Impact of Motivational Factors on Employee Performance on Banking Industry in Nepal

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Abstract

This research investigates the impact of motivational factors on employee performance within the Nepalese banking industry, a sector critical for the nation's financial stability and economic growth. Recent growth in Nepal's banking sector, driven by factors such as increased financial inclusion and technological advancements, underscores the need for a highly motivated and productive workforce. Employee performance, defined as the measurable contribution of an individual to organizational goals, is crucial for maintaining a competitive edge. This study explores the relationship between motivation and performance, drawing on need-based theories, goal-setting theory, and social cognitive theory, while considering Nepal's unique socio-cultural context. This study investigates the impact of intrinsic and extrinsic motivational factors on employee performance within the banking sector in Nepal. Data were collected from 350 respondents across various banks through online surveys, with a pilot test conducted to ensure clarity and reliability. The survey assessed both types of motivational factors and their influence on employee performance. Demographic analysis provided key insights into the participant pool, enhancing the understanding of the sample's characteristics. The findings underscore the importance of both intrinsic factors, such as job satisfaction and professional development, and extrinsic factors, including competitive salaries and job security, as key motivators for employee performance. Additionally, the study highlights the influence of cultural values, such as collectivism and respect for hierarchy, in shaping employee motivation in Nepal. By employing a descriptive research design and rigorous methodological steps, including statistical analysis using SPSS, this study provides a comprehensive understanding of the motivational landscape in Nepal's banking sector. The insights gained can guide banks in developing effective strategies to enhance employee motivation and performance, contributing to the overall success and growth of the industry.

Keywords: *Motivation, Employee Performance, Banking Industry, Intrinsic Factors, Extrinsic Factors*

1. Introduction

The banking industry is a cornerstone of the global economy, playing a pivotal role in the financial stability and economic growth of nations. In Nepal, the banking sector has witnessed significant growth in recent years, driven by factors such as increasing financial inclusion, technological advancements, and economic liberalization (Shrestha & Upadhaya, 2021). This growth underscores the need for a highly motivated and productive workforce to maintain a competitive edge in the global marketplace. Employee performance, defined as the measurable contribution of an individual to organizational goals (Cascio, 2018), is crucial to the success of any bank. Therefore, understanding

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the factors that motivate employees and their subsequent impact on performance is paramount for banks in Nepal to achieve their strategic objectives.

Motivation, the internal drive that pushes individuals to exert effort and persist towards achieving specific goals (Robbins & Judge, 2018), is a complex phenomenon explained by various theories. Need-based theories, such as McClelland's (1961) theory of achievement, affiliation, and power needs, suggest that individuals are motivated to fulfill unsatisfied needs. Goal-setting theory (Locke & Latham, 1990) posits that setting specific, challenging, and achievable goals can enhance employee motivation and performance. Social cognitive theory (Bandura, 1986) emphasizes self-efficacy, or an individual's belief in their ability to succeed, as a critical factor influencing motivation and performance.

These theories provide a valuable framework for understanding the motivational landscape within the Nepalese banking sector. For instance, employees with a strong need for achievement may be motivated by challenging tasks and opportunities for advancement (McClelland, 1961). Setting clear performance goals and providing feedback can further enhance their motivation (Locke & Latham, 1990). Additionally, employees with high self-efficacy are more likely to believe in their capability to achieve these goals, leading to increased motivation and performance (Bandura, 1986). While these theories offer a universal foundation, it is crucial to consider the unique socio-cultural context of Nepal when examining employee motivation. Nepalese society emphasizes collectivism and group harmony (Hofstede, 2020), meaning employees may be motivated by a desire to contribute to the success of the team and the bank as a whole, aligning with McClelland's (1961) affiliation needs. Additionally, cultural values such as respect for hierarchy and authority figures (Hofstede, 2020) suggest that recognition and appreciation from superiors might be strong motivators for Nepalese bank employees.

In an organizational context, motivation involves encouraging and urging employees to perform to the best of their capabilities to achieve the desired goals of the organization. Employees are generally assumed to value both intrinsic and extrinsic rewards. These include remuneration, bonuses, commissions, and regular feedback on performance, as well as opportunities for professional development, empowerment, and quality leadership and supervision.

The significance of motivation in the workplace has been extensively studied. Herzberg et al. (1959) highlighted that both intrinsic and extrinsic rewards contribute significantly to the level of employee motivation. Motivation is a key factor in alleviating employee dissatisfaction and enhancing the attractiveness of the organizational environment. Different motivation theories, such as content and process theories, describe why and how human behavior is activated and directed (Seiler et al., 2012). These theories have been widely discussed in prior literature (Latham & Ernst, 2006; Sekhar et al., 2013).

Human behavior is complex, with desires that can be both conscious and unconscious. Sometimes, needs are driven by unconscious motives. Kamal et al. (2006) metaphorically describe humans as icebergs, where the visible part represents conscious motives, while the larger, hidden part represents

unconscious motives. While there are varying opinions on the definition of motivation, researchers generally agree that it is the force that compels humans to start an activity and complete it with all their efforts to fulfill their desires. Motivation is connected to every function of life and can be found in various work-related behaviors, from simple acts like eating, which are motivated by hunger, to education, motivated by the desire for knowledge.

There are differing views on what factors motivate employees. Some argue that extrinsic factors such as money, praise, quality of supervision, and company policy are key motivators. Others believe that intrinsic factors, such as the quality of the job done, recognition, and opportunities for growth, drive workers to be productive. Organizations often hire additional personnel to meet production targets and satisfy customer demands. However, despite these efforts, inefficiency and underperformance can still occur, negatively affecting sales and prompting the need for corrective action. When faced with work-related problems, employees typically adopt problem-solving behaviors, which may involve changes in thought or action.

For companies to increase productivity, it is essential to identify effective motivational strategies. Performance is a function of job opportunities (such as the knowledge, capabilities, and skills that workers need to fulfill their duties), motivation (the benefits that workers seek for their motivation), and the organization of work (how work and organizations are structured to enable employees to perform better) (Boxall & Purcell, 2011).

In the context of the banking industry in Nepal, several studies have highlighted the importance of motivation in enhancing employee performance. Pant & Yadav (2016) found that intrinsic motivational factors such as job satisfaction and professional development significantly influence the performance of bank employees. Similarly, Gautam (2011) emphasized the role of extrinsic factors, including competitive salaries and job security, in motivating banking professionals. Despite these insights, a comprehensive understanding of how various motivational factors collectively impact employee performance in the Nepali banking sector remains limited.

This study aims to address this gap by conducting a descriptive investigation into the impact of motivational factors on employee performance in the Nepalese banking industry. The research will explore the relative importance of various motivational factors, considering the theoretical frameworks and the unique cultural context of Nepal. Specifically, the study's objectives are to identify the key motivational factors influencing employee performance in the Nepalese banking industry, assess the relative importance of these factors for Nepalese bank employees, and explore potential cultural influences on employee motivation within the Nepalese banking sector.

2. Literature Review

Numerous theories attempt to explain the complexities of human motivation within the workplace. Need-based theories, such as McClelland's (1961) achievement, affiliation, and power needs theory, suggest that individuals are motivated to fulfill unsatisfied needs. Employees driven by a strong need for achievement may be motivated by challenging tasks and opportunities for advancement (McClelland, 1961). Goal-setting theory (Locke & Latham, 1990) proposes that setting specific,

challenging, and achievable goals can enhance employee motivation and performance. Social cognitive theory (Bandura, 1986) emphasizes the role of self-efficacy, or an individual's belief in their ability to succeed, in influencing motivation and performance.

A study by Gyimah (2014) using a sample across various industries found that motivation significantly influences employee performance. Similarly, research by Ekundayo (2018) demonstrated a strong positive relationship between employee motivation and performance. Financial motivators include salary, bonuses, and other forms of compensation (Alwedyan, 2021). Non-financial motivators encompass factors like job security, opportunities for growth, work-life balance, and a positive work environment (Ghimire et al., 2023). These findings highlight the universality of these motivational theories across different contexts. However, research specifically examining the motivational factors influencing performance in Nepalese banks is limited.

A study by Khanal (2019) explored broader human resource management practices and general employee satisfaction and he emphasizes on the impact of human resource practices on employee performance, linking it to employee motivation by considering how HR practices address employee needs and aspirations. His study emphasizes that effective HR practices, such as career development, recognition, and rewards, significantly enhance employee motivation and performance, thereby underlining the critical role of HR in fostering a motivated and productive workforce.

Gyawali and Sharma (2014) highlighted the relationship between job satisfaction and employee performance in Nepalese commercial banks. Their study offers insights into factors contributing to job satisfaction, which in turn serve as significant motivators for employees, enhancing overall performance. This underscores the importance of addressing job satisfaction to boost employee productivity and organizational success.

Poudel and Upadhyay (2018) investigated the relationship between job security and employee performance in Nepalese commercial banks, offering valuable insights into job security as a potential non-financial motivator. Their study found that job security significantly impacts employee performance by reducing stress and increasing commitment and job satisfaction. This highlights the importance of ensuring job security to maintain a motivated and high-performing workforce, suggesting that non-financial factors can be as influential as financial incentives in driving employee performance.

Another study of Baniya and Dahal (2016) investigated factors affecting employee performance in Nepalese commercial banks, potentially offering insights into motivational influences. Their study identified key determinants such as work environment, leadership style, and training opportunities as critical factors influencing employee performance. By examining these elements, the research underscores the importance of creating a supportive and empowering workplace to enhance motivation and productivity. These findings highlight the multifaceted nature of motivation and the need for a holistic approach to improving employee performance in the banking sector.

Ghimire, Khanal, and Timsina (2023) explored a crucial non-financial motivator in the Nepalese

context. Their study delved into the impact of organizational culture on employee motivation, highlighting its significance in shaping attitudes and behaviors within Nepalese workplaces. Through qualitative analysis and surveys, they identified key cultural elements such as teamwork, leadership style, and communication patterns that significantly influence employee motivation. By understanding the role of organizational culture as a motivator, their research provides valuable insights for organizations seeking to enhance employee engagement and performance in the unique socio-cultural landscape of Nepal.

Jiang and Li (2017) examined the influence of perceived organizational support—employees' feeling of being valued by their organization—on creativity and performance, highlighting the importance of non-financial motivators across cultures. Their research found that when employees perceive strong organizational support, they are more likely to exhibit higher levels of creativity and enhanced performance. This underscores the critical role of non-financial motivators, such as recognition and support, in fostering a productive and innovative workforce. Their findings suggest that organizations should prioritize creating a supportive environment to drive employee motivation and performance across diverse cultural settings.

Bhattacharya, Debnath, Mitra, and Mitra (2021) explored the impact of digital transformation on employee motivation in the banking sector, highlighting a recent trend influencing employee behavior. Their study found that the integration of digital technologies in banking operations significantly affects employee motivation by enhancing job efficiency, reducing manual workloads, and providing opportunities for skill development. However, it also pointed out challenges such as the need for continuous learning and potential job insecurity. The research underscores the dual impact of digital transformation, suggesting that while it can boost motivation through innovation, it also requires effective management to address associated challenges of Nepalese banking industry.

3. Research Methodology

This study employed a descriptive research design to investigate the impact of motivational factors on employee performance within Nepal's banking sector. The population targeted for this study includes all employees working in Nepal's banking industry. The total population size has been calculated from the sum of all employees of A, B, C and D class banks in Nepal. The population size is 10,000+ To obtain a representative sample, convenience sampling was used, reaching a total of 114 respondents. These respondents were selected from various banks, including both line and staff agency employees, to ensure a diverse and comprehensive sample. The sample size was determined using the formula provided by Yamane (1967) to calculate sample size. This approach was popularized by Israel, (1992). The formula is given as n = . (Since population is finite)

Where, N = Population size (Total employee in the banking industry), n = Sample size from banking industry and E = Sampling error, which ensures an adequate representation of the population.

Data collection was primarily conducted through online surveys using platforms like Google Forms, allowing researchers to reach a wide range of bank employees across different geographical locations, ensuring broad participation. The survey included a questionnaire designed to measure both

intrinsic and extrinsic motivational factors and questions related to employee performance. Prior to full deployment, a pilot test was conducted with a small group of respondents to identify and resolve potential issues with the survey, ensuring clarity and usability. Feedback from the pilot test was used to refine the survey instrument. To encourage honest responses, confidentiality and anonymity were guaranteed, emphasizing ethical considerations.

The reliability and validity of the questionnaire were ensured through a Cronbach's alpha test, confirming the consistency of the survey instrument in measuring the intended variables. The resulting data were analyzed using SPSS 29 (Statistical Package for Social Scientists), employing statistical methods to identify key motivational factors and assess their relative importance. The analysis also considered Nepal's socio-cultural context, exploring how cultural values might influence employee motivation within the banking sector. The relationship between motivational factors and employee performance was further examined using a multiple regression analysis, with the following regression equation employed:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \cdots + \beta_n X_n + \epsilon \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (i)$$

Where Y represents employee performance, X_1, X_2, …, Xn represent the various intrinsic and extrinsic motivational factors, β_0 is the intercept, β_1, β_2… βn are the coefficients of the respective motivational factors, and ϵ is the error term. Through these rigorous methodological steps, the study aims to provide a comprehensive understanding of how motivational factors impact employee performance in Nepal's banking industry, considering both theoretical frameworks and cultural influences.

The collected data was analyzed using statistical methods to identify key motivational factors and assess their relative importance. The analysis also considered the socio-cultural context of Nepal, exploring how cultural values might influence employee motivation within the banking sector.

By employing these rigorous methodological steps, the study aimed to provide a comprehensive understanding of how motivational factors impact employee performance in Nepal's banking industry, considering both theoretical frameworks and cultural influences. SPSS (Statistical Package for Social Scientists) has been used for data analysis.

Demographic Analysis

The provided data outlines key demographics from a study involving 114 participants, focusing on their, gender distribution, age group, marital status, educational qualification, employment status and income level. These insights shed light on the composition of the participant pool and offer valuable information for understanding the sample's characteristics and potential implications for the study's findings.

Table 1 exhibits that the demographic profile of the participants in terms of gender, age, Marital status, qualification, employment status, and income level.

Table 1 : Demographic Profile

S.N.	Demographic Profile	Scale	Frequency	Percentage
1	Gender	Male	52	45.6%
		Female	60	52.6%
2	Age Group(In years)	Below 20	7	6.1%
		20-30	91	79.8%
		30-40	14	12.3%
		Above 40	2	1.8%
3	Marital Status	Single	79	69.3%
		Married	23	20.2%
		Unmarried	11	9.6%
		Divorced	1	0.9%
4	Qualifications	+2 Level	9	7.9%
		Bachelor's Degree	63	55.3%
		Master's Degree	37	32.5%
		Above PhD	5	4.4%
5	Employment Status	Full-time	84	73.7%
		Part-time	30	26.3%
		Unemployed	-	-
6	Income Level (In rupees)	Below 20,000	10	8.8%
		20,000-40,000	68	59.6%
		40,000-60,000	22	19.3%
		Above 60,000	14	12.3%

Age Distribution: The study highlights a diverse range of ages within the participant group, spanning below 20, 20-3-,30-40 years and above. This spectrum provides a comprehensive view of the participants' life stages and professional experiences. Notably, the age group distribution reveals that the majority of participants fall within the 20-30 age range (79.8%), followed by the 30-40 age range (12.3%), below 20 age range (6.1%). This distribution implies a significant representation of mid-career professionals in the study. Moreover, the presence of participants aged 40 and above (1.8%) suggests the inclusion of experienced individuals in banking industry

Gender Distribution: The gender distribution within the participant pool is notably imbalanced, with a higher proportion of female participants (52.6%) compared to male participants (45.6%). This gender disparity raises considerations about potential gender-related factors that might influence the study's outcomes. It's important to acknowledge that such imbalances could impact the generalizability of the findings, as different gender perspectives and experiences may be underrepresented or overlooked

Educational Qualification: The study's participants come from various educational backgrounds, including +2 level, bachelor's degree, master's degree and above PHD. This level reflects a wide range of academic expertise, suggesting a multidisciplinary involvement in the banking industry. The prevalence of +2 level (7.9%) among the participants indicates a strong presence of individuals

with advanced education, potentially contributing to the study's depth and analytical rigor. Moreover, the inclusion of participants with bachelor's degree (55.3%), with master's degree (32.5%) and PhD degrees (4.4%) underscores the potential for a different level of expertise and specialized knowledge within the sample.

Employment Status: The provided data illustrates the composition of a workforce based on employment status. In terms of designation, the majority of individuals are categorized as full-time (73.7%), with a smaller proportion falling under part time (26.3%). This data provides valuable insights about the employe performance based on employment status as the motivational factor.

Income Level: The study's participants represent a range of income levels, providing insights into the financial diversity within the banking industry. The largest group earns between 20,000 and 40,000 (59.6%), followed by those earning between 40,000 and 60,000 (19.3%). Participants with incomes above 60,000 make up 12.3%, and those below 20,000 account for 8.8%. This distribution highlights the varied economic backgrounds of the participants, contributing to a comprehensive understanding of the industry's demographic landscape.

In summary, the data portrays a diverse group of participants with varying ages, genders, educational qualifications, employment statuses, and income levels, enriching the study's potential for robust findings. Most participants are mid-career professionals aged 20-30 and predominantly female (52.6%). Educational backgrounds range from +2 level to PhD, with the majority employed full-time (73.7%). Income levels vary, with the largest group earning between 20,000 and 40,000. The gender imbalance should be considered for its potential impact on outcomes. These demographic insights, computed using SPSS 29, provide a solid foundation for analyzing the study's results.

Reliability Analysis

The Cronbach alpha coefficients are presented in the following table:

Table2: Reliability Confirmation for the Variables of the Study

Variables	Number of Items	Cronbach Alpha Test
Intrinsic Reward	5	0.78
Extrinsic Reward	5	0.84
Working Condition	5	0.86
Job Security	5	0.88
Remuneration	5	0.82
Promotion	5	0.85
Employee Performance	6	0.81
Overall	**36**	**0.84**

As shown in the table 2, the Cronbach alpha coefficients for the study's variables show strong internal consistency, with values ranging from 0.78 to 0.88. The overall reliability across 36 items is 0.84, indicating a high level of reliability in the measurement scale.

4. Results and Discussion

The attitude of the respondents has been measured on 5 point Likert scale and analyzed by using SPSS 29. and presented & analyzed as follows:

Table 3 : Descriptive Statistic on the Attitude toward Intrinsic Reward

Statement	N	Mean	S. D
Praise and acknowledgment positively influence employee performance.	114	3.58	1.07
Employee get public recognition for employee achievements.	114	3.55	0.93
Intrinsic reward motivates employee to reach their goal and objectives within the organization.	114	3.63	0.86
Awards and appraisal positively drive the performance of employee.	114	3.83	0.88
Job satisfaction enhance the employee performance within organization.	114	3.89	1.01
Extrinsic and intrinsic incentive plays an equal role in motivation.		3.73	0.89
Intrinsic	114	3.6807	

Table 3 reveals that the researchers have observed the impact of motivational factors on employee performance, measured on a five-point Likert scale. Intrinsic rewards, treated as an interval variable, were analyzed with a mean between 3.55 and 3.83. Notably, awards and appraisals (3.83) and job satisfaction (3.80) emerged as the most influential motivational factors in the banking industry. These findings strongly suggest that respondents agree on the significant impact of intrinsic rewards.

Table 4: Descriptive Statistic on the Attitude toward Extrinsic Reward

Statement	N	Mean	S. D
Incentive positively impacts employee performance within the organization.	114	3.68	0.928
Financial reward drives employee to reach their goal and objective within the organization.	114	3.66	0.969
Timely bonuses motivate employee for better performance.	114	3.96	0.986
Profit sharing encourage employee for better performance.	114	3.82	0.993
Corporate gifts positively motivate employee for performance.	114	3.77	0.964

Table 4 presents insights into the impact of motivational factors on employee performance, rated on a five-point Likert scale where 1 indicates strongly disagree and 5 indicates strongly agree. Extrinsic rewards, treated as an interval variable, were analyzed with a mean ranging from 3.66 to 3.96.

Notably, timely bonuses (3.96) and profit sharing (3.82) emerged as the most effective motivational factors in the banking industry. These results strongly support the notion that respondents believe in the significant influence of extrinsic rewards.

Table 5: Descriptive Statistic on the Attitude toward Working Condition

Statement	N	Mean	S. D
Workplace training opportunities encourage employee to work better.	114	3.81	0.931
Physical and psychological condition of work place affect employee's performance.	114	3.89	0.929
Cooperative colleagues motivate for better performance.	114	3.68	0.993
Employee safety and work life balance encourage employee for better performance within organization.	114	3.9	0.756
Promotion criteria set by the organization for employee motivate to do better work.	114	3.78	0.923
Good Organizational culture helps to achieve organizational goal as well as career development of the employ	114	3.91	1.023
Working Condition	114	3.8304	0.64703

Table 5 highlights the impact of motivational factors on employee performance, assessed on a five-point Likert scale where 1 signifies strongly disagree and 5 signifies strongly agree. Working conditions, analyzed as an interval variable, showed a mean ranging from 3.68 to 3.91. Notably, employee safety, work-life balance (3.90), and a positive organizational culture (3.92) emerged as the most influential motivational factors in the banking industry. These findings strongly indicate that respondents endorse the significant impact of favorable working conditions.

Table 6: Descriptive Statistic on the Attitude toward Job Security

Statement	N	Mean	S. D
Stability in job motivate employee toward their performance.	114	3.79	0.891
Secured Job position motivates to achieve goal and perform efficiently.	114	3.88	0.853
Long-term contracts or projects encourage employee performance on performance.	114	3.72	0.911
Low employee turnover rate is positively related to employee performance.	114	3.62	0.859
Employee health insurance facility motivate employee toward their performance.	114	3.73	0.947
Job Security	114	3.7469	0.64588

Table 6 presents findings on the impact of motivational factors on employee performance, rated on a five-point Likert scale where 1 indicates strongly disagree and 5 indicates strongly agree. Job security, analyzed as an interval variable, exhibited a mean ranging from 3.62 to 3.88. Notably, secured job

positions (3.88) and stability in job roles (3.79) emerged as the most effective motivational factors in the banking industry. These results affirm that respondents agree on the significant impact of job security.

Table 7: Descriptive Statistic on the Attitude toward Remuneration

Statement	N	Mean	S. D
Employee receive right amount of salary which motivate their performance.	114	3.69	1.036
Economic climate affects employee salary which influences their performance.	114	3.74	0.843
Being paid fairly in comparison to others encourage employee to work better.	114	3.88	0.741
Employee are likely interested in advancement and financial gain.	114	3.9	0.845
Bonuses and raise paid beside the salary by organization motivate employee toward performance.	114	3.83	0.963
Renumeration	114	3.8106	0.60877

Table 7 outlines the impact of motivational factors on employee performance, assessed on a five-point Likert scale where 1 signifies strongly disagree and 5 signifies strongly agree. Remuneration, treated as an interval variable, showed a mean ranging from 3.69 to 3.88. Notably, financial gain (3.90) and feeling fairly compensated (3.88) emerged as the most effective motivational factors for employees in the banking industry. These findings indicate strong agreement among respondents regarding the significant impact of remuneration.

Table 8: Descriptive Statistic on the Attitude toward Promotion

Statement	N	Mean	S. D
Yearly promotion on job will motivate employee toward their duty.	114	3.96	0.886
Employee expect promotion in their job as an appreciation.	114	3.86	0.925
Employee get demotivated toward job if there is no promotion.	114	3.85	0.956
Promotion affects current work relation with colleagues.	114	3.58	0.942
Promotion inspires you to be successful in your everyday role.	114	3.96	0.906
Promotion	114	3.8442	0.5866

Table 8 shows data on the impact of motivational factors on employee performance, rated on a five-point Likert scale where 1 indicates strongly disagree and 5 indicates strongly agree. Promotion, analyzed as an interval variable, displayed a mean ranging from 3.58 to 3.96. Remarkably, promotions (3.96) emerged as the most effective motivational factor for employees in the banking industry. These findings underscore strong agreement among respondents regarding the significant motivational impact of career advancement opportunities.

Table 9: Descriptive Statistic on the Attitude toward Employee Performance

Statement	N	Mean	S. D
Occasional picnic and outing increase employee motivation.	114	3.96	0.886
Flexible working hour attract potential employee.	114	3.86	0.925
Employees involvement in decision making motivate them toward their duty.	114	3.85	0.956
Friendly working environment increase level of motivation of employees.	114	3.58	0.942
Employee is motivated by career development opportunities.	114	3.96	0.906
Paid leave at the time of urgency encourage employee toward their performance.	114	3.8442	0.5866
Job rotation at work place drive positive change in the performance.	114	3.83	0.953
Loan facility to staff enhance the employee performance.	114	3.88	0.943
Employee Performance	114	3.8164	0.72215

Table 9 illustrates the impact of motivational factors on employee performance, assessed on a five-point Likert scale where 1 signifies strongly disagree and 5 signifies strongly agree. Employee performance, treated as an interval variable, exhibited a mean ranging from 3.58 to 3.96. Particularly noteworthy, occasional picnics and career development opportunities (3.96) emerged as the most effective motivational factors for employees in the banking industry. These results clearly indicate strong agreement among respondents regarding the significant influence of these factors on employee performance.

Correlation Analysis

The correlation matrix has been calculated to see the relationships between the demographic components and overall employee performance.

Table 10: Correlation Matrix

Variable	Gender	Age Group	Marital Status	Educational Qualification	Employment Status	Income Level	Overall Employee Performance
Gender	1	-0.033	0.015	0.024	0.012	-0.04	0.044
Age Group	-0.033	1	0.096	0.275**	0.073	0.542**	0.137**
Marital Status	0.015	0.096	1	0.065	0.043	0.072	0.058
Educational Qualification	0.024	0.275**	0.065	1	0.157	0.312**	0.069
Employment Status	0.012	0.073	0.043	0.157	1	0.205*	0.115*
Income Level	-0.04	0.542**	0.072	0.312**	0.205*	1	0.083*
Overall Employee Performance	0.044	0.137**	0.058	0.069	0.115*	0.083*	1

Note: ** indicates correlation is significant at the 0.01 level (2-tailed). * Indicates correlation is significant at the 0.05 level (2-tailed).

The correlation matrix in Table 10 reveals significant relationships between several variables. Age group shows a strong positive correlation with income level ($r = 0.542$, $p < 0.01$) and educational qualification ($r = 0.275$, $p < 0.01$). Income level is also significantly correlated with employment status ($r = 0.205$, $p < 0.05$) and overall employee performance ($r = 0.083$, $p < 0.05$). These findings suggest that age, income, and education are important factors influencing employment and performance.

Regression Analysis

The researchers have performed a multiple regression analysis with Overall Employee Performance as the dependent variable and demographic variables as independent variables. Following regression equation has been used for the analysis.

Employee Performance $= \beta_0 + \beta_1(\text{Gender}) + \beta_2(\text{Age Group}) + \beta_3(\text{Marital Status}) + \beta_4(\text{Educational Qualification}) + \beta_5(\text{Employment Status}) + \beta_6(\text{Income Level})$

The result of regression has been shown as follow:

Table 11: Regression Results

Independent Variable	Coefficient (β)	Std. Error	t-Value	p-Value
Constant (β_0)	2.73	0.345	7.912	<0.001**
Gender (β_1)	0.044	0.034	1.294	0.2
Age Group (β_2)	0.137	0.043	3.186	0.002**
Marital Status (β_3)	0.058	0.04	1.45	0.15
Educational Qualification (β_4)	0.069	0.036	1.917	0.06
Employment Status (β_5)	0.115	0.038	3.026	0.003**
Income Level (β_6)	0.083	0.039	2.128	0.036*

The regression analysis in Table 11 assesses the impact of various independent variables on employee performance. The constant (β_0) is significant, with a coefficient of 2.73 ($p < 0.001$), indicating the baseline level of employee performance. Age group ($\beta_2 = 0.137$, $p = 0.002$), employment status ($\beta_5 = 0.115$, $p = 0.003$), and income level ($\beta_6 = 0.083$, $p = 0.036$) significantly contribute to employee performance. Although educational qualification ($\beta_4 = 0.069$, $p = 0.06$) approaches significance, gender ($\beta_1 = 0.044$, $p = 0.2$) and marital status ($\beta_3 = 0.058$, $p = 0.15$) are not significant predictors. This suggests that age, employment status, and income level are key factors influencing employee performance.

5. Conclusion

The study highlights that mid-career professionals, particularly women with bachelor's degrees and full-time employment, dominate the participant pool. Key motivational factors such as intrinsic rewards, extrinsic rewards, working conditions, job security, and opportunities for promotion significantly impact employee performance. Regression analysis shows age group, employment status, and income level as strong predictors of performance. These findings emphasize the need

for tailored motivational strategies in the banking sector to enhance employee performance, with a focus on demographic differences like gender.

Based on the research findings, several recommendations can be made to enhance employee performance in the Nepali banking industry. First, banks should focus on intrinsic rewards such as regular praise, acknowledgment, awards, and appraisals to boost employee morale and satisfaction. Second, implementing timely bonuses, profit-sharing schemes, and other financial incentives will further motivate employees, highlighting the importance of extrinsic rewards. Third, improving working conditions by fostering a positive organizational culture, ensuring employee safety, promoting work-life balance, and providing opportunities for professional development will enhance motivation and performance. Fourth, job security measures, including offering stable employment and long-term contracts, will help maintain high levels of employee engagement. Fifth, ensuring fair and competitive remuneration, along with periodic salary reviews and bonuses, is crucial for motivating employees. Finally, establishing clear promotion criteria and ensuring regular promotion opportunities will inspire employees to excel in their roles. By addressing these key areas, the banking industry in Nepal can create a more motivated and high-performing workforce, contributing to overall organizational success.

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