act of parliament in the year 1956. The primary objective of setting up this institution was to provide development financing requirements to the entrepreneurs of the newly liberated island from the British.

Since then DFCC has grown over the past 65 years, to become a giant in the Srilankan banking arena, while preserving the original development finance initiative, when most development banks in the Asia transformed themselves to commercial banks, with the changing and emerging banking trends. In the year 2006, DFCC received a special accolade from the world bank, for being one among the very few developments banks in the world, that still live up to its original motive, -

DEVELOPMENT PROJECT FINANCING.

As of today DFCC bank owns 5 subsidiaries, diversified into related businesses such as two commercial banks , one venture capital firm,   the very first Unit Trust Fund Management company in Sri Lanka and subsidiaries diversified into non related areas Such as Industrial Estates and Business Consultancy.   DFCC Bank has 19 branches covering all regions of the island.

Table 29 highlights the basic performance and other indicators of the   DFCC Bank.

B)   Commercial Bank of Ceylon PLC (COMB)

Table 30 Basic performance and other indicators of the Commercial Bank of Ceylon

	Financial Year 2010
Asset Base	LKR 332 Bn
Stated Share Capital	LKR 10.607 Bn
NPL Ratio	6.84%
Operating Profit to Income Ratio	57%
PE Ratio	11.00
No of Employees	4071
No of Branches	Sri Lanka – 172 Bangladesh - 15
Net Asset Value Per Ordinary Share	LKR 114.02
Credit Rating	AA+ (Fitch – Sri Lanka)

Source : Annual Report of Commenrcial Bank PLC 2010

Commercial Bank of Ceylon PLC (COMB), was first established as a branch of Eastern Bank in the year 1927, and subsequently   re established as a fully fledged bank   under the present name in the year 1969.The bank has grown from being a predominantly corporate lender, to now establishing itself as a national bank with approximately 48% of its lending portfolio assets arising from the growing Small and medium Sector (SME)   and consumer segments. In addition COMB has also successfully established a presence in Bangladesh with 15 branches (As of 12/31/2009), and

is expected to be a key driver of growth for the bank in the medium to long term.

With an unblemished history of nearly a century in the Sri Lanka's Banking arena, Commercial Bank has been rated as the Best Bank in Sri Lanka for the 11th successive year by Global Finance Magazine (New York) and as Sri Lanka's "Bank of the Year" by "The Banker", a top notch global banking magazine (UK) for six years. In 2007, the bank was named as the "Best Bank) in Sri Lanka by "Euromoney". The Financial Times rated COMB as the best bank in Bangladesh in the year 2009.

COMB is an Associate Company of DFCC Group with the DFCC bank owning 30% shareholding of COMB.

The basic performance and other indicators are indicated in table 30 above..

C) DFCC Vardhana Bank Limited   (DVBL)

Table 31 Financial and other performance indicators of DFCC Vardhana Bank

	Financial Year - 2010
Asset Base	LKR 29.5 Bn
Stated Share Capital	LKR 2.07 Bn
NPL Ratio	6.9%
Operating Profit to Income Ratio	19.2%
EPS **	LKR 1.5
Earnings Growth	-14.5%
No of Employees	629
No of Branches	48 – Branches 78 – Extension Offices
Net Asset Value Per Share	LKR 119.03
Credit Rating	AA+ (Fitch – Sri Lanka)

Source : Annual Report of DFCC Vardhana Bank 2010

DVBL is the youngest bank in Sri Lanka with a history of only 9 years. DFCC Vardhana Bank (DVB), initially operated as MERC bank, but was renamed subsequent to DFCC Bank (DFCC) acquiring 94% of its equity in Sept 2003. DFCC's acquisition of DVB was in line with its ambitions of broadening its products and revenues. As a specialized bank, DFCC's scope of activities was narrower in comparison to the Licensed Commercial Banks (LCB).

With the acquisition of DVB,a LCB, the group is now in a position to offer the entire range of banking products. Notably, the group can now offer trade finance, loans in foreign currency and overdrafts, as well as mobilize checking and savings deposits.

DVB largely focuses on cross   selling its products to DFCC's existing customer base. , i.e. mainly trade finance services and funding working capital requirements, which previously DFCC could not offer.

The financial and other indicators of DVBL is depicted in table 3 above

D)   Nations Trust Bank Plc.

Table 32 Financial and other performance indicators of Nations Trust Bank Plc

	Financial Year - 2009
Asset Base	LKR 83.24 Bn
Stated Share Capital	LKR 4.37 Bn
NPL Ratio	5.3%
Operating Profit to Income Ratio	23.7%
EPS	LKR 5.4
Earnings Growth	-13%
No of Employees	1,608
No of Branches	43
Net Asset Value per Share	LKR 32.46
Credit Rating	A (Fitch – Sri Lanka)

Source : Annual Report of Nations Trust Bank 2010

Nations Trust bank is one of the latest commercial banks of Sri Lanka which was established in the year 1999 with the acquisition of Colombo Branch of Hong Kong based Overseas Trust Bank Ltd. The bank since then have gained a remarkable growth .

Their strategic growth orientation is growth through acquisition as evidences by its many milestones such as the acquisition of personal banking portfolio of Deutsche Bank in Colombo Acquisition of commercial banking and foreign exchange operations of American Express Bank in Colombo

The bank today has its own leasing arm and the franchisee to the American Express cards in Sri Lanka. The bank had a break through strategy of having extended banking hours . On average commercial banks in Sri Lanka operates only on weekdays with operation hours of 9 A M – 5 P M. But NTB is opened on all 365 days of the year and has extended operation hours of 9 A M to 7 P M. This was the competitive advantage that they capitalized at the time of entering the market, and on which they still thrive on.

Tabke 32 above indicates highlights of Nations Trust Bank is.

E) HSBC Sri Lanka (HSBCLK)

Established in Sri Lanka in July 1892 during the time of British colonial rule, HSBCSL has one of the longest histories among banks operating in the country. The local branch is the fifth□largest LCB in Sri Lanka, accounting for 5.4% of banking sector assets at end□2009.Of the 11 foreign bank branches operating in Sri Lanka, HSBCSL is the largest, operating through a network of 16 branches.

HSBCSL has been a pioneer in introducing new banking technologies to Sri Lanka, being the first bank to computerize its banking operations, to install online ATMs, to introduce electronic banking and to install Easypay machines to facilitate cash and cheque deposits.

Although initially involved in corporate and commercial banking, particularly in trade finance, HSBCSL has diversified its product and client base into retail banking, providing credit cards, housing loans, vehicle loans and personal loans. In this customer segment, it mainly focuses on high–net worth individuals, except in the case of credit cards, through which it accesses a wider customer base. HSBCSL is the largest issuer of credit cards in Sri Lanka.

HSBCSL employs over 1500 employees and bears the credit rating of AA (Fitch – Sri Lanka)

F) Deutsche Bank – AG Sri Lanka (DB)

Deutsche Bank first established its presence in Sri Lanka on October 24, 1980, through the opening of a branch of European Asian Bank in Colombo. Since then, the bank has grown to achieve an excellent reputation across both its Global Markets and Global Transaction Banking businesses in Sri Lanka.

Deutsche Bank in Sri Lanka is a leading provider of trustee and custody services to multinational companies operating in the country, and is also one of the nation's top foreign exchange banks. The Bank offers a comprehensive range of services in Sri Lanka, in particular, across its Global Markets and Global Transaction Banking businesses.

The Bank's strength in helping multinationals, large local companies, and financial institutions to finance and administer their businesses recently won Deutsche Bank the Best Transaction Bank, Best Cash Management Bank, Best Domestic Custodian, Best Sub Custodian and Best Trade Finance Bank awards in Sri Lanka by The Asset in 2009.

DB Sri Lanka employees a total of 60 employees . Currently there is not national rating specifically for DB. This was affirmed by contacting two credit rating agencies in Sri lanka.

G) Citibank Sri Lanka

Citibank N.A. set up its Sri Lankan operations in 1979. Its present legal status is that of a licensed branch of Citigroup. Historically, this branch focused on a very niche market, the multinationals.

However, the bank has grown rapidly over the last five years. In addition to attracting a greater share of business from its traditional multinational segment, the bank has expanded its offerings to the large top-tier domestic corporates, and, selectively, to the second-tier market. The bank has grown in size over the last two years, and is presently the third-largest foreign bank in Sri Lanka

The bank's main focus is trade finance and short-term lending to corporate customers and

the   government of Sri Lanka. Citi Sri Lanka employees just over 100 employees in its single branch operated in Sri Lanka.

Given its rigorous screening and credit underwriting standards, the bank's exposure is still very much at the top end   of the credit spectrum.

Citibank SL's main focus is trade finance and short-term lending. Citibank Sri Lanka has been rated with AAA (Fitch – Sri Lanka) which is the highest level of credit rating that could be given to a financial institution.

Appendix 3   Calculation of the total population of the study

Respondents of the study represented 7 banks in Sri Lanka. The Table below indicates the total no of employees in the 7 selected banks.

Bank	No of Employees
DFCC Bank	427
Commercial Bank PLC	4,071
DFCC Vardhana Bank	629
Nations Trust Bank	1,608
Deustche Bank	60
Citibank	100
HSBC	1,500
Total Employees in the selected sample	**8,395**

The population of this study is the employees in the 7 banks above, in the categories of executives and above. There were no published statistics on the categorical breakup of the staff in each bank. Thus, the researcher used the published statistical data of the Federal State Bank (FRBUS)of the United States of America.

Employee breakup of staff as per the annual report of the FRBUS for the year 2009,and estimation of the sample for the thesis is indicated in the table below.

Total number of Officers - FRBUS	1,183
Fulltime employees - FRBUS	15,845
Part-time employees - FRBUS	358
Number of total employees. - FRBUS	*17,386*
Percentage of officers to total staff - FRBUS	*7%*
Size of Sample	8,395
Total number of officers in the sample = 8,395* 7%	**571**

Thus the total population of the study is estimated at 571.

Appendix 4   **Calculation of the effect size using Cohen`s d**

$$d = \frac{\bar{x}_1 - \bar{x}_2}{s},$$

Where d = Effect Size

$\bar{x}1 - \bar{x}2$ = Difference in Mean

S   = Standard Deviation

Variable	Mean difference	Standard Deviation	D *
Mean of existence- total	-0.133	0.348	-38%
Mean of relatedness	-0.109	0.37	-29%
Mean of growth	0.023	0.433	5%
Self Esteem	0.029	0.635	5%
Self Efficacy	-0.029	0.679	-4%
Goal Setting	0.371	0.916	41%
Expectancy	0.171	1.149	15%
Equity	0.143	0.775	18%
Agency	-0.143	0.741	-19%

* Only the absolute value is considered.

Appendix 5   Cronbach`s Alpha – Primary Analysis : Cognitive   Conditions

Reliability Statistics

Cronbach's Alpha	N of Items
.415	6

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Self Esteem	19.51	4.891	.384	.287
Self Efficacy	19.57	4.915	.332	.306
Goal Setting	20.06	4.750	.197	.373
Expectancy	20.67	5.122	-.013	.554
Equity	19.46	5.237	.151	.398
Agency	19.66	4.750	.333	.297

Appendix 6   Composition of motivation packages at Srilankan banks

This study concentrates on motivation of bankers. Thus it is important to identify the composition of motivation packages, in banks of Sri Lanka, before making any recommendations.   The following section briefly describes the composition of such general package, which is open for executive grade employees.

Pay

- Basic pay

- Allowances : Transportation Allowance, Accommodation Allowance

- Performance related bonus.

- Annual increment tied with individual performance and inflation level

- Medical Assistance : Medical Assistance covering the immediate family

Other Financial Benefits

- Vehicle and housing loans at concessionary rates and repayment plans

- Special interest rates for deposits by the employee or his/ her immediate family members

- Claim pay for unutilized holidays

- Payment of membership fees for sports clubs/ gymnasiums

- Vacation grant to encourage employees to take long vacation for more than 5 days at a stretch annually

Educational Assistants

- Financial assistants for higher studies

- Payment of membership fees of professional bodies the employee is associated with.

Vacation

- Medical leave up to 14 days per year

- Casual   leave of 7 days per year

- Annual leave of 21 days

- Total of 42 paid leave as mandated by the law

- 84 days of paid leave for female employees on a baby delivery

Training

- Comprehensive allocation on training with nearly 5% of the revenue spent on training activities.

- All most all domestic banks have their own private training centers.

- In the case of LSBs, executives under go at least one overseas training session, in the region.

Other Events

- Annual Family Trips

- Annual Parties and Functions

Associations

- Company based welfare association

- Corporate Social Responsibility progrmmes

Grievances Handling

All banks have established grievance handling systems, where employees can directly approach in the case of an unfair treatment, or in any grievance that the immediate supervisor cannot provide a solution for.

Although the upper limits and the value of the components mainly differ based on the job grad in the bank, these items are available in general to any executive regardless of other demographic differences.