

Motivation, Self Efficacy, And Customer Satisfaction Among Bank Depositors

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ABSTRACT

This research paper aspired to measure and analyze the current motivation, customer satisfaction, and self-efficacy beliefs of customers concerning services provided by South Bank Inc. Customer satisfaction in banking services is universally recognized. The findings suggest that depositors were motivated to open an account by the bank's security through well-equipped security measures and workspace. The decision of the respondent to open an account is motivated by the ability to prepare for unanticipated circumstances and that resources are readily available when the situation calls for it. Personnel is the greatest reason for customers' satisfaction on the willingness of the employees to help customers. Educational background revealed a significant relationship with self-efficacy.

Keywords: motivation of bank depositors, self-efficacy of bank customers, bank customer satisfaction, rural bank in the Philippines, bank products

INTRODUCTION

The advent of technology has provided easy access to information related to financial literacy. Many institutions are sprouting to provide financial advice however, banks remain to be one of the choices where people can keep their money safe. Besides being a depository institution, other services are offered, such as savings accounts, checking accounts, time deposits, loans, financial advices and counseling, and safe deposit boxes. Banks play a vital role in the sustenance of the growth of the country's economy. The banking sector of the country is solely supervised by the Central Bank of the Philippines.

Recent census confirmed that there are 495 Rural and Cooperative banks in the Philippines which are responsible for the development of rural areas and their economies by providing basic financial services to the rural populace (Garcia, 2017). This rural bankmin study is organized under the laws and regulations governing the establishment and operation of Rural Banks in the Philippines under RA No. 720, as amended by RA No. 7353 (Rural Bank Act of April 2, 1992). It offers a wide array of quality products and services such as savings, checking and time deposit facilities, commercial and agricultural loans, personal loans, micro-financing, safety deposit boxes, bills payment services, money transfers, and the Student Educational Assistance Loan (SEAL Program).

Since this institution provides services, the satisfaction of the customers is a factor to keep this bank relevant and remain an important player in the banking sector of the country. In service-oriented companies, service is provided by employees who interact with customers. This can be either face-to-face meetings or phone calls and emails. Thus a company should not underestimate the importance of employee satisfaction. It is important to measure the satisfaction of their employees and the level of loyalty since if employees are treated badly, this message will go to customers. Dissatisfied employees do not show enthusiasm for company services and can even judge it publicly (Szwarc, 2005).

To reinforce customer orientation on a day-to-day basis, a growing number of companies choose customer satisfaction as their main performance indicator. It is almost impossible, however, to keep an entire company permanently motivated by a notion as abstract and intangible as customer satisfaction. Therefore, customer satisfaction must be translated into several measurable parameters directly linked to people's jobs-in other words factors that people can understand and influence (Deschamps & Nayak, 1995) (G. Mihelis et al., Research).

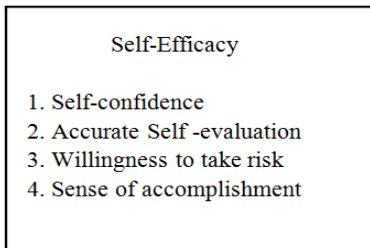
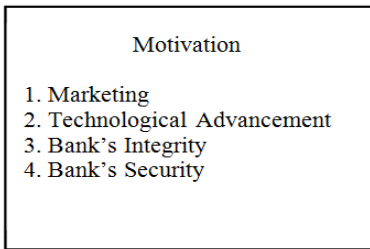
This work focuses on one of the pioneering rural banks in Cagayan de Oro

City, South Bank Inc. The bank expanded to seven (7) branches with three (3) branches in Cagayan de Oro City and four (4) in the Municipalities of Libona Valencia and Kitaotao, Bukidnon, and Butuan City.

This research paper aims to measure and analyze the current motivation, customer satisfaction, and self-efficacy beliefs of customers concerning services provided by this institution.

FRAMEWORK

INDEPENDENT VARIABLES



DEPENDENT VARIABLE

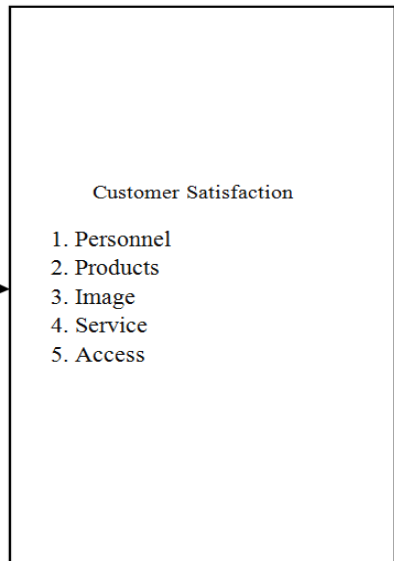


Figure 1. Schematic diagram

This study is focused on the motivation and self-efficacy towards customer satisfaction among depositors. Moreover, figure 1 shows the relationship of the variables of this study. It indicates that the dependent variable is customer satisfaction which is determined by the depositors motivation and the ability to decide. Motivation and self-efficacy are the independent variables.

OBJECTIVES OF THE STUDY

This research aimed to determine the motivation, self-efficacy beliefs and factors affecting depositors and specifically sought to: (1) Describe the demographic profile of the respondents in terms of: type of account; gender; marital status; age; educational background; monthly income; and employment status. (2) Assess the level of motivation in terms of bank: marketing; technological advancement; bank's integrity; and bank's security. (3) Determine the level of self-efficacy beliefs in terms of: self-confidence; accurate self-evaluation; willingness to take risks; and sense of accomplishment. (4) Ascertain the level of customer satisfaction in terms of bank: personnel; products; image; service; and access. (5) Correlate between customer satisfaction and: demographic profile; motivation; and self-efficacy beliefs.

METHODS

Research Design

This study utilized the descriptive, correlational research design, one of the two classes of non-experimental qualitative research. The descriptive research used this design to determine the relationship between motivation, self-efficacy beliefs, and customer satisfaction among depositors in Cagayan de Oro City. A descriptive research design is applied to analyze a general or specific picture of the population under investigation in terms of their knowledge about or behavior and assessment towards a certain phenomenon. It also gathers information about self-efficacy, motivation, and customer satisfaction.

Locale of the Study

The study was conducted in the (3) three branches of the bank in Cagayan de Oro City, namely; RNP, Velez, and Cogon. The bank has grown to seven (7) branches, with four (4) branches located in Cagayan de Oro City and two (3) out-of-town branches in the Municipalities of Libona Valencia and Kitaotao, Province of Bukidnon. Franchise expansion will go into full swing after full conversion of the bank's core banking system to computerized online operations with ATM connectivity.

Sampling Design

The participants of this study were 60 regular depositors of the three branches of the bank in Cagayan de Oro City. The respondents were selected through purposive

sampling method base on the following criteria: a) male or female; single or married, separated, and widowed, b) the age ranges from 20 above, c) must have at least (5) five years of doing business with the bank; and d) depositor identified not a dormant or closed account and were willing to participate in the study.

Instrumentation

The study used a set of modified questionnaires consisting of four (4) parts. The first part of the questionnaire will determine the demographic profile of the respondents, which provides the pertinent information in terms of gender, marital status, age, educational background, monthly income, and employment status. The second part of the questionnaire will justify the motivation that depositors open an account with the bank. The third part gathered data on the respondent's extent of self-efficacy beliefs. The fourth part will justify the level of customer satisfaction. A test of reliability was administered to 30 depositors in another branch not included in the study.

Method of Data Collection

The researchers also wrote a letter to the Branch Managers to request permission to conduct the study. Upon approval of the request, the researchers then distributed the questionnaires to the respondents during the spare time given by 30 respondents from every branch. The respondents were determined through purposive sampling, and the questionnaires were explained thoroughly to the respondents in filling-up the tool for more accurate and reliable responses.

The researcher examined the evaluation tool after the survey to validate any vague entries that need further validation in the presence of the respondents.

Analytical Design

Appropriate statistical tools were employed according to the objectives of this study. The following statistical techniques were used in this study: Frequency and Percentage, Mean, and Pearson's Product Correlation.

RESULTS AND DISCUSSION

The data gathered from the survey questionnaires were analyzed through statistical tools such as frequency, percentages, mean, and Pearson's Product Correlation. The results of these statistical operations are presented in the following tables.

Objective 1: Describe the demographic profile of the respondents in terms of: type of account; gender; marital status; age; educational background; monthly income; and employment status?

The results showed that a type of account as classified as follows: savings account (53 or 88.33%); current/checking account (7 or 11.67%); and time deposit (0). It can be observed that most of the depositors were the savings account holders.

Majority of the depositors are females (39 or 65%), and the males accounted for 21 or 35%. It can be observed that most of the depositors of South Bank Inc. (A Rural Bank) of Cagayan de Oro City are females.

The single respondents comprised 32 or 53.33%; married (26 or 43.33%); widow (1 or 1.67%); and separated (1 or 1.67%). The data disclosed that most of the depositors are single.

The age brackets were grouped into: under 20 years old (10 or 16.67%); 20-30 years old (18 or 30%); 31-40 years old (17 or 28.33%); 41-50 years old (8 or 13.33%); and 51 years old above (7 or 11.67%). It can be observed that most of the depositors are 21-30 years old.

Educational background was classified as follows: elementary graduate (1 or 1.67%); high school graduate (11 or 18.33%); associate / vocational (5 or 8.33%); college graduate (41 or 68.33%); and master's degree graduate (2 or 3.33%). The data indicated that most of the depositors are college graduate.

The monthly income were grouped into: below P10,000.00 (16 or 26.67%); P10,000.00-P19,999.99 (21 or 35%); P20,000.00-49,999.99 (18 or 30%); P50,000.00-99,999.99 (3 or 5%); and above P100,000.00 (2 or 3.33%). The data implied that most depositors have an income of P10,000.00-19,999.99.

The employment was classified as follows: employed (35 or 58.33%); self-employed (13 or 21.67%); retired (1 or 1.67%); and student (11 or 18.33%). The data indicated that most of the depositors are employed.

Objective 2: Assess the level of motivation in terms of bank: marketing; technological advancement; bank's integrity; and bank security?

Table 1 discloses that depositors were motivated to open an account by the bank's security through well-equipped security measures and manpower provided by the bank with a mean of 4.025 and is interpreted as motivated ranked the highest of all the ten items. This implies that depositors value the feeling of being safe while doing business with SBI. The study of Akhlaq and Ahmed supports this finding that intrinsic motivation creates an impact on customer trust, which in turn creates a positive environment for the customers (2013). The depositors also considered items 7, 8, and

9 on reputation in the banking community (\bar{x} = 3.933), growth and stability (\bar{x} = 4.00), and insurance for money deposited (\bar{x} = 3.933) closely associated with trust motivate the depositors to open an account.

Interestingly, item 4 on the automated teller machine (\bar{x} = 3.133) and item 5 on online banking operation (\bar{x} = 3.050) got the two lowest mean among the ten items. These imply that the bank needs to continue strengthening its efforts in providing technological advancement in banking services to the customers. The studies of Curran and Meuter, 2007; Celik, 2008; Riffai et al., 2012 may have a great link to these findings which stressed on modern means of banking that yielded positive outcomes such as efficiency and pleasure from using internet banking are the main reasons which affect the customer’s intentions and motivation on availing banking services.

Table 1

Level of Motivation

MOTIVATION	Mean	SD	Verbal Description	Interpretation
<i>Motivated to open an account through...</i>				
1. bank advertising	3.27	1.26	Neutral	Undecided
2. bank employees	3.83	0.94	Agree	Motivated
3. friend referrals	3.93	1.09	Agree	Motivated
4. Automatic Teller Machine account	3.13	1.37	Neutral	Undecided
5. On-Line banking operation	3.05	1.35	Neutral	Undecided
6. new technology for faster bank withdrawing transactions (e.g. queuing machine)	3.47	1.21	Neutral	Undecided
7. reputation in banking community	3.93	0.92	Agree	Motivated
8. growth and stability	4.00	0.94	Agree	Motivated
9. insurance for money deposited (member of PDIC)	4.13	1.00	Agree	Motivated
10. well-equipped security measures and manpower	4.25	0.90	Agree	Motivated
Overall Mean	3.70		Agree	Motivated

Objective 3: Determine the level of self-efficacy beliefs in terms of: self-confidence; accurate self-evaluation; willingness to take risks; and sense of accomplishment?

Table 2 shows the self-efficacy beliefs of the respondents. Items 5 Thank for my resourcefulness, I know how to handle unforeseen situations and 9 If I am in trouble, I can usually think of a solution that has a mean of 4.050 related to self-

confidence and interpreted as having an average belief in one's judgment, ability, and power. This implies the decision of the respondent to open an account is motivated by the belief in one's ability to prepare for unforeseen circumstances and that resources are readily available when the situation calls for it. This is strongly supported by Banduras' theory on self-efficacy, which is associated with an individual's belief that one requires some attainments for which he designed and executes a plan of action (1997). Furthermore, Wang et al., a study in 2003 revealed that if customers considered themselves capable of committing to a certain task, they would be highly motivated to fulfill a service or transaction.

The finding associated with self-accomplishment in item 2 If someone opposes me, I can find the means and ways to get what I want has the lowest mean of 3.617, which implies that the respondents voluntarily opened an account. This is corroborated by the studies which examined the role of self-efficacy on customer's willingness to do banking (Walker & Johnson, 2006; AbuShanab et al., 2010; Yen et al., 2016). Moreover, self-efficacy also shapes the customer's perceptions.

Table 2

Level of Self-Efficacy Beliefs

SELF-EFFICACY BELIEFS	Mean	SD	Verbal Description	Interpretation
1. I can always manage to solve difficult problems, If I try hard enough.	4.03	0.88	Moderately True	Average belief in one's judgment, ability and power.
2. If someone opposes me, I can find the means and ways to get what I want.	3.62	1.03	Moderately True	Average belief in one's judgment, ability and power.
3. It is easy for me to stick to my aims and accomplish my goals.	3.95	0.76	Moderately True	Average belief in one's judgment, ability and power.
4. I am confident that I could deal efficiently with unexpected events.	3.83	0.79	Moderately True	Average belief in one's judgment, ability and power.
5. Thank to my resourcefulness, I know how to handle unforeseen situations.	4.05	0.83	Moderately True	Average belief in one's judgment, ability and power.
6. I can solve most problems, If I invest the necessary effort.	4.00	0.83	Moderately True	Average belief in one's judgment, ability and power.

Table 2 continued.

SELF-EFFICACY BELIEFS	Mean	SD	Verbal Description	Interpretation
7. I can remain calm when facing difficulties because I can rely on my coping abilities.	4.03	0.90	Moderately True	Average belief in one's judgment, ability and power.
8. When I am confronted with a problem, I can usually find several solutions.	4.03	0.86	Moderately True	Average belief in one's judgment, ability and power.
9. If I am in trouble, I can usually think of a solution.	4.05	0.75	Moderately True	Average belief in one's judgment, ability and power.
10. I can usually handle whatever comes my way.	3.95	0.65	Moderately True	Average belief in one's judgment, ability and power.
Overall Mean	3.96		Moderately True	Average belief in one's judgment, ability and power.

Objective 4: Ascertain the level of customers' satisfaction in terms of bank: personnel; products; image; service; and access?

Table 3 shows the level of satisfaction. The data revealed that the personnel is the greatest reason for customers' satisfaction, as shown in item 1 willingness of the employees to help customers with the highest mean of 4.2667, interpreted as satisfied. True enough that customer satisfaction is one of the most important factors in business. However, in banking, this is exceedingly important since the level of satisfaction differentiates one bank from another, why banks listen to customer requirements and complain. According to Zopounidis, profitable banks cannot exist without satisfying the needs of the customers, especially in services-oriented banking industry (2012, p. 37). The results of the study conducted by Yavas, Benkenstein, & Stuhldreier support this finding that service quality is at the root of customer satisfaction and is linked to such behavioral outcomes as word of mouth, complaint, recommending and switching (2004). Moreover, the study of Leeds also showed that about 75% of the banking customers mentioned teller courtesy as a prime consideration in choosing a bank (1992). The study also found increased use of service quality and 'professional behaviors' (such as

formal greetings) improved customer satisfaction and reduced customer attrition. Stafford also found that customers want courtesy, friendliness and convenience (1994).

Though the image of the bank came the second and third highest as shown in item 12 bank's appearance with a mean of 4.2167 and item 9 bank's credibility with a mean of 4.1333 both interpreted as satisfied, this implies that the standing of the bank in the business community is very significant. A study by Kaynak and Harcar also claimed that commercial banks' efforts to attract or retain existing customers should focus on the positive bank image as one of the great factors (2004)

Since item 7 bank's charges on products and services offered associated with bank product got the lowest mean of 3.666, this may imply that the bank has to sustain its focus on improving its product charges and services, as also revealed in the study of Kayanak and Harcar in 2004.

A quite number of other researches also asserted emphasis on increasing customer satisfaction and customer retention through improved quality of their services

Table 3

Level of Satisfaction

SATISFACTION	Mean	SD	VD
Level of satisfaction in terms of the following:			
1. willingness of the employees to help customers	4.27	0.63	Satisfied
2. employees eagerness of instilling confidence to you.	4.15	0.73	Satisfied
3. skills and knowledge of employees.	4.13	0.65	Satisfied
4. promptness in providing services in the bank.	4.10	0.77	Satisfied
5. variety of the products and services offered.	3.97	0.76	Satisfied
6. bank's provided interest rates on products and services offered.	3.87	0.72	Satisfied
7. bank's charges on products and services offered.	3.67	0.70	Satisfied

Table 3 continued.

SATISFACTION	Mean	SD	VD
Level of satisfaction in terms of the following:			
8. bank’s special products and services offered. (Cepalco, Parasat, LDCU tuition fee payments, safety deposits box rentals, and GCash card)	4.10	0.80	Satisfied
9. bank’s credibility.	4.17	0.67	Satisfied
10. bank’s security.	4.08	0.83	Satisfied
11. technological equipment of the bank.	3.92	0.81	Satisfied
12. bank’s appearance.	4.27	0.64	Satisfied
13. queue on processing bank transactions.	4.02	0.70	Satisfied
14. bank service of sending timely bank statement.	3.77	0.79	Satisfied
15. service of handling problem.	3.83	0.77	Satisfied
16. operating hours of the bank.	3.83	0.87	Satisfied
17. location of the bank.	4.13	0.77	Satisfied
18. service system of the bank.	3.95	0.77	Satisfied
19. bank’s network	3.75	0.73	Satisfied
20. bank’s over all products and services.	3.97	0.71	Satisfied
Overall Mean	3.99		Satisfied

Objective 5: Correlate between customer satisfaction and: demographic profile; motivation; self-efficacy beliefs?

Table 4 presents the substantial relationship between customer satisfaction and demographic profile; motivation; and self-efficacy beliefs where Pearson r was employed. It establishes how the variables of demographic profile related to customers’ satisfaction, motivation, and self-efficacy. Correlation was significant at 0.05 level. Data reveal that there is no significant relationship between customers’ satisfaction, motivation, and self-efficacy beliefs. However, demographic profile, particularly educational background, revealed a significant relationship with self-efficacy ($r=0.017$). The probable implication would be that the confidence and the ability of the person to believe in one’s judgment, ability, and power are shaped and honed by the knowledge, skills, and attitude a person acquire as he attains a higher educational degree.

According to Albert Bandura, perceived self-efficacy is concerned with people's beliefs in their capabilities to produce given attainments (Bandura, 1997). One cannot be all things, which would require mastery of every realm of human life. People differ in the areas in which they cultivate their efficacy and in the levels to which they develop it even within their given pursuits.

Therefore, the null hypothesis is rejected, and the assumption of the relationship is accepted.

Table 4.

Relationship Between Customer Satisfaction and Demographic Profile; Motivation; and Self-Efficacy Beliefs

Variables	Demographic	Pearson Correlation	P. Value	Interpretation
MOTIVATION	Type of Account	0.03	0.82	Not significant
	Gender	0.14	0.28	Not significant
	Marital Status	-0.13	0.33	Not significant
	Age	-0.03	0.83	Not significant
	Educational Background	0.17	0.20	Not significant
	Monthly Income	-0.00	0.97	Not significant
	Employment	-0.04	0.73	Not significant
SELF-EFFICACY	Type of Account	0.11	0.42	Not significant
	Gender	-0.04	0.74	Not significant
	Marital Status	0.04	0.73	Not significant
	Age	0.20	0.12	Not significant
	Educational Background	0.31	0.02	Significant
	Monthly Income	0.21	0.10	Not significant
	Employment	-0.16	0.23	Not significant
SATISFACTION	Type of Account	-0.03	0.84	Not significant
	Gender	0.16	0.23	Not significant
	Marital Status	-0.05	0.72	Not significant
	Age	0.03	0.81	Not significant
	Educational Background	0.19	0.15	Not significant
	Monthly Income	0.01	0.95	Not significant
	Employment	0.01	0.93	Not significant

CONCLUSIONS

The study aimed to determine motivation, self-efficacy beliefs, and customers' satisfaction. It was on this premise that the following conclusions were drawn: Depositors value the feeling of being safe while doing business with South Bank, Inc. as disclosed in their motivation to open an account because of the bank's security through a well-equipped security measures and manpower. Bank personnel are the greatest reasons of customers' satisfaction as associated with the willingness of the employees to help customers with their needs during bank transactions. True enough that customer satisfaction is one of the most important factors in business, but in banking, this is exceedingly important since the level of satisfaction differentiates one bank from another, the very reason why banks listen to customer requirements and complains. The decision of the respondent to open an account is motivated by the belief in one's ability to prepare for unforeseen circumstances and that resources are readily available when the situation calls for it. Hence, self-efficacy has a great role on customer's willingness to do banking (Walker and Johnson, 2006; AbuShanab et al., 2010; Yen et al., 2016). Moreover, self-efficacy also shapes the customer's perceptions. The confidence and the ability of the person to believe in one's judgment, ability, and power is directly associated with the person's educational attainment. Motivation predicts customer satisfaction.

RECOMMENDATIONS

Based on the findings and conclusions of the study, the researcher arrived at the following recommendations to the bank administrators:

1. Continue to intensify its marketing strategies like financial literacy on students and young professionals to entice more depositors;
2. Beef-up advertising strategies using social media and tri-media to reach more possible clients;
3. Consider to continue its plan for technological advancement in banking services through on-line banking system and automated teller machines;
4. Sustain its focus on the improvement of its product charges and services;
5. Continue to create more unique products with focus on captured clientele like students of the Graduate Programs of the affiliates on thesis and dissertation loans; and

6. For the future researchers to conduct similar studies for future researchers using more respondents and expand the research setting to Libona, Kitaotao, Valencia City, and Butuan City branches.

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ACKNOWLEDGEMENTS

The authors are extremely grateful to the Research, Publication, and Extension Office of Liceo de Cagayan University for their invaluable advice, continuous support, and patience during the conduct of this study. Their immense knowledge and plentiful experience have encouraged us in all the time of our academic research and daily life. We would also like to thank Dr. Mariano M. Lerin, Dr. Nenita I. Prado, and Dr. Ma. Chona V. Palomares for their technical support on our study. We would like to thank all the depositors who participated in this study.