

**STAFF MOTIVATION AND CUSTOMER  
SATISFACTION-A CASE STUDY OF GHANA  
COMMERCIAL BANK LIMITED HO**

**by**

**Dennis Mawuli Korkoryi Jnr.**

**BSc Admin Accounting (Hons)**

**A Thesis submitted to the Institute of Distance Learning, Kwame  
Nkrumah University of Science and Technology, Kumasi, in partial**

**fulfilment of the requirements for the degree of**

**COMMONWEALTH EXECUTIVE MASTER OF  
BUSINESS ADMINISTRATION (CEMBA)**

**May, 2009**

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## CERTIFICATION

I hereby declare that this submission is my own work towards the Commonwealth Executive Master of Business Administration and that, to the best of my knowledge, it contains no material which is previously published by another person nor material which has been accepted for the award of an other degree of the university, except where due acknowledgement has been made in the text.

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Date

14/10/09

## **DEDICATION**

I dedicate this work to my parents, Dennis Snr. and Victoria, and my siblings Miriam, Ophelia, Mark and Dominic. Also to my lovely wife, Nana Ama and our daughter Margaret.

KNUST





## ABSTRACT

Many banks attribute their growth to the successful transformation to a sales culture. Banks now have retailer mentality, and strongly emphasis on sales at all levels of the organization, all the way down to the branch level. The study seeks to identify the motivational packages available to employees of Ghana Commercial Bank Ltd Ho, and to ascertain whether the motivational packages are achieving the purpose for which they were set. Secondly, to assess how customers perceive the service rendered to them by the branch and identify how those services can be improved to strengthen customer trust and loyalty. The general objective of the research was to assess the impact of staff motivation on customer satisfaction at the Ho Branch of Ghana Commercial Bank Ltd and the specific objectives were to identify packages for motivating staffs, to examine the various forms of staff motivational packages, to assess the effects of such motivational packages on customer satisfaction, to identify how customers are satisfied with products & services of the bank, to identify how customers want to be served in order to be satisfied and to suggest ways in which the Branch can improve customer satisfaction. Judgemental sampling method was used to sample staff of the branch and customers. The researcher purposely chose respondents who in his opinion are relevant to the research topic. Primary data collection techniques used in data collection were questionnaires and personal interviews. Questionnaires were administered to customers of the bank and staffs were interviewed to extract the needed information. Both quantitative and qualitative methods were employed in the data analysis. For the quantitative aspect, Statistical Package for Social Sciences (SPSS) was used. Frequency distributions, percentages, mean and descriptive analysis of assessing staff motivation

and its impact on customer satisfaction in Ghana Commercial Bank. Data collected were collated and presented in the form of tables, bar graphs and pie chart. It was found out that not all staffs were entitled to the various motivation packages that the bank has for staffs. The ICT infrastructure's frequent going off has been a problem to both staff and customers. The long queues in the branch everyday are very dissatisfactory to the customers. The ATM's frequent breakdown has made the whole ATM system very unreliable. The motivational packages available to staff of the branch have not been good enough, and this had a direct impact on how they handled customers in the course of service delivery.



## **ACKNOWLEDGEMENT**

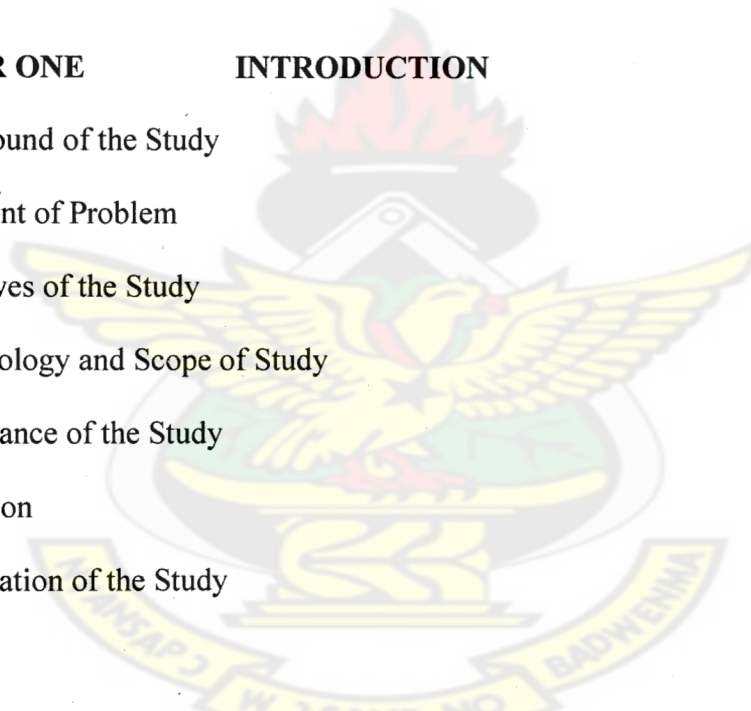
I appreciate the works God Almighty has done in my life, as I went through very tough times; He has indeed been faithful to me, his servant. I thank my family for their care and support during the whole course especially their endurance of my absence from home on weekends. My appreciation to Mr. Edward K. Ayimey, my supervisor for his efforts in the realization of this work, also Mr. Ben Hoenyenugah for introducing me to the CEMBA Programme.

The management and staff of Ghana Commercial Bank Ltd, Ho have been very helpful in the giving out of information on the subject matter-especially Esther, Hilda, Selorm, Nana Ama, Mr. Twumesi, Mr. Vifah, Mr. Yeboah and Mr. Affum. I am also very grateful to the customers of the bank who willingly responded to the questionnaires.

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## TABLE OF CONTENTS

Certification	i	
Dedication	ii	
Abstract	iii	
Acknowledgement	v	
Table of Contents	vi	
List of Tables	ix	
List of Figures	x	
		
<b>CHAPTER ONE</b>	<b>INTRODUCTION</b>	<b>1</b>
1.1 Background of the Study		1
1.2 Statement of Problem		2
1.3 Objectives of the Study		3
1.4 Methodology and Scope of Study		3
1.5 Significance of the Study		4
1.6 Limitation		4
1.7 Organisation of the Study		5
<b>CHAPTER TWO</b>	<b>LITERATURE REVIEW</b>	<b>6</b>
2.1 Introduction		6
2.2 Customer Satisfaction		6
2.3 Measuring Customer Satisfaction		7
2.4 Customer Retention		9
2.5 Motivation		12

2.6 Content Theory	13
2.7 Process Theories	19
2.8 Financial Motivators	21
2.9 Non Financial Motivators	22
2.10 Conclusion	22
<b>CHAPTER THREE</b>	<b>RESEARCH METHODOLOGY</b>
	<b>23</b>
3.1 Introduction	23
3.2 Sampling	23
3.3 Data Collection	24
3.4 Data Collection Problems Encountered	25
3.5 Data Analysis	26
<b>CHAPTER FOUR</b>	<b>RESULTS AND DISCUSSIONS</b>
	<b>28</b>
4.1 Introduction	28
4.2 Population	28
4.3 Staff Motivation	29
4.4 Entitlement and access to car loans	30
4.5 Entitlement and access to housing loans	31
4.6 Entitlement and access to risk allowance	32
4.7 Opinion on Adequacy of motivational packages	33
4.8 Level of motivation and its impact on performance	33
4.9 Visit to the branch	36
4.10 Customer Service Delivery	38
4.11 Branch Facilities	47

4.12 Statements and Mailed Documentation	53
4.13 Credit Facilities	55
4.14 Conclusions	57

## **CHAPTER FIVE CONCLUSIONS AND RECOMMENDATIONS 62**

5.1 Introduction	62
5.2 Summary for Findings	62
5.3 Conclusions	64
5.4 Recommendations	65
Appendix 1	67
Appendix 2	73
Bibliography	78





## LIST OF TABLES

<b>Table No.</b>	<b>Title</b>	<b>Page</b>
2.1	Financial (money) reward systems	22
4.1	Extent of staff motivation	31
4.2	Entitlement to car loan package	32
4.3	Access to car loan package	32
4.4	Entitlement to housing loans	33
4.5	Access to housing loans	33
4.6	Staff entitlement to risk allowances	34
4.7	Ease in risk allowance accessment	34
4.8	Concerns on benefits granted	35
4.9	Desire to achieve set goals based on motivation	35
4.10	Non Cash motivators	36
4.11	Adequately motivated to put in extra effort to work	37
4.12	Satisfaction with ease of contacting the person needed	46
4.13	Clarity of information or advice provided	47
4.14	Satisfaction with the way problems were resolved	48
4.15	Type of credit facility applied for	58



## LIST OF FIGURES

<b>Figure</b>	<b>Title</b>	<b>Page</b>
2.1	Maslow's Hierarchy of needs	15
2.2	Alderfer's ERG Diagram	19
4.1	Duration of being a customer	38
4.2	Average visit to branch per month	39
4.3	Staff's friendliness and courteousness	40
4.4	Knowledge of staff on bank products and services	41
4.5	Willingness of staff to listen and respond to customer needs	42
4.6	Fast and efficient services	43
4.7	Recognition as valued customer	44
4.8	Professional and attractive appearance of staff	45
4.9	Clean and well cared facilities	49
4.10	Efficient, no waiting service on enquiry	50
4.11	Length of queues at Teller's counter	51
4.12	Availability of information brochures	52
4.13	Pleasant and attractive décor	53
4.14	Reliability of ATM	54
4.15	Receive monthly bank statement	55
4.16	Easy to read and understand mailed bank statements	56
4.17	Ever applied for a credit facility	57
4.18	Would customer like to be contacted by Bank representative	59
4.19	Would customer recommend branch to friends	60
4.20	Why customers would not recommend branch to friends	61

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the Study**

Organisations are established to provide products and services that meet the expectation of customers with respect to satisfying their specific needs and wants. For organisations to achieve their objectives employees must be motivated to do so. When employees are motivated, they provide customers with quality services that satisfy their needs. (Stevenson, 2005)

Motivation is a critical factor in many aspects of work life. Not only does it influence quality and productivity, it also contributes to the cordiality of the work environment. Compensation is a leading motivator. Other reasons include socialization, self actualization, status, physiological aspects of work, and a sense of purpose and accomplishment (Stevenson, 2005)

Awareness and understanding of these factors can help management to develop motivational packages to encourage workers to respond positively towards the attainment of organisational goals. Another factor that motivates employees to maximise productivity is trust in their relationship with management. In an ideal work environment, there is a greater tendency to give employees added responsibilities. When employees trust management, they are more likely to respond positively and to the challenges facing the organisation. On the other hand, when they do not trust management, they are more likely to respond in less desirable ways. (Stevenson, 2005)

Motivation is the force that energizes, directs and sustains a person's efforts towards the achievement of a goal. All behaviours, except involuntary or reflex actions like the blinking of the eye are motivated. A highly motivated person will work hard towards the achievement of organisational goals. With ability and an adequate understanding of the job, such a person would be highly productive (Bateman and Snell, 1999).

Customer satisfaction involves the development of relationship of trust and loyalty with the customer. As customers demand satisfaction of their needs and wants, pressure increases, on the company to respond quickly and appropriately to these demands to establish and maintain customer trust and loyalty (Schneider, Kimbrell and Carl, 1997).

## **1.2 Statement of the Problem**

This research is an attempt to investigate the levels of employee motivation at the Ho Branch of Ghana Commercial Bank and to ascertain what impact it has on customer satisfaction. Many banks are emerging on the Ghanaian scene and this phenomenon has intensified competition among them and other financial institutions in the country.

An organisation with enticing motivational packages is more likely to attract and retain a high caliber of staff capable of helping the organisation to achieve its corporate objectives. A critical observation reveals that most organisations are unable to attract and retain the required caliber of staff. The strategy is therefore to introduce motivational packages to motivate employees to offer their best. The focus of this study is to ascertain the impact of motivational packages at the Ho Branch of the Ghana Commercial Bank on customer satisfaction.

### **1.3. Objectives of the Study**

The general objective of the research is to assess the impact of staff motivation on customer satisfaction at the Ho Branch of the Ghana Commercial Bank and the specific objectives are:

- i. To identify packages for motivating staff of Ghana Commercial Bank.
- ii. To examine the various forms of staff motivational packages.
- iii. To assess the effects of such motivational packages on customer satisfaction.
- iv. To identify how customers are satisfied with products & services of the bank.
- v. To identify how customer want to be served in order to be satisfied.
- vi. To suggest ways in which the Bank can improve customer satisfaction.

The researcher therefore intends to find answers to the following questions:

- i. What are the motivational packages available to employees of Ho Branch of Ghana Commercial Bank?
- ii. Are the motivational packages achieving the purpose for which they were set up by the management of the Bank?
- iii. How do customers perceive the service rendered to them by the Bank?
- iv. In what ways can the bank improve its services to strengthen customer trust and loyalty?

### **1.4 Methodology and Scope of the Study**

This area contains the body of methods employed by the researcher in order to achieve the objectives of the research. It is focused mainly on the sources of data, methods of and



collection of data, sampling techniques, sampling size, population as well as how to analyse the data gathered or collected. Case study method was used for the research.

### **1.5 Significance of the Study**

This thesis is intended to provide immense benefit to Ghana Commercial Bank as a whole and Ho branch as a major beneficiary. Most of the problems customers face as a result of the activities of the branch stem from staff motivation, with others from the bank's inability to maintain a level of information communication technology (ICT) compared to their competitors.

Staffs also had the opportunity to put together their grievances for management's consideration. The benefits that an organisation derives from satisfied customers were covered and problems associated with staff and customers were also discussed and preventive measures were recommended. Finally, this work will serve as a guide to the human resource department of the bank and be a guiding tool to other organisations on how to motivate their staff and retain customers.

### **1.6 Limitations**

The focus in this research was on staff motivation and its impact on customer satisfaction in Ghana Commercial Bank Ho Branch. The researcher encountered so many challenges in this research work. Some are as follows:

- i. There were problems in determining the population size for customers. This was because the bank held that information as confidential.

- ii. The use of questionnaires and interviews as data collection tools, has a limitation of respondents' inability to remember previous experiences.
- iii. Some policies were confidential and were not given.
- iv. The researcher had financial constraints.
- v. P;lw2qAcademic work was interrupted since combining it with work and family was difficult.

### **1.7 Organisation of the Study**

The thesis is presented in five chapters. Apart from this first chapter, there are four other chapters. Chapter Two deals with the review of existing literature with emphasis on the various perspectives of authorities on motivation of staff and its effect on customer satisfaction. However, Chapter Three is on the methodology of the study. Chapter Four deals with the results and discussions, and an analysis of data using SPSS data analysis tool. The last chapter, Five covered conclusion and recommendations of the study.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter covers discussion of previous studies on the subject matter. There is a wide-range of literature that deals with customer satisfaction and the influence motivation of the service providers has on it. Organisations are established to provide products that meet the expectations of customers with respect to satisfying their specific needs and wants at a specific time. Two customer types can be identified; internal and external. The internal customers are those within the organisation who benefit or make use of the services or goods while the external customers are those outside the organisation who benefit from the services. Organisations can achieve their objectives when their employees are adequately motivated. A motivated employee provides customers with quality services that satisfy their specific needs. It is necessary to link motivation of employees to customer/client satisfaction. In view of this, relevant literature had been reviewed in order to form the theoretical framework of the subject.

#### **2.2 Customer Satisfaction**

Customer satisfaction in simple terms refers to the extent to which a firm fulfils a customer's needs, desires, and expectations.



According to Lamb, et al (2000), customer satisfaction is the feeling that a product or service has met or exceeds the customer's expectations. Keeping current customers satisfied is just as important as attracting new ones and a lot less expensive.

In a competitive marketplace as in the case of financial institutions where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

Reynierse and Harker (2009) is of the view that, bank employees apparently know when their customers are satisfied or dissatisfied with the level of customer service provided by their bank. It is established that branch customer attitudes about service quality were significantly correlated with employee views of customer service. (Schneider et al 1980, Schneider and Bowen (1985)

### **2.3 Measuring Customer Satisfaction**

Customer satisfaction can be monitored through a market research. Businesses that commit themselves to satisfying customers must institute a system to continually measure how well they perform the task. Are targets being met should be an issue on the heart of the management of the business. Boone & Kurtz (2001) identified three main steps involved in this process: understanding customer needs, obtaining customer feedback, and instituting an ongoing programme to ensure customer satisfaction.

**Understanding customer needs:** When they try to measure customer satisfaction, marketers must keep in mind that gaps, or differences, between expected and perceived quality of the firm's goods and services may occur. Such gaps can produce favourable or

unfavourable impressions. A product may be better than expected or worse than expected. To avoid unfavourable gaps, marketers need to keep in touch with current and potential customers. Companies must look beyond traditional performance measures and explore the factors that determine purchasing behaviour in order to formulate customer-based missions, goals, and performance standards.

Knowledge of what customers need, want, and expect is a central concern of businesses focused on customer satisfaction. This information is also vital first step in setting up a system to measure customer satisfaction. Marketers must carefully monitor the characteristics that really matter to customers. They also must remain constantly alert to new elements that might affect customer satisfaction.

**Obtaining customer feedback:** The second step in measuring customer satisfaction is to compile feedback from customers regarding present performance. In a sense, this action captures a snapshot of how well the firm currently meets customer expectations. This information can be gathered in two ways using either reactive or proactive methods.

To monitor customer feedback, most firms rely on reactive methods that include toll-free customer service telephone lines, or systems to track customer complaints. Increasingly, firms are monitoring Usenet and other online discussion groups as a means of tracking customer comments and attitudes about the value received. Some companies hire mystery shoppers, who visit or call businesses posing as customers, to evaluate the service they receive. A mystery shopper is typically a disinterested party with no prior experience with the company. These unbiased appraisals are usually conducted on a biannual or quarterly basis to monitor employees, diagnose problem areas in customer service, and measure the impact of employee training.

**Institution of an ongoing programme:** Affinity programmes need to be organised.

An Affinity programme is a marketing effort sponsored by an organisation that solicits involvement by individuals who share common interest and activities. With affinity programmes, organisations create extra value for members and encourage stronger relationships.

## **2.4 Customer Retention**

Previous studies have identified the benefits that customer retention delivers to an organisation (Colgate et al., 1996; Reichheld and Sasser, 1990; Storbacka et al., 1994). For example, the longer a customer stays with an organisation the more utility the customer generates (Reichheld and Sasser, 1990). This is an outcome of a number of factors relating to the time the customer spends with the organisation. These include the higher initial costs of introducing and attracting a new customer, increases in both the value and number of purchases, the customer's better understanding of the organisation, and positive word-of-mouth promotion.

Apart from the benefits that the longevity of customers brings, research findings also suggest that the costs of customer retention activities are less than the costs of acquiring new customers. For example, Rust and Zahorik (1993) argue the financial implications of attracting new customers may be five times as costly as keeping existing customers. However, maintaining high levels of satisfaction will not, by itself, ensure customer loyalty. Banks lose satisfied customers who have moved, retired, or no longer need certain services. As a consequence, retaining customers becomes a priority. Previous



researches show, however, that longevity does not automatically lead to profitability (Colgate, Stewart, and Kinsella, 1996).

On the other hand, Beckett et al. (2000) draw conclusions as to why consumers appear to remain loyal to the same financial provider, even though in many instances they hold less favourable views toward these service providers. For example, many consumers appear to perceive little differentiation between financial providers, making any change essentially worthless. Secondly, consumers appear to be motivated by convenience or inertia. Finally, consumers associate changing banks with high switching costs in terms of the potential sacrifice and effort involved.

Clearly, there are compelling arguments for bank management to carefully consider the factors that might increase customer retention rates, with research providing ample justification for customer retention efforts by banks (Marple and Zimmerman, 1999; Fisher, 2001). However, there has been little empirical research that investigates the constructs leading to customer retention. Previous empirical work has focused on identifying constructs that are precursors to customer retention. Other studies have focused on developing measures of customer satisfaction, customer value and customer loyalty without specifically looking into other potential meaningful constructs. Examples of such constructs are competitive advantage, customer satisfaction, switching barriers, corporate image and bank services characteristics. These form the basis for the present investigation. There have been few, if any, attempts to link them to customer retention. This is curious, for if retention criteria are not well managed, customers might still leave their banks, no matter how hard bankers try to retain them.

David Cohen et al (1998) in their research on customer satisfaction addressed this issue. They said in businesses where the underlying products have become commodity-like, quality of service depends heavily on the quality of its personnel. This is well documented in a study by Leeds (1992), who documented that approximately 40 percent of customers switched banks because of what they considered to be poor service. Leeds further argued that nearly three-quarters of the banking customers mentioned teller courtesy as a prime consideration in choosing a bank. The study also showed that increased use of service quality/sales and professional behaviours (such as formal greetings) improved customer satisfaction and reduced customer attrition.

Indeed, customer satisfaction has for many years been perceived as key in determining why customers leave or stay with an organisation. Organisations need to know how to keep their customers, even if they appear to be satisfied. Reichheld (1996) suggests that unsatisfied customers may choose not to defect, because they do not expect to receive better service elsewhere. Additionally, satisfied customers may look for other providers because they believe they might receive better service elsewhere. However, keeping customers is also dependent on a number of other factors. These include a wider range of product choices, greater convenience, better prices, and enhanced income (Storbacka et al., 1994). Fornell (1992), in his study of Swedish consumers, notes that although customer satisfaction and quality appear to be important for all firms, satisfaction is more important for loyalty in industries such as banks, insurance, mail order, and automobiles.

Joanna (2002) further proposed that product differentiation is impossible in a competitive environment like the banking industry. Banks everywhere are delivering the same products. For example, there is usually only minimal variation in interest rates

charged or the range of products available to customers. Bank prices are fixed and driven by the marketplace. Thus, bank management tends to differentiate their firm from competitors through service quality. Service quality is an imperative element impacting customers' satisfaction level in the banking industry. In banking, quality is a multi-variable concept, which includes differing types of convenience, reliability, services portfolio, and critically, the staff delivering the service.

## **2.5 Motivation**

Motivation is a desire to achieve a goal, combined with the energy to work towards that goal. Students who are motivated have a desire to undertake their study and complete the requirements of their course. A motivated Banker is able to satisfy himself and his customers as he undertakes his daily activities.

Berkowitz et al (2000) defined motivation as an energizing force that causes behaviour that satisfies a need. Because consumer needs are the focus of the marketing concept, marketers try to arouse these needs. An individual's needs are boundless. People possess physiological needs for basics such as water, sex, and food. They also have learned needs, including esteem, achievement, and affection.

A motive is an impulse that causes a person to act. Motivation is an internal process that makes a person move toward a goal. Motivation, like intelligence, cannot be directly observed. Instead, motivation can only be inferred by noting a person's behavior. Researchers have proposed theories that try to explain human motivation. These theories include drive reduction theories and Maslow's hierarchy of needs theory.



Motivation has much to do with desire and ambition, and if they are absent, motivation is also absent. Often, a person has the desire and ambition to get something done or achieve a certain goal, but lacks the push, the initiative and the willingness to take action. This shows a lack of motivation and inner drive. Motivation strengthens the ambition, increases initiative and gives direction, courage, energy and the persistence to follow one's goals. A motivated person takes action and does whatever it needs to achieve set goals.

Motivation is usually strong, when one has a vision, a clear mental image of a certain situation or achievement, and also a strong desire to materialize it. In this case motivation pushes one forward, toward taking action and making the vision a reality.

### **2.5.1 Motivation Theories**

There are various theories of motivation but can be grouped into two major theories. These are Content and Process theories and are described below:

### **2.6 Content Theory**

Content theories explain the specific factors that motivate people. They explain what drives human behavior. Content theories of motivation define it in terms of satisfaction of needs. This explains the dynamics of employees' needs, such as why people have different needs at different times. Understanding individual needs emanates what motivates them. Some content theories are:

- Abraham Maslow's needs Theory
- McGregor's Theory X and Theory Y
- Alderfer's ERG Theory

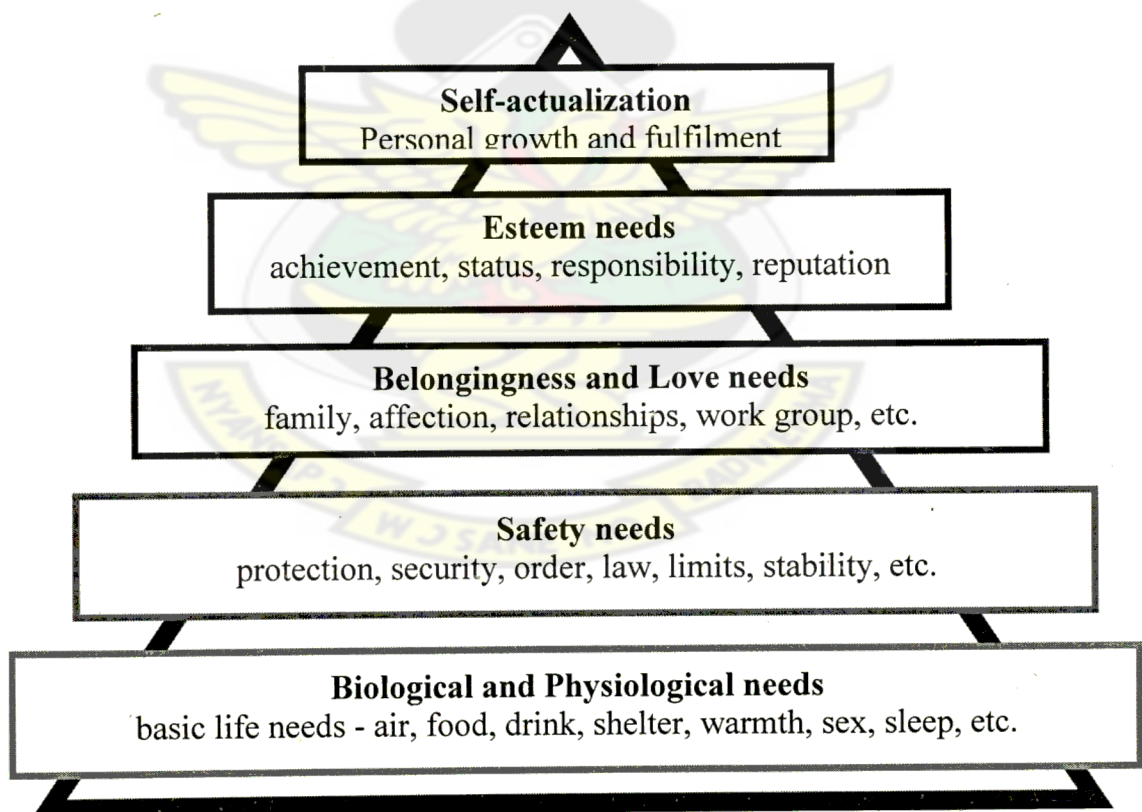


- Herzberg's Two factor Theory
- McClelland's Theory of Needs

### 2.6.1 Maslow's hierarchy of needs

Abraham Maslow developed the Hierarchy of Needs model in 1940-50's in the USA, and the Hierarchy of Needs theory remains valid today for understanding human motivation, management training, and personal development. Indeed, Maslow's ideas surrounding the Hierarchy of Needs concerning the responsibility of employers to provide a workplace environment that encourages and enables employees to fulfill their own unique potential (self-actualization) are today more relevant than ever. Figure 2.1 below shows the various levels of the hierarchy of needs by Maslow.

Figure 2.1 Maslow's Hierarchy of Needs



Source: Alan Chapman (2004)

People are motivated by needs. The most basic needs are inborn, having evolved over tens of thousands of years. Abraham Maslow's Hierarchy of Needs helps to explain how these needs motivate people. Maslow's Hierarchy of Needs states that we must satisfy each need in turn, starting with the first, which deals with the most obvious needs for survival itself.

Only when the lower order needs of physical and emotional well-being are satisfied are we concerned with the higher order needs of influence and personal development. Conversely, if the things that satisfy lower order needs are swept away, human beings are no longer concerned about the maintenance of the higher order needs.

### **2.6.2 McGregor's Theory X and Theory Y**

McGregor (1960), proposed theory X and theory Y. Theory X and theory Y are still referred to commonly in the field of management and motivation, and whilst more recent studies have questioned the rigidity of the model, McGregor's X-Y Theory remains a valid basic principle from which to develop positive management style and techniques. McGregor's X-Y theory remains central to organizational development and to improving organizational culture.

Managers tend to believe one or the other and treat their employees accordingly. Theory X states that employees dislike and try to avoid work, and must be coerced into doing it. Most workers lack ambition and value job security more than anything else. McGregor held that the more optimistic theory, Y, was more valid. This theory holds that employees can view work as natural, are creative, can be self-motivated and appreciate

responsibility. This type of thinking is popular now, with self-empowered work teams becoming the norm.

McGregor's X-Y theory is a salutary and simple reminder of the natural rules for managing people, which under the pressure of day-to-day business are all too easily forgotten. McGregor maintained that there are two fundamental approaches to managing people. Many managers tend towards theory X, and generally get poor results. Enlightened managers use theory Y, which produces better performance and results, and allows people to grow and develop.

### **Theory X ('Authoritarian Management' Style)**

- The average person dislikes work and will avoid it he/she can.
- Therefore most people must be forced with the threat of punishment to work towards organisational objectives.
- The average person prefers to be directed; to avoid responsibility; is relatively unambitious, and wants security above all else.

### **Theory Y ('Participative Management' Style)**

- Effort in work is as natural as work and play.
- People will apply self-control and self-direction in the pursuit of organisational objectives, without external control or the threat of punishment.
- Commitment to objectives is a function of rewards associated with their achievement.
- People usually accept and often seek responsibility.

- The capacity to use a high degree of imagination, ingenuity and creativity in solving organisational problems is widely, not narrowly, distributed in the population.
- In industry the intellectual potential of the average person is only partly utilised.

### 2.6.3 Alderfer's ERG Theory

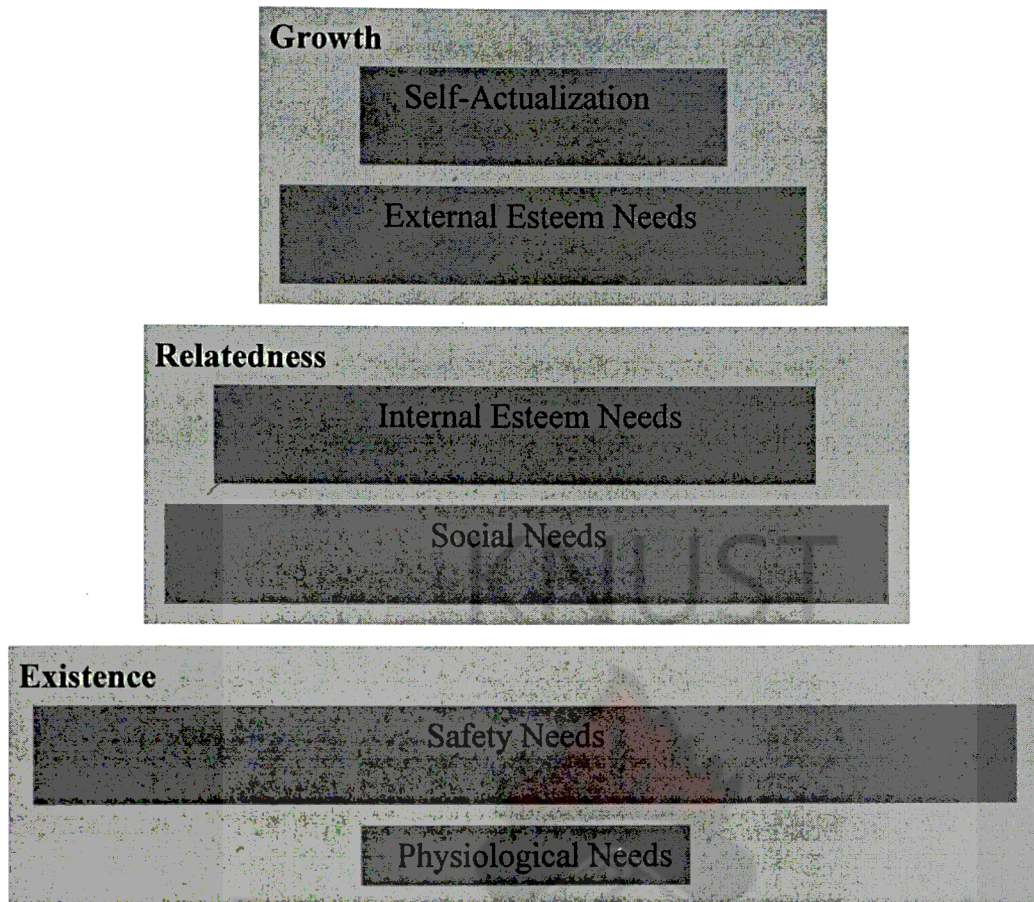
ERG Theory is similar to the famous Maslow's Hierarch of Needs. Existence, or physiological, needs are at the base. These include the needs for food, drink, shelter, and safety. Next come relatedness needs, the need to feel connected to other individuals or a group. These needs are fulfilled by establishing and maintaining relationships. At the top of the hierarchy are growth needs, the needs for personal achievement and self-actualization. If a person is continually frustrated in trying to satisfy growth needs, relatedness needs will reemerge. This phenomenon is known as the frustration-regression process. Figure 2.2 below illustrates Alderfer's ERG Theory.



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Figure 2.2 Alderfer's ERG Diagram



Source: Envision (2009)

#### 2.6.4 Herzberg's Motivation-Hygiene Theory

Herzberg felt that job satisfaction and dissatisfaction exist on dual scales. The absence of certain things, called 'hygiene factors,' e.g. pay, job security, and physical work environment, could cause a person to become unhappy with their job. However, hygiene factors could never bring about job satisfaction.

Motivating factors, on the other hand, can increase job satisfaction. Examples of motivating factors are a sense of recognition, responsibility, or achievement can bring satisfaction.

### **2.6.5 McClelland's Theory of Needs**

McClelland used the Thematic Aptitude Test (TAT) to measure people in three dimensions: the need for power, achievement, and affiliation. Individuals with a high need for power take actions that affect other peoples' behaviour and arouse strong emotions in them. The need for power can be revealed in socially acceptable ways (demonstrating a socialized power orientation) or in selfish ways (a personalized power orientation.) Those with strong need for achievement enjoy competition against some standard and unique accomplishment. High achievers like tasks that are neither simple (which anyone could do) or extremely difficult (where success depends more on luck than ability), but that challenge them to do their best. People with a strong need for affiliation need to be liked and accepted. These individuals tend to establish, maintain, and restore closer personal relationships with others.

### **2.7 Process Theories**

Process theories of motivation define in terms of a rational cognitive process. They describe the processes through which need deficiencies are translated into behaviour. According to Mullins (2005) process theory attempts to identify the relationship among the dynamic variables which make up motivation and the action required to influence behaviour and actions. Process theories are as Equity Theory and Expectancy Theory.

### **2.7.1 Equity Theory**

People are happiest in relationships where the give and take is about equal. If one person is getting too little from the relationship, then not only are they going to be unhappy with this—the person getting the lion's share will also be feeling rather guilty about this imbalance. This is reinforced by strong social norms about fairness. In short-term relationships we tend to trade in things, such as loaning small sums or buying beers. In longer-term relationships the trade is more emotional.

Overall, though, it is still better to be getting more than less—although you could feel better about the relationship, the benefits you get from it can buy you compensatory happiness elsewhere.

For instance, Men who have been pulled away from their family by their work sometimes try to even the scales with expensive holidays. This does not work well as they are trying to trade (short-term value) money for (long-term value) emotion.

### **2.7.2 Expectancy Theory**

As people constantly are predicting likely futures, expectations are created about future events. If things seem reasonably likely and attractive, they know how to get there and believe they can 'make the difference' then this will motivate them to act to make this future come true.

Motivation is thus a combination of:

- Valence: The value of the perceived outcome (What is in it for people?)
- Instrumentality: The belief that if certain actions are completed then the outcome will be achieved. (Clear path?)



- Expectancy: The belief of the ability to complete the actions. (Capability?)

Of course there could be an unpleasant outcome, in which case the motivation is now one of avoidance. Expectancy Theory is also called Valence-Instrumentality-Expectancy Theory or VIE Theory.

## 2.8 Financial Motivators

Money is a major component of motivation and is known as financial motivators. Money, and the way it is paid, can affect motivation to work.

Table 2.1 Financial (money) reward systems

Time rate or 'wages'	Paying by the number of hours worked.
Piece rate	Paying by the number of items (pieces) produced.
Overtime	Extra pay for work done over and above normal working hours. It is usually paid at a higher hourly rate, e.g. double time means twice the normal hourly rate.
Shift payments	Usually paid for working unsocial hours such as night work.
Bonus payments	A special single payment for achieving a target.
Profit sharing	A percentage of the company's profit is shared amongst the workers.

Paying extra money for jobs with difficult hours will usually encourage people to apply for the work. A loyalty bonus can be used to persuade workers to stay with their employer for a long period of time. Employees may not want to work longer than their contracted hours but they can often be persuaded to do so by receiving a higher rate of pay.

A perk is a payment in kind. Instead of giving money the employer might provide:

- cars

- health insurance
- free uniform
- discounted products
- first class travel

It is often cheaper for the employer to provide goods rather than the money to buy them with. A good perk will make an employee reluctant to leave the business.

## **2.9 Non Financial Motivators**

Most people work to satisfy needs of one kind or another. Non financial motivators are things other than money that motivate people to work. As explained earlier, Abraham Maslow developed his hierarchy of needs based on research about what motivates people to work. These are non financial motivators.

## **2.10 Conclusion**

Based on the literature reviewed on staff motivation and customer satisfaction, it can be identified that for an organization to realize its mission and vision the employees need to be motivated enough in an attempt to maximize sales and profits.

Motivation of employees commonly focuses on sales results, but nobody can actually do a result. What matters in achieving results is people's attitude and activity and areas of opportunity on which the attitude and activity is directed. What employees can do is to adopt a positive and creative attitude, and carry out more productive and efficient activity, directed on higher-yield strategic opportunities. By doing these things sales people will improve their results

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This third part of the thesis embodies the various statistical methods that were used. It also includes the sources and type of data and data analysis techniques used.

#### 3.2 Sampling

Sampling is that part of statistical practice concerned with the selection of individual observations intended to yield some knowledge about a population of concern, especially for the purposes of statistical inference.

##### 3.2.1 Target Population

Population is the entire aggregation of items from which samples can be drawn. This research is focused on Ghana Commercial Bank Limited Ho Branch and the customers of the bank in Ho. The population of the Branch staff was twenty nine (29) while that of customers of Ho was about One Thousand one hundred (1100).

##### 3.2.2 Sample Size

The sample size is the total number of people selected out of the population. It was impractical to collect data on the whole population, considering the size as well as the time available to the researcher, hence the need to select a sample of one hundred and sixty five

(165) that will represent the whole population for customers. In the case of staff, eight (8) of them were selected.

### 3.2.3 Sampling Technique

For the purposes of this research, the sampling method that was employed for staffs of the branch was the judgemental sampling technique.

Non-probability sampling was used to sample customers. The procedures of non – probability samplings do not lend themselves to representativeness and are usually used for exploration and qualitative analysis. This method of sampling was adopted in selecting customers of Ghana Commercial Bank Limited Branch who are in various categories e.g. Salaried worker customers, Corporate (Business) customers, student account customers and small & medium scale customers.

Specifically, purposive sampling technique was used because the researcher does not know the sampling frame of customers in Ho who operate with Ghana Commercial Bank Limited Ho Branch. This was because management of the bank held it as confidential information. A purposive sample is one which is selected by the researcher subjectively. Here, the researcher purposely chose respondents who in his opinion are relevant to the research topic.

## 3.3 Data Collection

Primary data collection techniques were used and these are questionnaires and personal interviews. Questionnaires were administered to customers of the bank to extract the



needed information. This was done to enable the researcher to find out how staff motivation impacts on whatever they do and how customers receive services in return from them.

Questionnaires were designed and given out to customers of Ghana Commercial Bank Ltd, Ho Branch, as well as staff to ascertain how motivation affect their input into service delivery in the Bank. Questionnaire for customers focused on issues related to how they assess the services and products of the bank and how satisfied they were or otherwise. Questions were open-ended and closed ended for easy administration.

Staff interview schedule was also focused on how they assess their output against their rewards and whether they feel motivated or otherwise. Personal interactions were also made to gather data from both staff and customers. Questions were not personal but were generally based. Questions that required confidential responses were not asked to prevent creation of discomfort to respondents. Both structured and unstructured questions were used.

Secondary data collected were related literature to the subject area that has been written by other people. Publications on the internet, text books, manuals, magazines and other print literature on the subject area were used.

### **3.4 Data Collection Problems Encountered**

Few problems were encountered during data collection. Some were the disappointments from some respondents. Some respondents collected the questionnaires but failed to respond to them for reasons of time constraints and others misplaced theirs.

Another problem faced was the inability of some respondents to give detailed information especially the bank staffs. Some questions were considered confidential and

were not answered. In some cases, they asked for a letter on the subject to be sent to the head office of the bank for them to respond to those questions they consider confidential or cannot be disclosed at branch level.

### **3.5 Data Analysis**

Both quantitative and qualitative methods were employed in the data analysis. For the quantitative aspect, Statistical package for social Sciences (SPSS) was used. Frequency distributions, percentages, mean and descriptive analysis of assessing staff motivation and its impact on customer satisfaction in Ghana Commercial Bank. Data collected were collated and analysed using various quantitative statistical models such as bar graphs and pie chart.

Each response was examined and analysed on its own merit and grouped into the various aspects of information requirement for the purposes of this project work. The findings were carefully examined to make sure that they were not incongruous with the research objective and hypotheses. The findings which were discussed in the next chapter are presented in statistical form.

The data management process includes all steps necessary to extract answers to research questions from data and to check the quality of the research results. During and following the data collection process, great care was taken to ensure that data are properly cleaned, edited, classified, coded and stored. Coding data involves transforming responses such as 'yes/no' into numerical form for quantitative analysis and creating code categories for qualitative data. Cleaning and editing data involves ensuring consistency and

appropriateness of responses, where decisions are made, and confirming data entry into a computer or transcribing data onto code sheets.

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## CHAPTER FOUR

### RESULTS AND DISCUSSIONS

#### 4.1 Introduction

This chapter presents data gathered from the field of research (Primary data) and analysed using SPSS in order to generate tables and graphical presentations for easy understanding. 165 copies of questionnaires were sent out to customers of the branch and 8 interview schedules were administered by the staff.

#### 4.2 Population

The customer base of the branch is about 1100. Out of this, it is only 50% of customers' accounts which are active. The other half is dormant as a result of account owners who have travelled outside the country, customers who are no longer in Ho, deceased customers not notified by relatives to branch, deliberate non-users, and customers who have defaulted in loan repayments and do not operate their accounts again.

Based on this situation, a population of 550 has been deduced. A sample size of 165 representing 30% has been chosen and 165 questionnaires were sent out to Salaried Worker customers, Corporate (Business) oriented customers, Student Account customers and Small & medium scale customers in Ho. 105 questionnaires representing 64% were returned answered while 60 questionnaires were not returned as a result of the absence of some customers when the researcher went back for them, some were busy and could not complete the questionnaire and a few were misplaced. Some respondents and non respondents were interviewed and account of the interview is discussed in the next chapter.



The staff strength was 29 which are composed of 22 permanent staff and 7 temporal (National service personnel and unconfirmed staff) staff. A sample of 8 representing 30% was interviewed. Data was collected from all the eight.

### 4.3 Staff Motivation

Staffs were assessed on whether they feel motivated in this branch or not?

Table 4.1 Extent of staff motivation

FEEL MOTIVATED			
	Motivated	Not Motivated	Total
Junior staff	0	4	4
Middle Management	0	2	2
Top Management	2	0	2
Total	2	6	8

SOURCE: Field Survey, April 2009

From the table above the entire junior and middle level staff interviewed stated that they do not feel motivated at the workplace while the entire top management staff interviewed accepted they feel very motivated at the workplace.

4.4 Entitlement and access to car loans

Table 4.2 Entitlement to car loans

	Entitlement to car loan		Total
	Entitled	Not entitled	
Junior staff	0	4	4
Middle Management	1	1	2
Top Management	2	0	2
Total	3	5	8

SOURCE: Field Survey, April 2009

According to the respondents, all Top Management workers are entitled to car loans. The middle management workers are also entitled depending on their duration of service at the branch. The junior staffs are however not entitled to car loans.

Table 4.3 Access to car loan package

ACCESS TO CAR LOAN			
	Easy to access	Not easy to access	Total
Middle Management	0	1	1
Top Management	1	1	2
Total	1	2	3

SOURCE: Field Survey, 2009

According to the table above, 2 out of the 3 respondent representing a middle level staff and a top management staff stated that is not easy to assess the car loans that they are entitled to. One top management staff however stated that it is easy to assess the car loan he is entitled to.

#### 4.5 Entitlement and access to housing loans

Table 4.4 Entitlement to housing loans

ENTITLEMENT TO HOUSING LOAN			
	Entitled to	Not entitled to	Total
Junior staff	0	4	4
Middle Management	0	2	2
Top Management	2	0	2
Total	2	6	8

SOURCE: Field Survey, April 2009

Most of the respondents representing the entire junior and all the middle level management staff interviewed stated that they are not entitled to housing loan while all the top management staffs interviewed stated otherwise.

Table 4.5 Access to housing loan package.

ACCESS TO HOUSING LOAN		
	Not easy to assess	Total
Top Management	2	2
Total	2	2

SOURCE: Field Survey, April 2009

According to the respondents, only top management staffs are entitled to Car however, they stated that assessing this loan is very difficult.

**4.6 Entitlement and access to Risk allowance**

**Table 4.6** Staffs entitlement to risk allowances

ENTITLED TO RISK LOAN			
	Entitled	Not entitled	Total
Junior staff	0	4	4
Middle Management	1	1	2
Top Management	2	0	2
Total	3	5	8

SOURCE: Field Survey, April 2009

Majority of the respondents representing all the junior staff and one middle level management staff stated that they are not entitled to risk loan while all the top management staff and one middle level staff stated that they are entitled to risk loan.

**Table 4.7** Ease in risk allowance accesement

ACCESS TO RISK ALLOWANCE		
	Easy to assess	Total
Middle Management	1	1
Top Management	2	2
Total	3	3

SOURCE: Field Survey, April 2009

According to the table above, all the staff that are entitled to risk allowance stated that the allowance is easy to assess.



**4.7 Opinion on adequacy of motivational packages to staff**

Table 4.8 Concerns on benefits granted to staff

CONCERN WITH BENEFITS GRANTED			
	Adequate	Not Adequate	Total
Junior staff	0	4	4
Middle Management	0	2	2
Top Management	2	0	2
Total	2	6	8

SOURCE: Field Survey, April 2009

According to the table above, all the top management staff stated that the benefits granted them by the bank are adequate while all the middle and junior staff stated their benefits granted them are inadequate.

**4.8 Level of Motivation and its impact on performance.**

Table 4.9 Level of desire to achieve set goals based on motivation

DESIRE TO ACHIEVE SET GOALS BASED ON MOTIVATION			
	Set goals	Do not set goals	Total
Junior staff	0	4	4
Middle Management	0	2	2
Top Management	2	0	2
Total	2	6	8

SOURCE: Field Survey, April 2009

From the table above, the top management staff are motivated enough hence their desire to achieve their set goals at the workplace. The middle and junior staff have however stated that they are not motivated enough to achieve their set goals at the workplace.

Table 4.10 Non cash motivators

	Motivation to perform			
	Job Security & Responsibility	Team work	Reputation & Status	Total
Junior staff	3	1	0	4
Middle Management	1	0	1	2
Top Management	1	0	1	2
Total	5	1	2	8

SOURCE: Field Survey, April 2009

From the above table, Job Security and Responsibility has been identified by most of the workers interviewed as what motivates them to put in their best performance. This runs through the junior, middle and top management workers while a junior staff also identified team work at the facility as what motivates him to perform better. Workers reputation and status in society has also been identified by a middle and a top management staff as what motivates them to put in their best performance.

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Table 4.11      Adequately motivated to put in extra effort to work

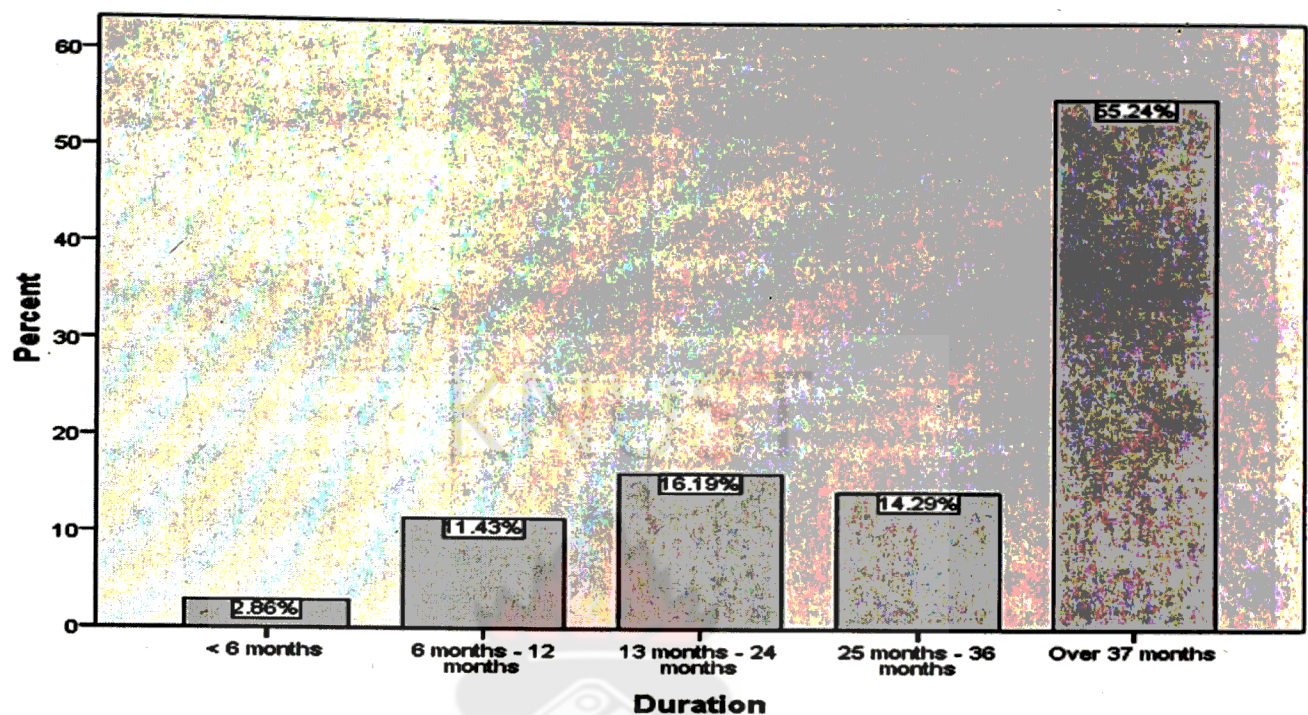
	Adequately motivated	Not adequately motivated	Total
Junior staff	0	4	4
Middle Management	0	2	2
Top Management	2	0	2
Total	2	6	8

SOURCE: Field Survey, April 2009

The entire junior and middle level management staff interviewed stated that they are not motivated enough to put in enough effort at the workplace while the entire top management level staff interviewed also stated that they are motivated enough to put in all their efforts at the workplace.

4.9 Visit to Branch

Figure 4.1 Duration of being a customer

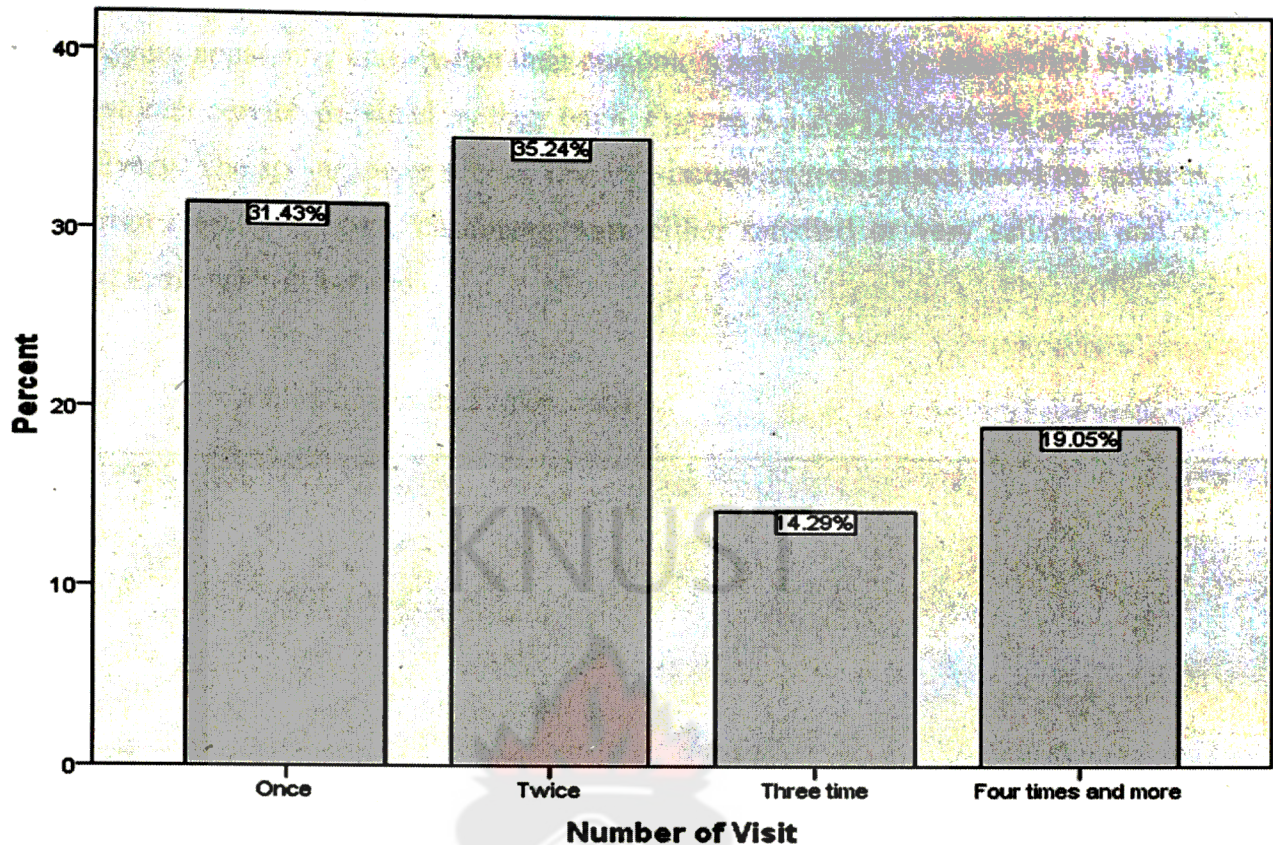


Source: Field Survey, April 2009

The services of the branch can be vividly judged if customers studied their operations over a period. There could be a problem over a week or month and it is important to ascertain the period each customer has been with the branch. From Figure 4.1, 90 customers representing 85.71% have been customers of the branch over one year. Fifty eight respondents representing 55.24% out of the 87.71% have been customers for over 3 years.



Figure 4.2 Average visit to branch per month



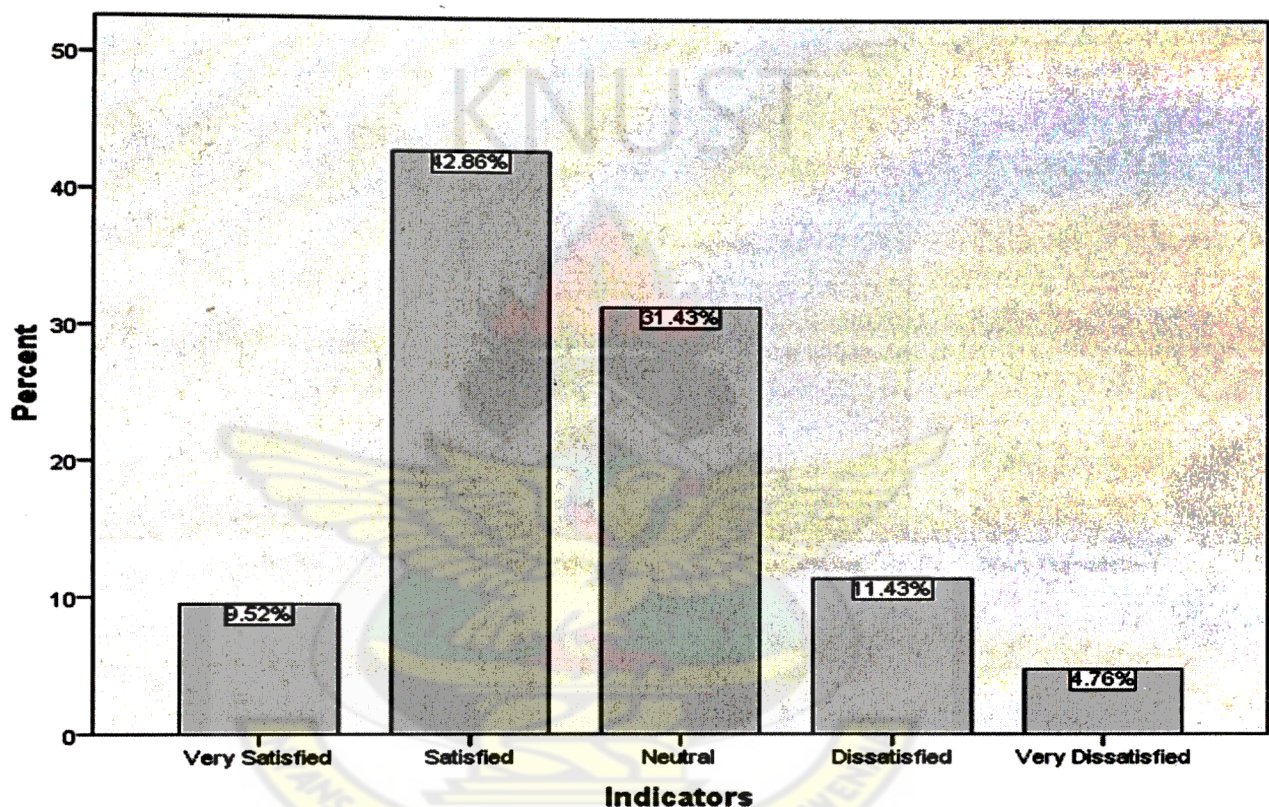
Source: Field Survey, April 2009

On average, most respondents forming 35.24% visit the branch twice a month while 31.43 went once a month. This was as a result of the time spent in the banking hall. Customers therefore withdraw their money once or twice to prevent long hours of stay in the banking hall. Others mostly students visited thrice a month. Business account holders normally do payments and withdrawals almost everyday fall in the four times or more visit category

4.10 Customer Service Delivery

Bank employees apparently know when their customers are satisfied or dissatisfied with the level of customer service provided by their bank. Figures 4.3.2(a-f) below are on customer service delivery. The six customer service delivery issues/ criteria raised based on services received from enquiry officers, customers were either satisfied or very satisfied and in some cases, some were in between.

Figure 4.3 Staff’s friendliness and courteousness



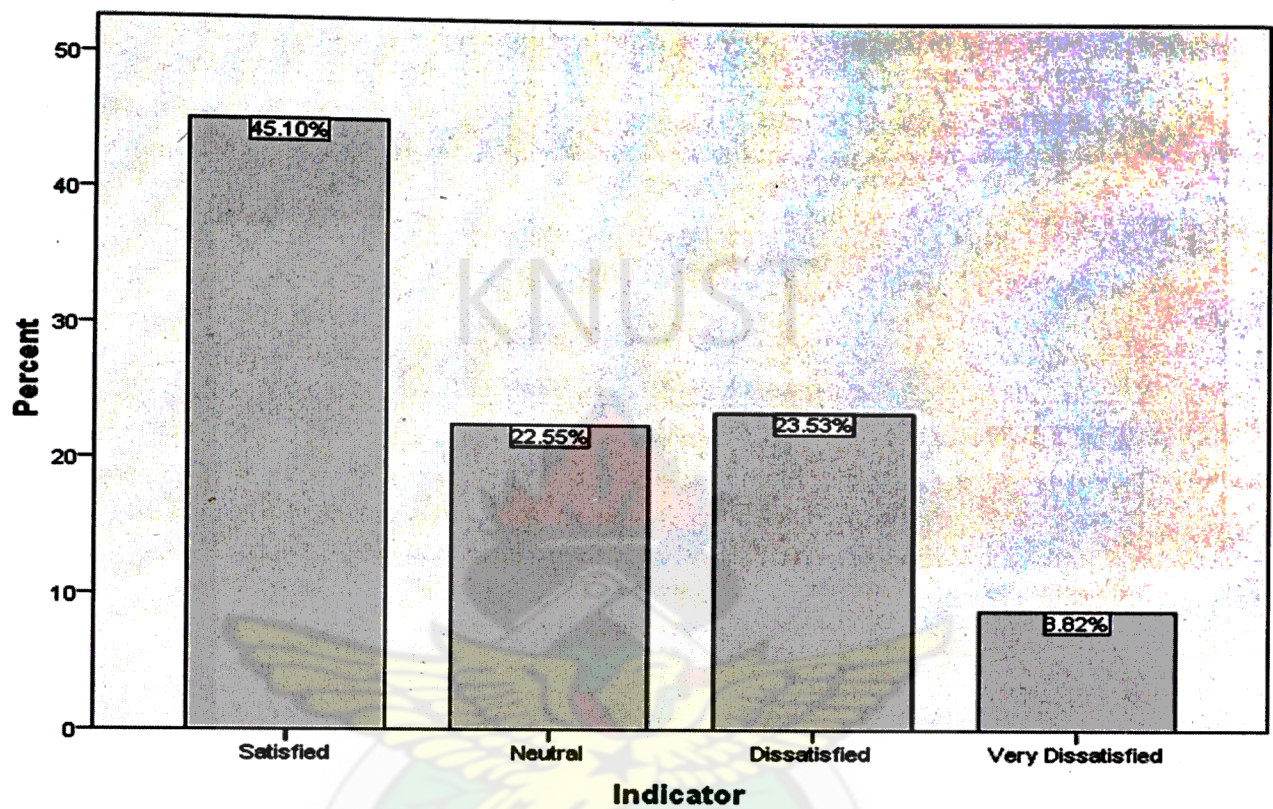
Source: Field Survey, April 2009

As to staff’s friendliness and courteousness, 9.52% of respondents were very satisfied, 42.86% satisfied 31.43% were neutral and the rest 16.19% were dissatisfied. When staffs are friendly, customers will be willing to be loyal to the bank. The graphical presentation



above gives a good impression on staff-customer relationship based on friendliness and courteousness.

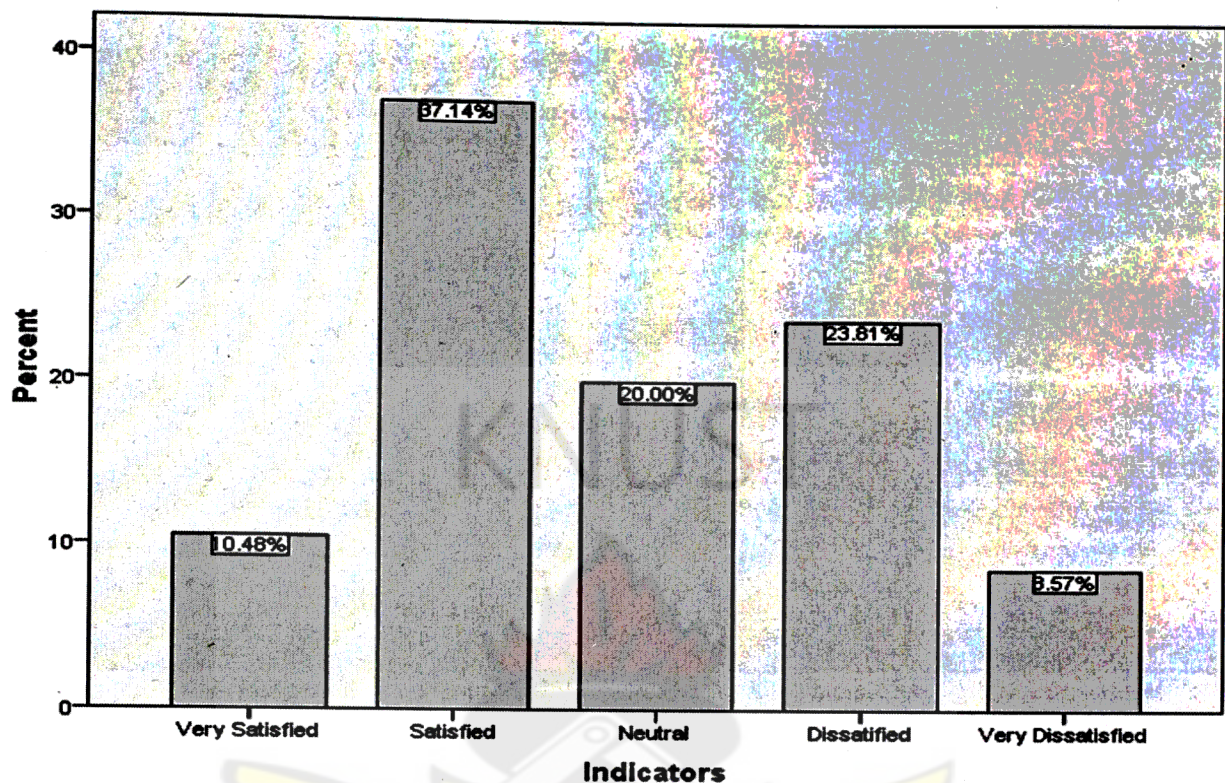
Figure 4.4     Level of knowledge of staff on bank product and services



Source: Field Survey, April 2009

More customers were satisfied with the level of staff knowledge on products and services of the bank. This was represented by 45.10% of respondents who were satisfied while 32.35% of them were not satisfied with 22.55% being neutral, (neither satisfied nor unsatisfied). It is necessary for staff to understand the products and advice customers in their decision as to what brings mutual benefit to them.

Figure 4.5 Willingness of staff to listen and respond to customer need

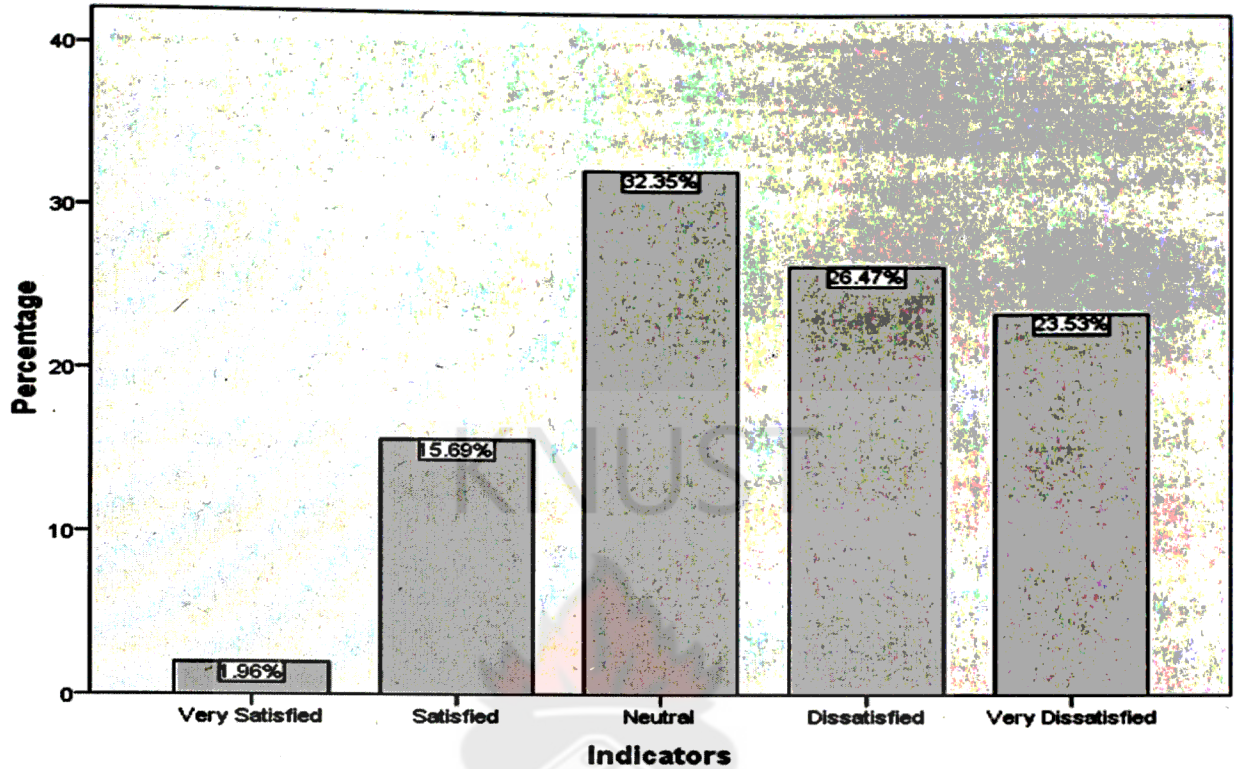


The graph below represents customers' responses. 10.48% of respondents were very satisfied with the willingness of staff to listen and respond to their needs while 37.14% were simply satisfied. 32.38% were however dissatisfied, leaving 20% in between satisfaction and dissatisfaction.

Source: Field Survey, April 2009



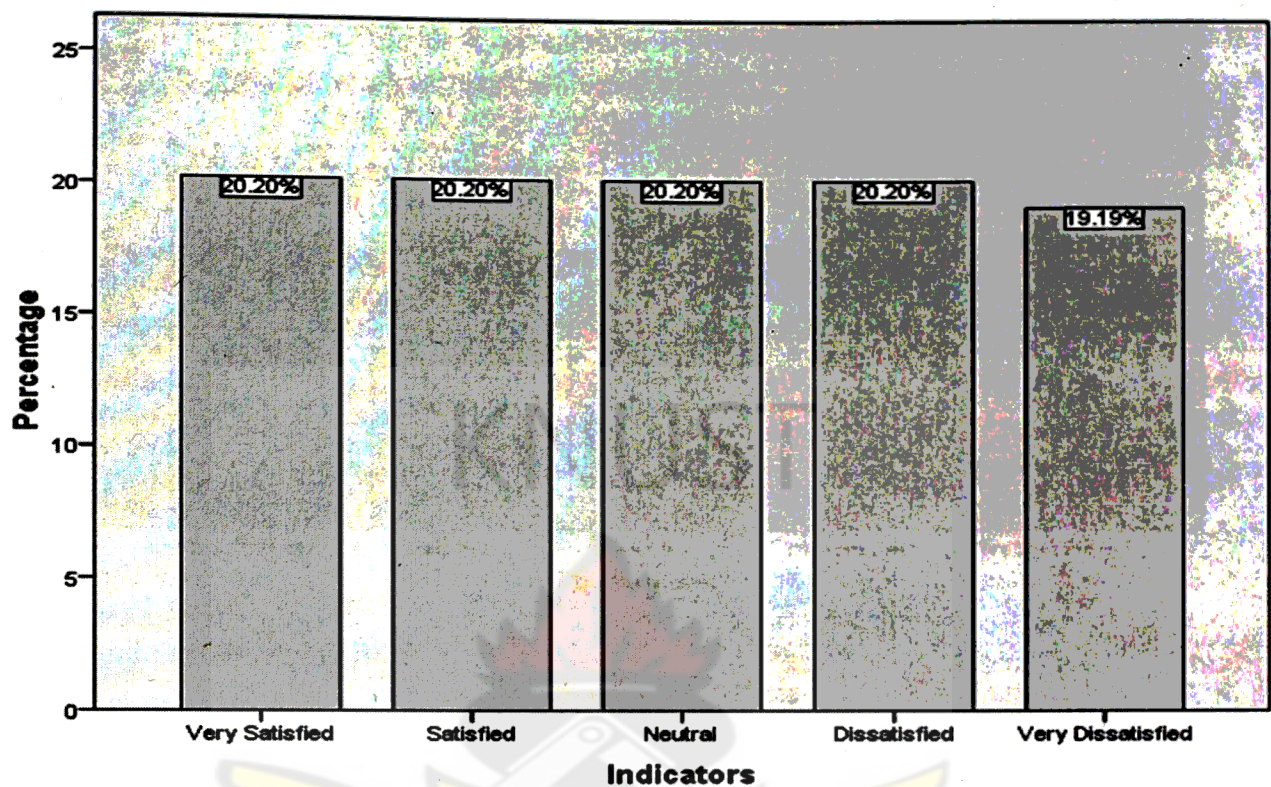
Figure 4.6 Fast and Efficient Service



Source: Field Survey, April 2009

The fast and efficient service criteria was very unpleasing as 50% were either very dissatisfied or simply dissatisfied and 32.35% were neutral, with only 17.65% of respondent satisfied. This phenomenon has created a lot of uncertainties as customers are not sure on the slogan, “we serve you better”. The graphical presentation above shows the indicators more clearly.

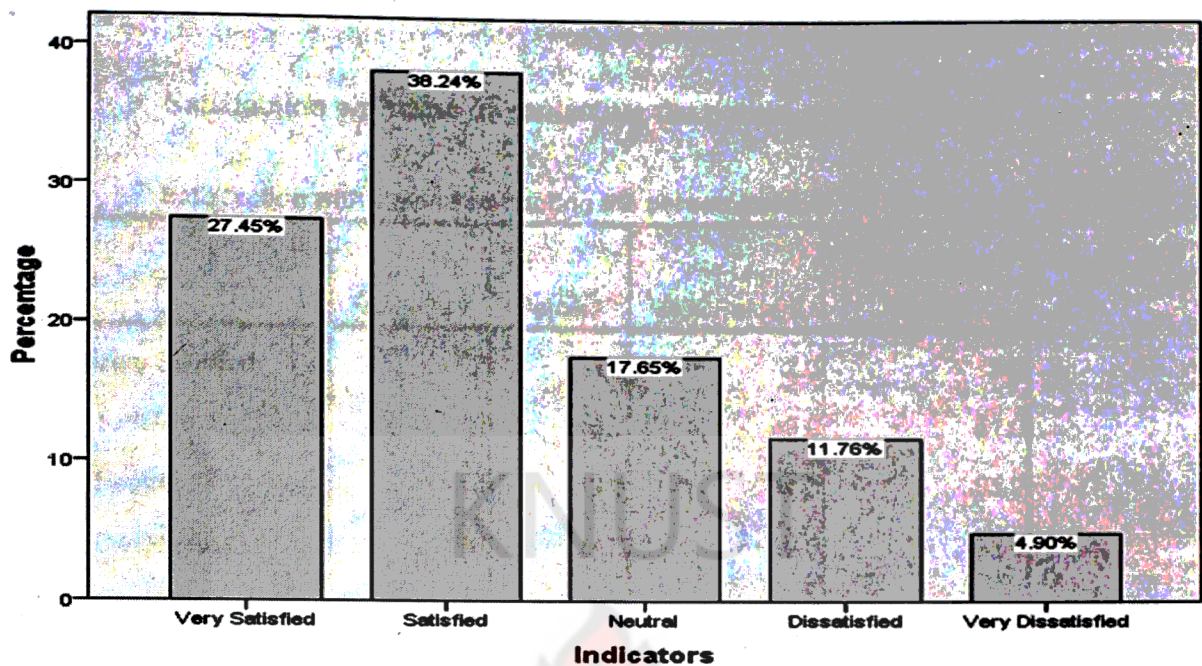
Figure 4.7      Recognition as Valued Customer



Source: Field Survey, April 2009

An interesting issue on customer service delivery was, recognition of customers as valued. 20.20% were very satisfied, satisfied, neutral and dissatisfied with the rest 19.19% representing very dissatisfied. On the contrary, there was an even rating on the five parameters.

Figure 4.8 Professional and Attractive Appearance



Source: Field Survey, April 2009

Staff's professional and attractive appearance was rated high at 65.69% making customers satisfied. 17.65% of respondents were neutral. Only 16.66% were not satisfied with staff's appearance.



Table 4.12 Satisfaction with ease of contacting the person needed

Satisfaction with ease of contacting the person needed					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Satisfied	2	1.9	2.0	2.0
	Satisfied	49	46.7	49.0	51.0
	Neutral	14	13.3	14.0	65.0
	Dissatisfied	26	24.8	26.0	91.0
	Very Dissatisfied	9	8.6	9.0	100.0
	Total	100	95.2	100.0	
No responses		5	4.8		
Total		105	100.0		

Source: Field Survey, April 2009

This section was to ascertain the quality of communication between branch and customers in order to know how satisfied customers were, or otherwise. 51% of customers were satisfied with the ease of contacting persons they needed. Aside 14% whose responses were neutral, 35% of respondents were dissatisfied.



Table 4.13      Clarity of Information or Advice Provided

Satisfaction with clarity of information and advice provided					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Satisfied	8	7.6	8.0	8.0
	Satisfied	18	17.1	18.0	26.0
	Neutral	29	27.6	29.0	55.0
	Dissatisfied	36	34.3	36.0	91.0
	Very Dissatisfied	9	8.6	9.0	100.0
	Total	100	95.2	100.0	
Missing	System	5	4.8		
Total		105	100.0		

Source: Field Survey, April 2009

It has been ascertained that information delivery in terms of clarity was a challenge as only 21% of customers were satisfied, making 45% of the respondents left with unclear information. Comparatively, information clarity has been a challenge.

Table 4.14 Satisfaction with the way problems are resolved

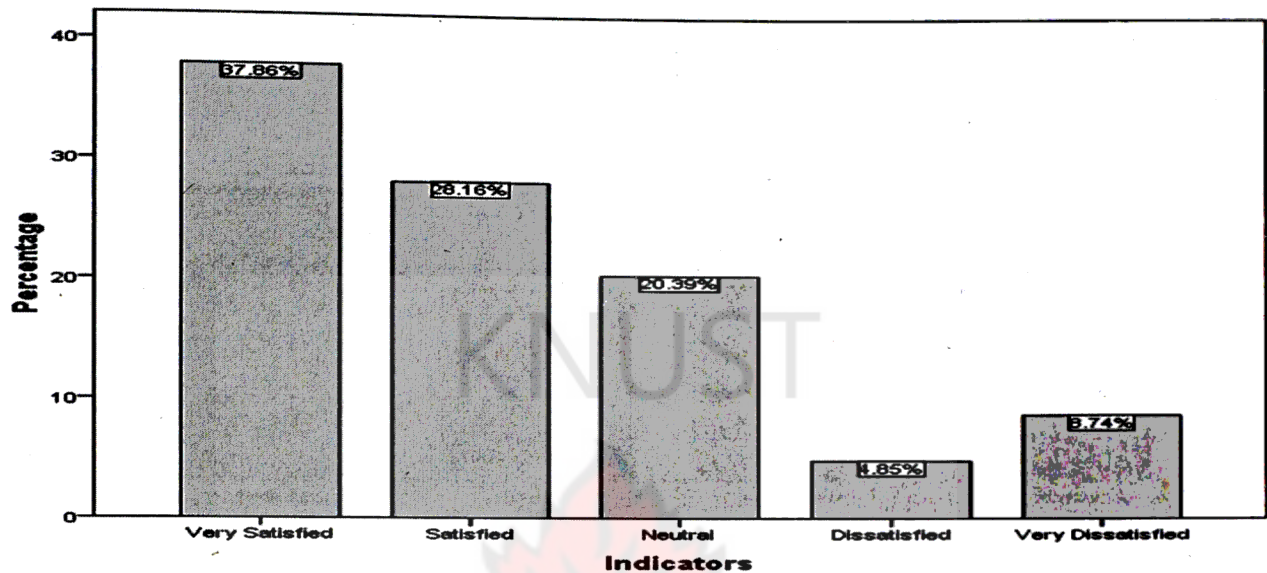
Satisfaction with the way problems are solved					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Satisfied	13	12.4	13.0	13.0
	Neutral	28	26.7	28.0	41.0
	Dissatisfied	38	36.2	38.0	79.0
	Very Dissatisfied	21	20.0	21.0	100.0
	Total	100	95.2	100.0	
No responses		5	4.8		
Total		105	100.0		

Source: Field Survey, April 2009

Only thirteen respondents representing 12.4% were satisfied with tow problems were solved. Fifty nine respondents representing 56.20% were dissatisfied and very dissatisfied. Issues about ATM failures were a major problem customers felt was not adequately resolved.

4.11 Branch Facilities

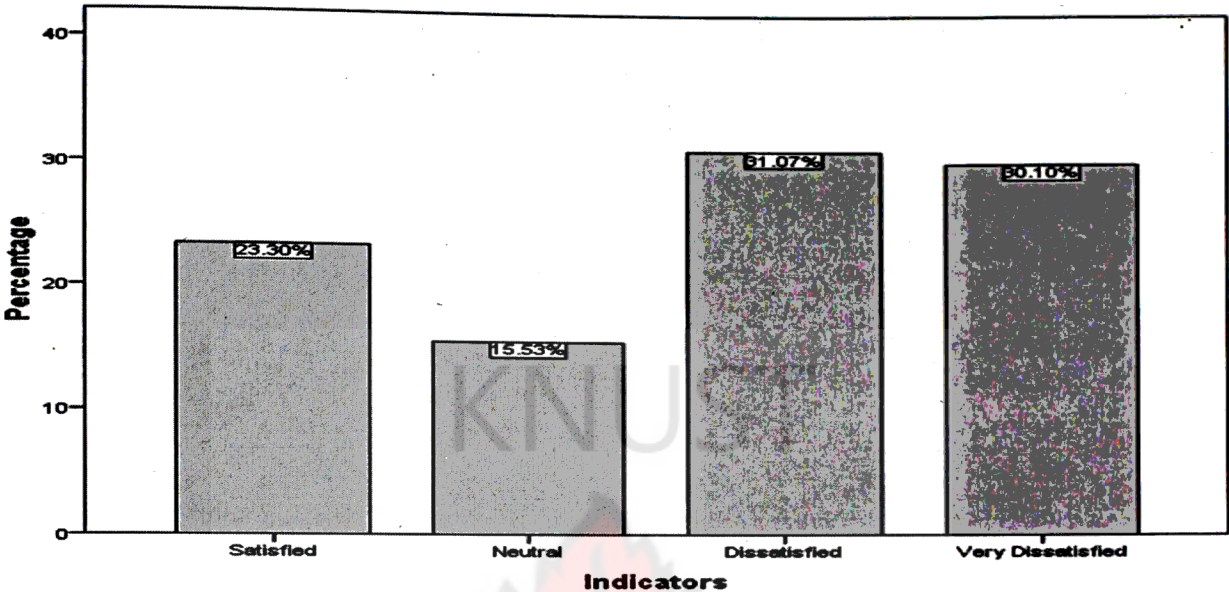
Figure 4.9 Clean and well cared Facility



Source: Field Survey, April 2009

According to 37.86% of respondents, facilities were clean and this was satisfactory to them. 28.16% were simply satisfied, making over all satisfaction of 66.02%. This is an indication that at least the cleaners are rendering their services satisfactorily. A smaller percentage of 13.59% however were not satisfied on the cleanliness of their facilities.

Figure 4.10    Efficient, No Waiting Service on Enquiries

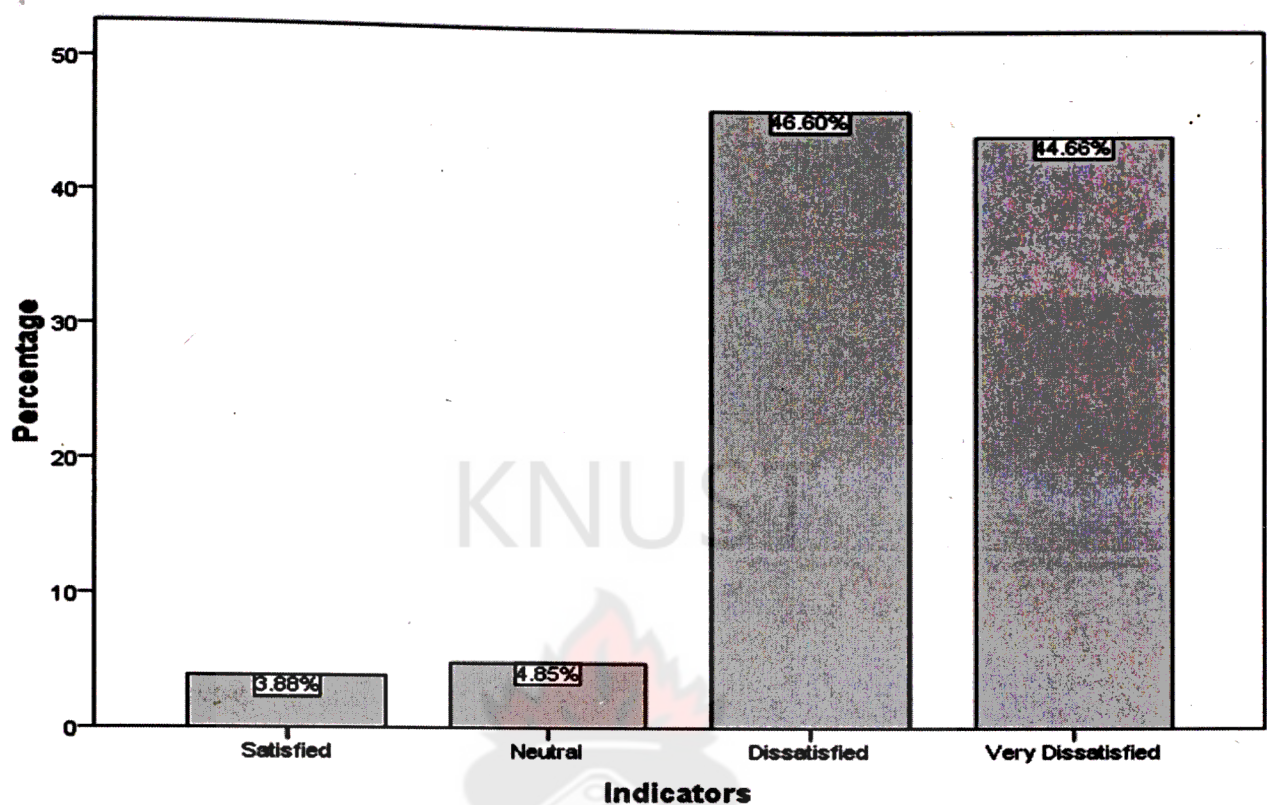


Source: Field Survey, April 2009

A total of 61.17% of respondents were not satisfied with the waiting at the enquiry, either to request for cheque books, account balances or statement of accounts. Only 23.30% of them were satisfied with no respondent being very satisfied. However, 15.53% of respondents were neutral.



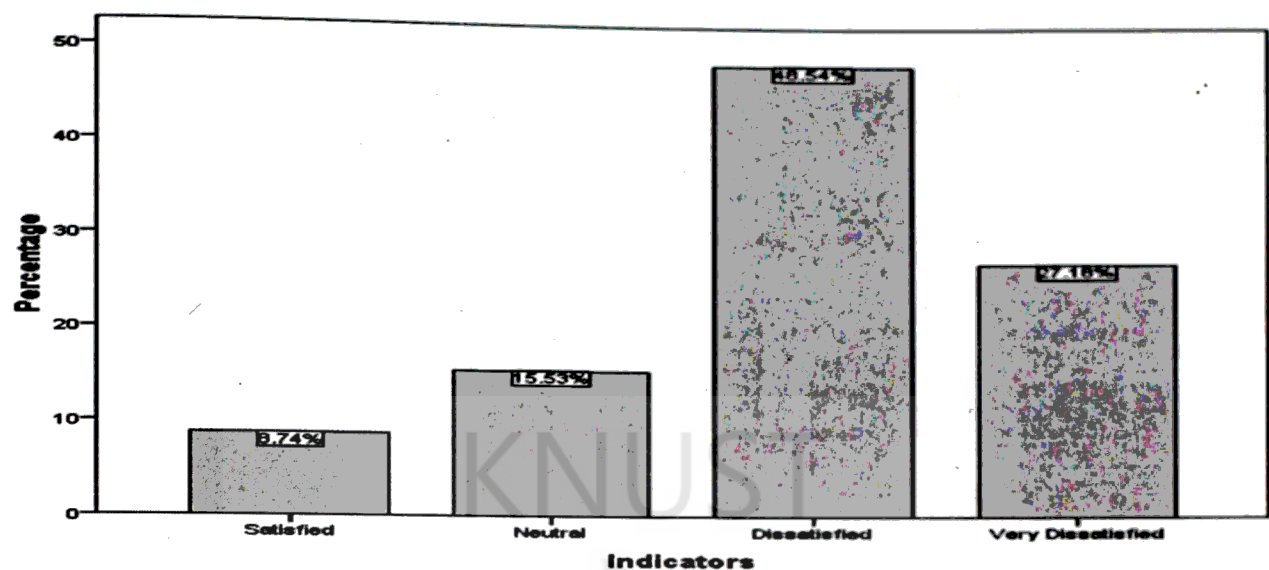
Figure 4.11 Length of Queues at Tellers/Cashiers Counters



Source: Field Survey, April 2009

No respondent was very satisfied with the length of queues in the banking hall, however 3.88% were satisfied and 4.85% being in the in-decision area. A total of 91.20% of respondents were not happy with the length of queues in the banking hall. This is a situation that has to be looked at in serving their customers better.

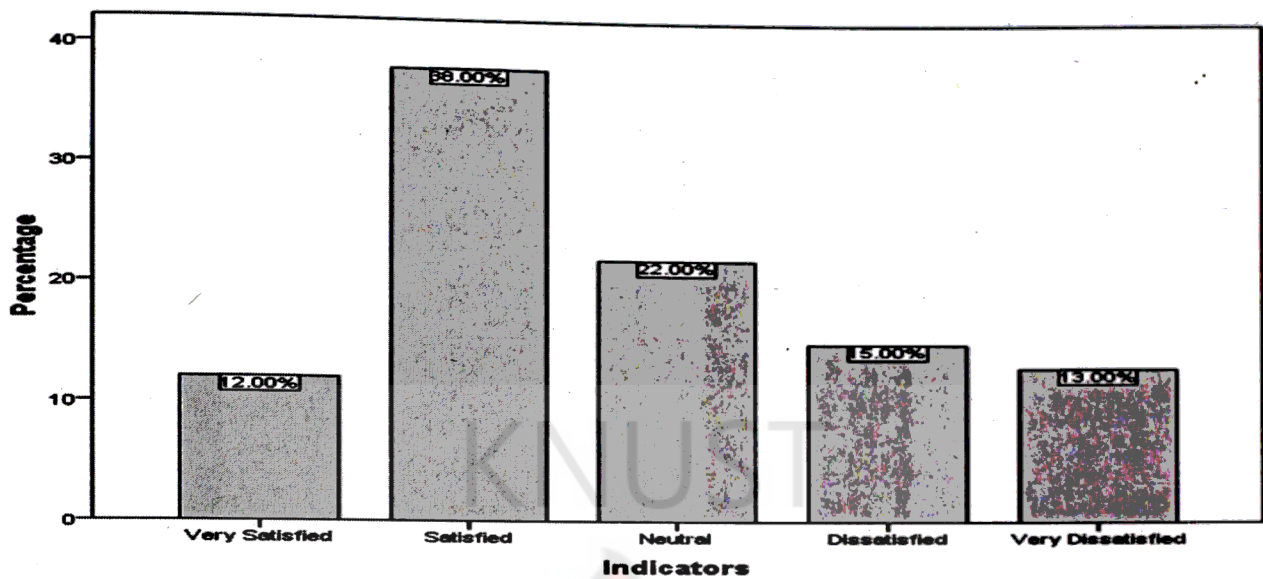
Figure 4.12 Availability of Information Brochures



Source: Field Survey, April 2009

Availability of information brochures were inadequate. On my visit to the branch, I observed there were no brochures on display. No respondent was very satisfied and 8.74% were satisfied. However 48.54% and 27.18% respondents were dissatisfied and very dissatisfied respectively.

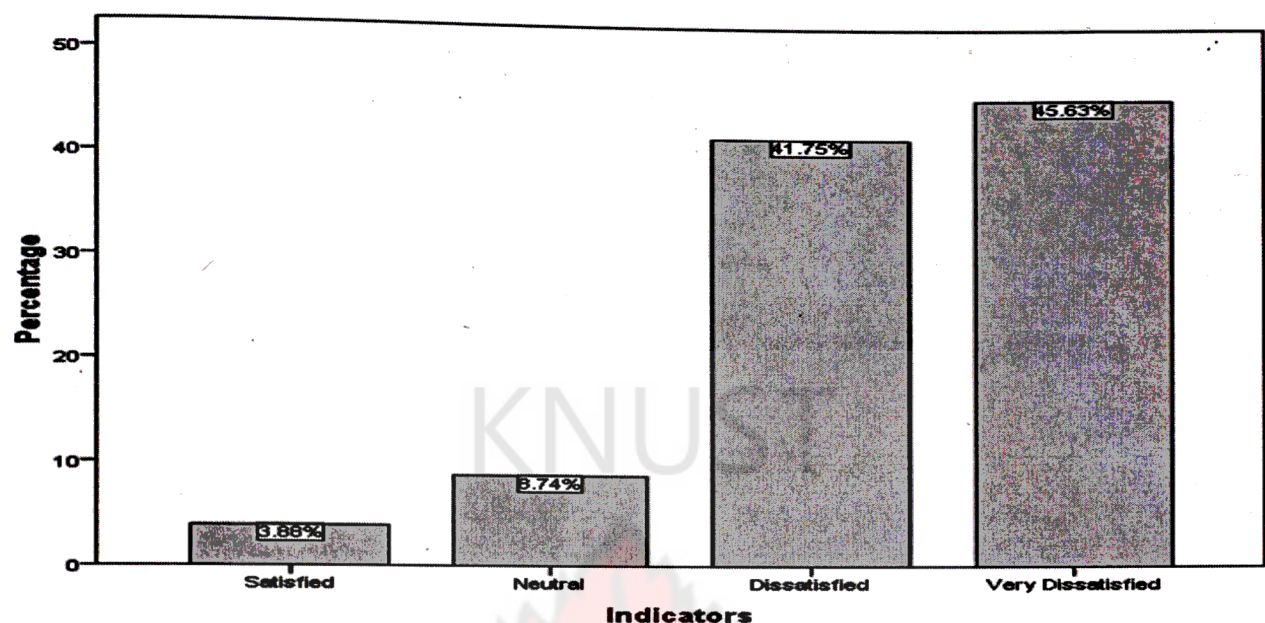
Figure 4.13 Pleasant and Attractive Décor



Source: Field Survey, April 2009

The decor in the banking hall is satisfactory to most customers of the branch as just a few representing 28% were dissatisfied. The internal environment has been seen to be good and this impacted positively on both staff and customers.

Figure 4.14 Reliability of Automated Teller Machines (ATMs)



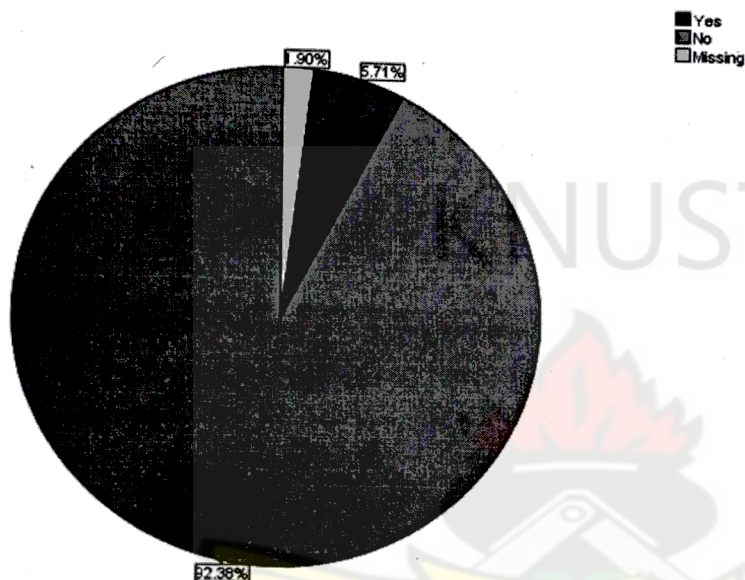
Source: Field Survey, April 2009

From the above, customers were not satisfied at the unreliability of the automated teller machine. The few satisfied respondents were people who visited the branch once or twice in a month. Some were however in between satisfaction and dissatisfaction representing 8.74%.



4.12 Statements and Mailed Documentation

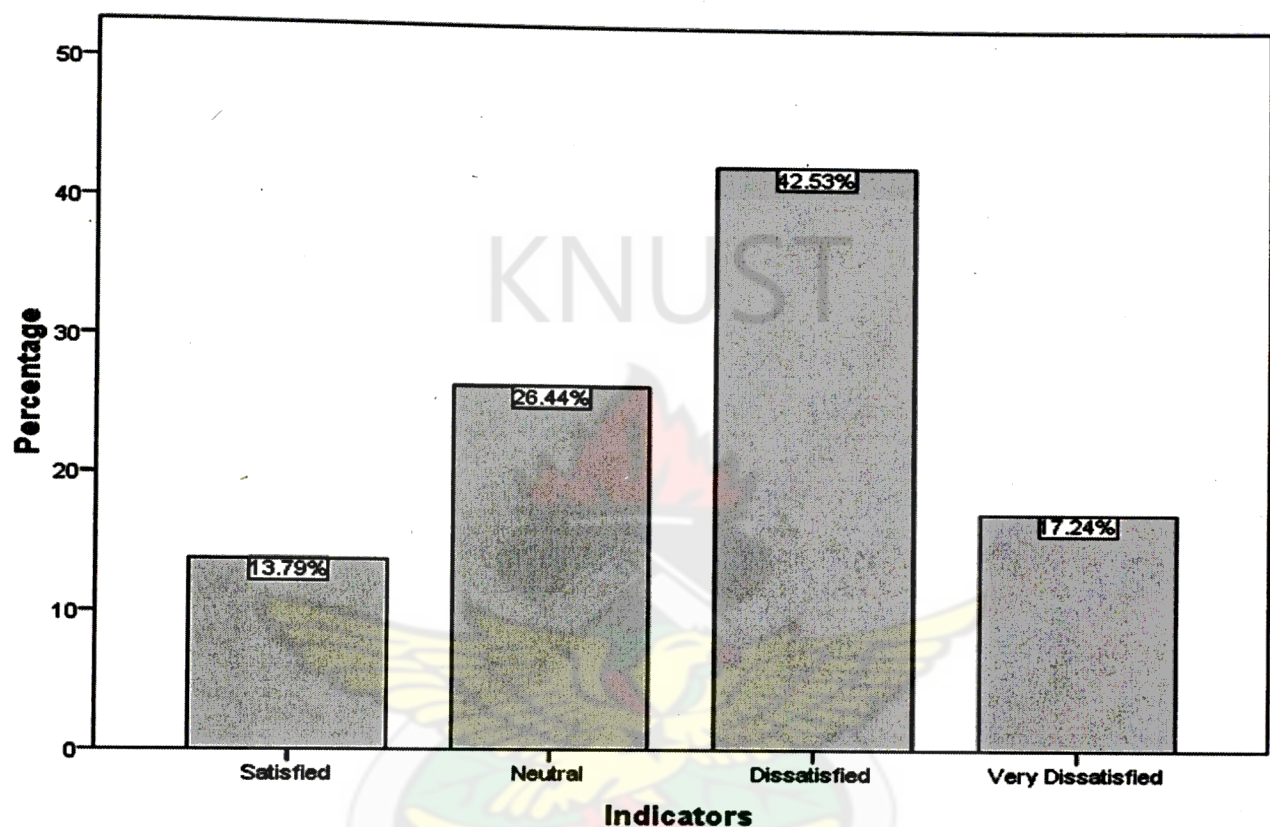
Figure 4.15 Receive Monthly Bank Statement



Source: Field Survey, April 2009

Bank account statements are not printed and sent to customers of the branch as the graphical representation above depicts. 92.38% of them do not receive statements at the end of each month. This is mostly student account holders, and salaried workers accounts. The group which receives monthly bank statements are the business or corporate account holders, representing 5.71%

Figure 4.16    Easy to read and understand mailed bank statements

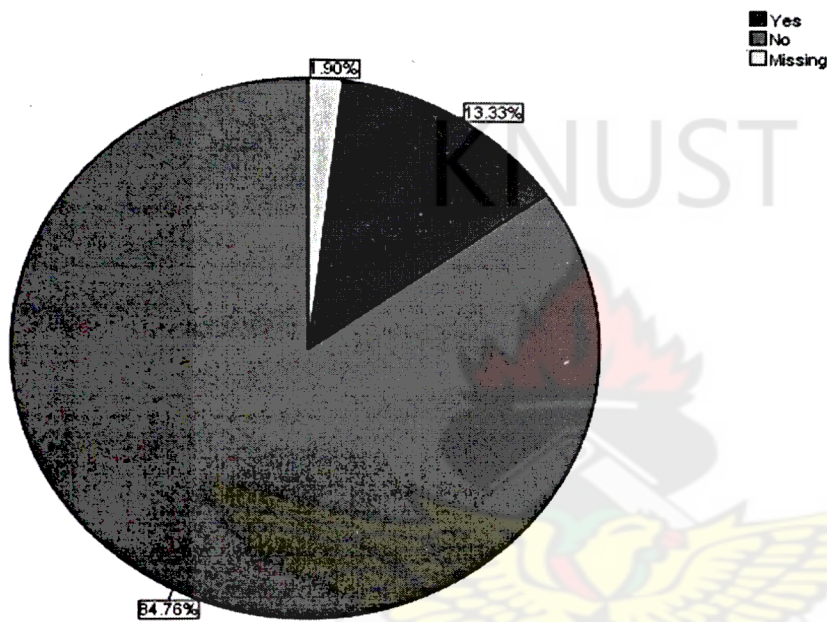


Source: Field Survey, April 2009

There was a problem with ease of reading and understanding the mailed bank statements with 42.53% not satisfied and 17.24% being very dissatisfied. The few satisfied representing 13.79% of respondents were corporate customers since they receive the statements monthly.

4.13 Credit Facilities

Figure 4.17 Ever applied for credit facility



Source: Field Survey, April 2009

Most customers have never applied for credits from the branch. 1.90% did not answer this question but 13.33% respondents ever applied for various forms of credits, and the table below gives the break-down of the various types.

Table 4.15     Type of credit facility applied for

Type of credit facility applied for		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Short term loan	3	2.9	21.4	21.4
	Medium term loan	6	5.7	42.9	64.3
	Long term loan	3	2.9	21.4	85.7
	Overdraft	2	1.9	14.3	100.0
	Total	14	13.3	100.0	
No responses	System	91	86.7		
Total		105	100.0		

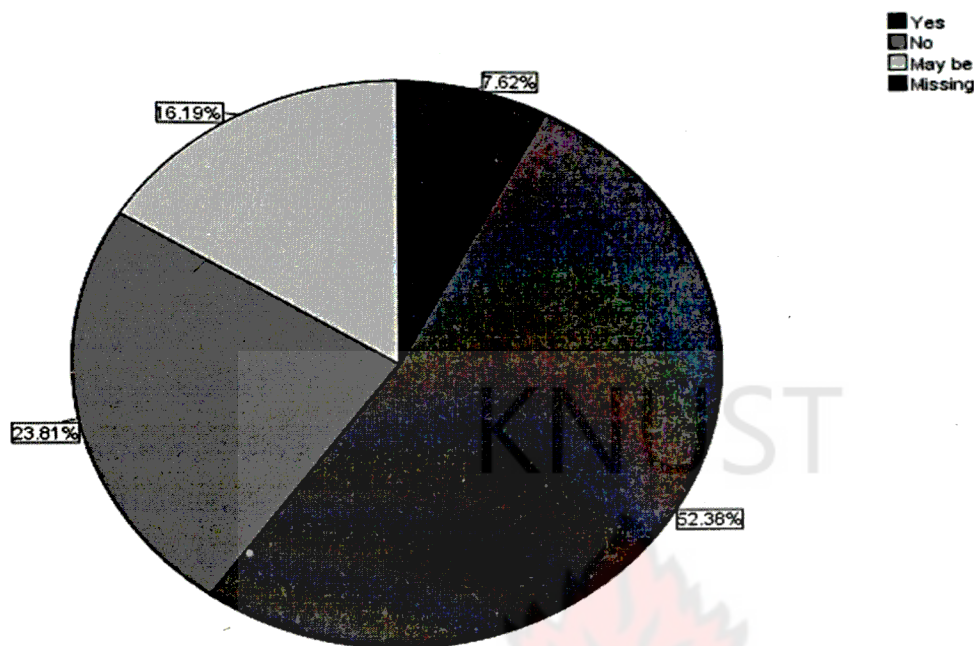
Source: Field Survey, April 2000





4.14 Conclusion

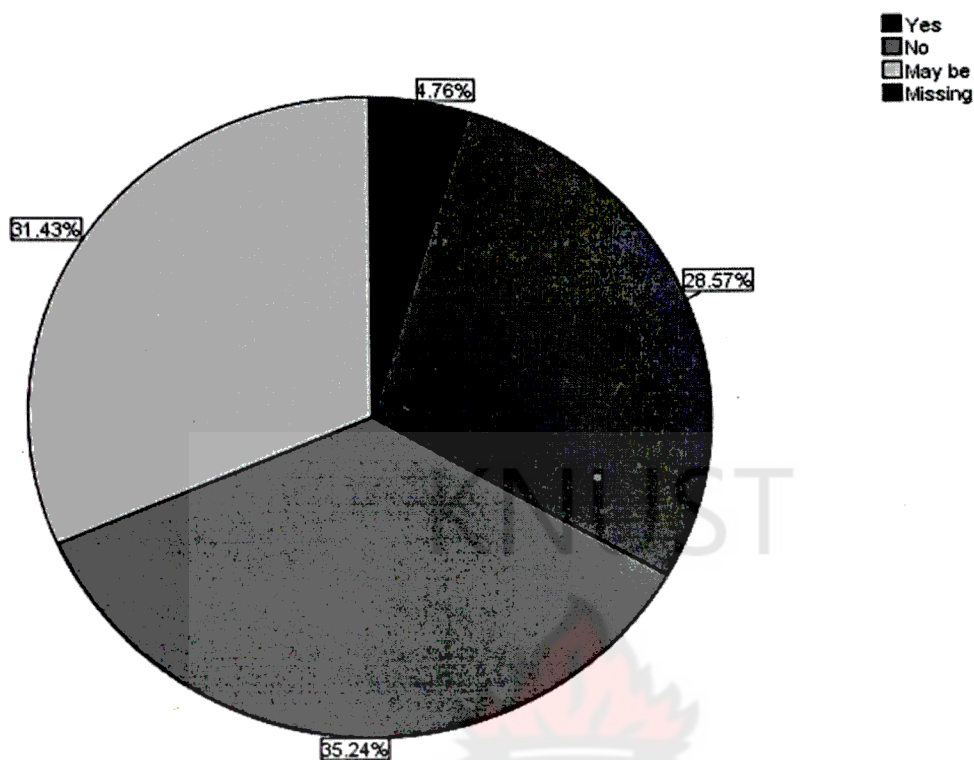
Figure 4.18 Would customer like to be contacted by bank representative



Source: Field Survey, April 2009

Over 50% of respondents would like to be valued and contacted by bank representatives. Some do not want to be contacted with others not really interested and so, said “may be.” 7.62% of them did not respond to that question.

Figure 4.19     Would customer recommend branch to friend

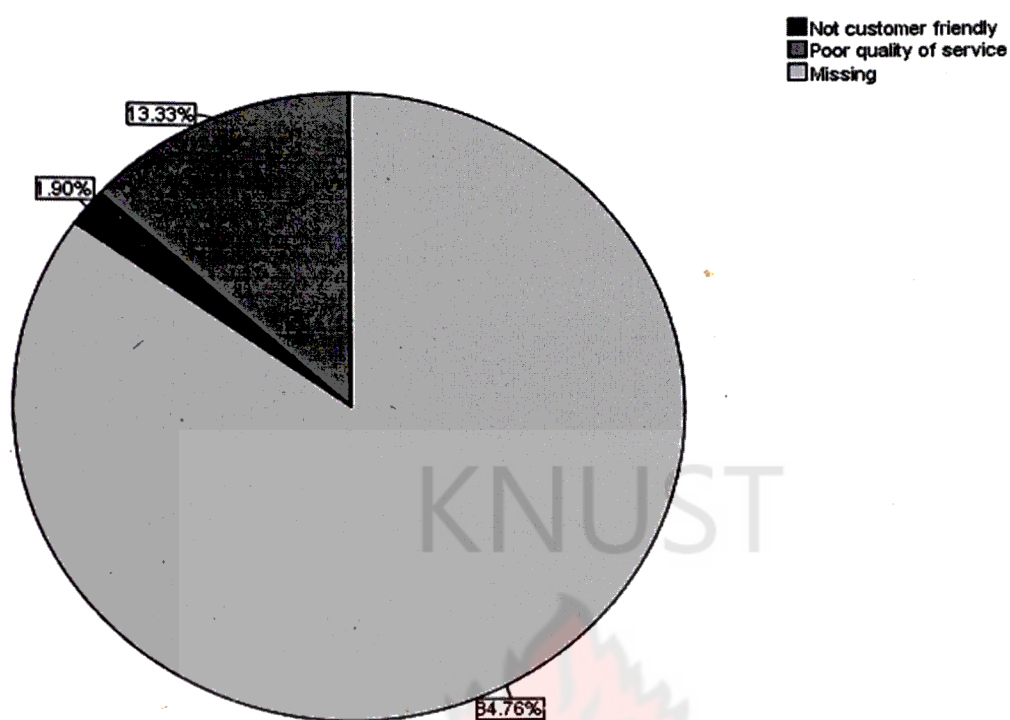


Source: Field Survey, April 2009

Majority of respondents were of the view that they will not recommend the branch to friends while 28.57% would like to recommend the branch to friends. The rest were either undecided or did not respond at all.

Customers gave various views on why they will not recommend the branch. These are generalised into three groups with majority of them saying nothing, but poor quality of service and unfriendliness being the main issues raised. The figure below gives a graphical representation of the situation.

Figure 4.20 Why customer would not recommend branch to a friend



Source: Field Survey, April 2009

#### WAYS TO IMPROVE LOAN AND/OR OVERDRAFT PROCESSING

1. Customer education on type of loans should be discussed with customers. Staff should improve themselves on the purpose of each credit facility type and advice customers accordingly.
2. Short duration of loan processing and collection should be put in place. Some of the customers interviewed said loan processing in other banks like Barclays are relatively shorter except that the facility fee is high.
3. Giving loan payment statement quarterly for customer to know how much was paid and how much is left to be paid.

4. Giving long term loans to workers and not only businessmen. Some workers were of the view that, once they continue to work, the bank can give them medium or long term loans in order to buy houses or cars and pay over a period of 3 to 5 years.
5. Make available top-up loans, so that contingencies will be met.

#### REMARK CONCERNING SERVICES PROVIDED AT THE BRANCH

1. Customer service delivery. Customers are of the view that if staff were friendly and courteous, and were willing to listen and respond to their needs, they will be satisfied.
2. Improvement of network system. Customers will be satisfied if the frequency of link or network failures will be reduced. When these failures happen, customers should be notified on the time such technical errors could be resolved.
3. The long queue at the branch is another serious issue customers were not satisfied with. With over 90% of customers being dissatisfied, Deal with the long queues at the branch
4. They should avoid assisting other customers to jump the queues.

#### FURTHER COMMENTS

1. Improve network service and the use of all tellers in the banking hall. There are about seven cubicles, but only three are being used for cash work, one for enquiries and the rest idle.



2. ATMs are not reliable at all and duration for card processing is too long. A bank like Barclays takes two or three days, if not same day.
3. Poor attitude of ATM attendant to customers. The attendant is very unfriendly and needs to be trained.
4. Opening of service counters on time and leaving counters unmanned
5. Telephone calls are not returned promptly.
6. Introduction of promotions on products and services as done by other Banks
7. Provide information brochures to customers
8. Provide monthly statements to customers.



## CHAPTER FIVE

### CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter is the last and it summarises the findings, and conclusions are drawn based on the findings. Recommendations are finally made with the focus on the objectives of the study.

#### 5.2 Summary of Findings

The following summarises the findings based on staffs and customers of the bank.

- a. Not all staffs are entitled to car and housing loans. Top and some middle managers are entitled to these loans while the junior staffs are not.
- b. Benefits entitled to are not easily assessed except medical care. Staffs could attend any hospital of their choice, and claim the money spent with an official receipt. Branch will reimburse amounts falling below GHC 500.00 otherwise receipts should be sent to the Head office for approval and reimbursement.
- c. Some staffs feel motivated because they feel secured with the bank. Being a national facility, some staffs feel motivated because job security is assured to a great extent.

- d. Staffs are also motivated to stay on the job because of esteem needs. As identified in Maslow's model of needs, some staffs believe and are motivated because of achievement, status, responsibility, and reputation.
- e. Management does not willingly understand staffs when once a while they are indisposed. Some junior staffs were of the view that, top managers in the branch sometimes are not sympathetic if they do not feel well, and insist they stay and work.
- f. Customer service delivery is not the best and should be improved. Overall handling of customer's need to be reorganized. Management should attempt to make customers feel like Kings and Queens.
- g. ICT systems frequent going off has been a problem to both staff and customers. Staffs said they feel embarrassed when the system goes off while customers also feel their time is being spent unduly at the bank.
- h. The long queues in the branch everyday are very dissatisfactory to the customers. This situation, according to customers becomes worse when Government pensions and salaries are being paid. Queues sometimes starts from outside when the branch is not even opened.
- i. The ATM frequent breakdowns. The machine's frequent breakdown has made the whole ATM system very unreliable. According to customers, the ATM has never worked smoothly for a period of two weeks without a problem.
- j. The ATM attendant's unfriendliness to customers. When there is a problem, the officer in charge of the machine is not able to respond to calls and satisfy customers waiting helplessly at the ATM point.

- k. The branch's inability to mail or give statements of accounts. Bank statements are supposed to be sent periodically to customers for reconciliation purposes.

### **5.3 Conclusions**

Staff motivation is one of the key indicators in employee's performance and productivity. It is imperative to note that, even if employees have the clear objectives, the right skills and a supportive work environment, the job may not be well done without enough motivation. The issues of motivation helps managers to understand what prompts people to initiate action, what influences their choice of action, and why they persist those actions over a period. It should therefore be noted that motivation leads to behaviours that reflects high performance within an organization.

Customer satisfaction is key to the growth and development of an organization. Customer service and/or satisfaction are about creativity. Creativity allows us to handle or diffuse problems at hand or later on in the process of conducting the everyday business. We talk about how, or rather what, does the organization have to do to gain not only the sale but also the loyalty of the customer. It can be concluded that customers of GCB are not satisfied with their services, hence are not loyal to the branch.

Based on the findings of the research, it is concluded that staff motivation has an effect on how customers are satisfied. A motivated staff impresses his customers, and must be a strategy management of the branch uses to satisfy both for an overall higher output.

However, staff motivation has not been good enough with respect to the packages the staff said were available to them and what their colleagues in other branches and banks benefit from. With the branch level problem of those packages, staffs feel management



(branch level) should be able to utilize all the cubicles in the banking hall to reduce long cues and stress on the few of them who try to satisfy customers. Issues of entitlement to car and housing loans were those that management of the bank need to consider. Other issues were and acceptance of certificates attained while working with the bank and promote employees accordingly.

Improved service delivery is all customers want. Time spent in the banking hall and system breakdowns are the major issues raised.

#### **5.4 Recommendations**

On the basis of the findings that have been established and conclusions drawn from the study, the following recommendations are made:

- a. Capacity building for staff should be encouraged. Staffs should be allowed to enhance their educational capacities. Thus, scholarship packages should be introduced.
- b. More staffs should be engaged in the unused cubicles in order to serve customers better. It has been identified that out of the seven (7) cubicles in the banking hall, only four (4) are being used. This has resulted in the long queuing experienced in the branch.
- c. Entitlement to car and housing loans should be made available to staff if possible just after serving their probation. Other banks such as International Commercial bank, Ecobank give such facilities which motivate their employees.

- d. The branch should give information to customers when there is a problem on the system. In most situations, customers waiting in the queue are not informed if a problem arises.
- e. Staffs should have enough knowledge on the various loan packages and advise customers accordingly.
- f. Processing time of the loans should also be shorter. It has been established that, processing of salary loans for instance, from Barclays Bank takes less than a week to be processed.
- g. Customer service delivery should be enhanced and this can be monitored through a market research. Management of the branch should commit themselves to satisfying customers and must institute a system to continually measure how well they perform their tasks.
- h. Processing of ATM cards should be decentralized as in the case of other banks to avoid the long card processing period.
- i. Additional ATM points should be located in strategic places in order to reduce the pressure on the one at the branch.
- j. A customer service centre should be created at the branch. The bank has a customer service unit in its Head office, Accra which was created in 2008. This should also be decentralized to the branches in order to handle customer complaints efficiently.

## APPENDIX 1

### QUESTIONNAIRE ON CUSTOMER SATISFACTION ON BRANCH SERVICES OF GHANA COMMERCIAL BANK LTD, HO

Dear customer,

The questionnaire below is designed to assess your satisfaction or otherwise of the products and services the branch offers to you, and your opinion is highly required. This is to help me research on “Staff motivation and Customer satisfaction at the Ho Branch of Ghana Commercial Bank”.

I would appreciate it very much if you could take a few minutes and complete this questionnaire. Your responses will be kept in strict confidence.

Thank you very much for your assistance.

#### VISITS TO BRANCH

1.1 Are you a customer to this branch

Yes

☐

No

☐

1.2 How long have you been a customer to this branch, if you answered Yes to 1.1 above

Less than 6 months

☐

6 months – 12 months

☐

13 months – 24 months

☐

25 months – 36 months

☐

Over 37 months (3 years)

☐

1.3 On average how many times do you visit the branch every month?

.....

CUSTOMER SERVICE DELIVERY

2.1 How satisfied are you with the level of service you received from the enquiry officer or personal banker in terms of the following;

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Friendly and courteous manner					
Knowledge of bank's products & Services					
Willingness to listen and respond to your need					
Fast and efficient service					
Recognition of you as a valued customer					
Professional and attractive appearance					

2.2 In terms of communication, how do you rate the branch in terms of the following issues?

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
How satisfied are you with the ease of contacting the person you needed					
How satisfied are you with the clarity of information or advice provided					
How satisfied are you with the time taken to respond to telephone enquiries?					
How do you assess quality of communication between branch and you					



How easy was it to understand and complete the application form?					
How satisfied are you with the way problems were resolved?					

## **SUPERVISORS / MANAGEMENT**

- 3.1 In terms of the service you received from the Supervisors and Management of the branch, how satisfied were you with the following

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Friendly and courteous manner					
Knowledge of bank's products & Services					
Willingness to listen and respond to your need					
Fast and efficient service					
Recognition of you as a valued customer					
Professional and attractive appearance					
Available to customers when needed					

## **BRANCH FACILITIES**

- 4.1 How satisfied were you with the following aspects of the branch facility?

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Clean & well cared facilities					
Efficient, no wait service on enquiries					
Length of queues at tellers'/cashiers counter					
Availability of information brochures					

Pleasant & attractive decor					
Reliability of Automatic Teller Machines (ATMs)					

## STATEMENTS AND MAILED DOCUMENTATION

5.1 Do you receive bank statements monthly?

Yes ☐ No ☐

5.2 In terms of your expectations regarding mailed bank statements, please indicate your satisfaction with the following.

	Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Sent out regularly					
Complete record of transactions					
Accurate					
Easy to read and understand					

## CREDIT FACILITIES

6.1 Have you ever applied for a credit facility?

Yes ☐ No ☐

6.2 Which type of credit facility did you apply for?

Short term Loan ☐

Medium term loan ☐

Long term Loan ☐

Overdraft ☐

- 6.3 Were you satisfied with the package in terms of interest charges, time period and flexibility (repayment schedule)?  
 .....  
 .....
- 6.4 Do lending officers have adequate knowledge on the credit types and advice customers accordingly to enable them make good decisions.  
 .....  
 .....  
 .....  
 .....
- 6.5 Kindly suggest some ways to improve loan and/or overdrafts processing in the branch in order to satisfy customers.  
 .....  
 .....  
 .....  
 .....  
 .....  
 .....

**CONCLUSION**

- 7.1 Would you like to be contacted by a bank representative?  
 Yes ☐ No ☐ May be ☐
- 7.2a Would you recommend this branch to a friend or business associate?  
 Yes ☐ No ☐ May be ☐
- 7.2b If No, why would you not recommend this branch?  
 .....  
 .....  
 .....
- 7.3 Do you have any remarks you want to make concerning the service you have been receiving at your branch?  
 .....  
 .....  
 .....  
 .....

- 7.4 Please use the space below for any further comments to your responses, or any suggestions on how you wish services could be improved.

.....

.....

.....

.....

.....

.....

.....

Thank you very much.

KNUST





## APPENDIX 2

### INTERVIEW SCHEDULE FOR STAFF OF GHANA COMMERCIAL BANK LTD, HO BRANCH

Dear Staff,

This interview schedule is designed to collect data on how the staffs of GCB Ho branch are motivated in order to produce the highest output and satisfy customer. The topic for the research is “Staff motivation and Customer satisfaction at the Ho Branch of Ghana Commercial Bank”

I would appreciate it very much if you could take a few minutes and respond to the interview. Data to be collected will be used for academic purposes only and will be kept in strict confidence. No part of this interview will identify respondents.

Thank you for your assistance.

#### INTRODUCTION

- 1.1 How many years have you been working at the branch?  
.....
- 1.2 Which department/unit do you work?  
.....
- 1.3 What level of decision-making do you belong to in the branch? Eg. Top manager, a middle manager, or a junior staff?  
.....

MOTIVATION

- 2.1

Do you feel motivated in this branch and how?
- 2.2

Are you granted your annual leave usually?
- 2.3

Does the branch provide free breakfast or snacks at work?
- 2.4

Are there allowances that you enjoy and what are they? (Not in terms of value)
- 2.5a

Does the bank offer any benefits, and are you entitled to any of the following;  
(Mark which is applicable)

BENEFIT	ENTITLED TO	NOT ENTITLED TO
Access to Car Loans		
Housing Loans		
Academic scholarship for Staff		
Free medicals for staff and dependants		
Clothing Allowance / Image		
Risk		
Please specify others.....		
Please specify others.....		

2.5b What has been your experience in getting the benefits that you are entitled to?

BENEFIT	EXPERIENCE
Access to Car Loans	
Housing Loans	
Academic scholarship for Staff	
Free medicals for staff and dependants	
Clothing Allowance / Image	
Risk	
Please specify others.....	
Please specify others.....	

2.7 What are your concerns about benefits granted to staff of the Bank?

.....  
.....

2.8 Are you adequately trained on the job and how often?

.....  
.....

2.9 Do you set goals for yourself, and has the desire to achieve them based on how you are motivated?

.....  
.....  
.....  
.....

2.10 Do you have regular meetings in the branch and what is normally the outcome – do superiors give you the opportunity to make inputs, or do you give the opportunity for subordinates to make inputs?

.....  
.....  
.....  
.....

2.11 Please assess work activities in the branch and indicate your level of satisfaction in respect of the following need indicators;

	Satisfied	Undecided	Not satisfied
SELF ACTUALISATION NEEDS e.g. Personal growth & fulfillment			
ESTEEM NEEDS e.g. Achievement, status, responsibility, reputation			
BELONGINGNESS & LOVE NEEDS e.g. Family, affection, relationship, workgroup			
SAFETY NEEDS e.g. Protection, security, law, stability, order			
BIOLOGICAL & PHYSIOLOGICAL NEEDS e.g. Air, food, drink, shelter, rest			

**IMPACT OF MOTIVATION**

- 3.1
What motivates you to perform your duties?
- 3.2
Do you think you are adequately motivated in such a way that you are satisfied and puts in enough effort to satisfy customers?

**EFFECTS OF MOTIVATION ON CUSTOMER SATISFACTION**

- 4.1
Does staff motivation influence customer satisfaction and how?
- 4.2
To retain and acquire more customers, branch services should be improved and kept in a high standard. In your opinion, what will be the impact of a motivated staff on customer satisfaction?



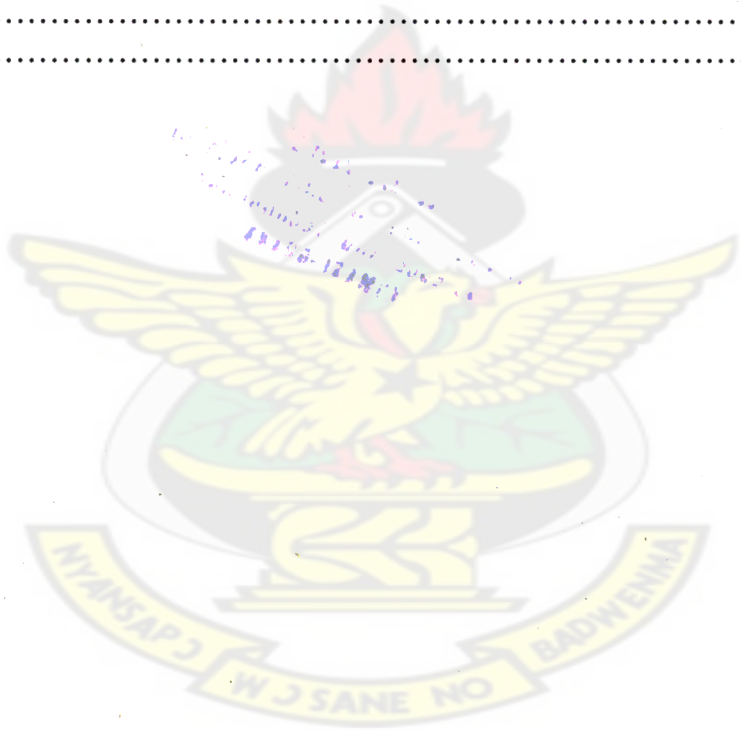
.....  
.....  
4.3 Do you know of motivational packages in other Banks? How different are they from yours and what impact do they have on their staff?  
.....  
.....  
.....

**SUGGESTIONS**

5.1 Given the opportunity, what will you advice management at branch level to do to satisfy customers and staff?  
.....  
.....  
.....

5.4 Given the opportunity, what will you advice management of the bank to do to satisfy customers and staff?  
.....  
.....  
.....

Thank you.



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