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Assessing the Status of E-Banking and its Effect on Employees' Job Satisfaction in Commercial Bank of Ethiopia, Hawassa City Branches, SNNPRS, Ethiopia

Dr.S.Sivakumar[1] and Tadele Mulugeta[2]
[1]*School of Governance and Development Studies, Hawassa University, Hawassa, SNNPRS, Ethiopia*
[2] *Commercial Bank of Ethiopia, Hawassa, SNNPRS, Ethiopia*
Corresponding Author: Dr.S.Sivakumar

Abstract : *Banking plays a vital role in the economy of any country. In Ethiopia, most of the Banks have deployed IT to transform their processes in to an e-based service. In line with this the study has been carried out to assess the functioning of E- Banking and its effects on employees' job satisfaction in Commercial of Ethiopia branches in Hawassa City. A Sample size of 155 respondents were taken from all selected branches who had been involved at least one of the e-banking types. To gain a reserach understanding of the status of e-banking in selected branches of commercial banks of Ethiopia, descriptive survey research design was used for this study. Both primary and secondary data sources were used for the study. Descriptive analysis results revealed that of the various types of e-banking service quality dimensions, transaction efficiency, service security and ease of useare the major aspects to improve e-banking service quality and in turn overall employees' satisfaction. Reliability, transaction efficiency and ease of use have a positive relationship with employee's satisfaction. An increase in reliability, transaction efficiency, and ease of use are found in the service delivery.*

Keywords : *Transaction, Efficiency, Service, Security, Ease of Use*

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1. Introduction

Banks play a prominent role in improving economic efficiency by channelizing funds from resource surplus sectors to those sectors that are deficient, yet possessing better productive investment opportunities. Banks also play a vital role in trade and payment system by significantly reducing transaction costs and increasing convenience (NCA, 2006). Ethiopia is an emerging economy with a growing financial sector. Unlike most economies in the African continent, Ethiopia is surging ahead to be a leader in the horn of Africa in the financial sector. Electronic distribution channels provide alternatives for faster delivery of banking services to a wider range of customers (Kaleem and Ahmad, 2008), A very fast advancement in electronic distribution channels has produced tremendous changes in the financial industry in the recent years with an increasing rate of change in technology and competition among participants (Hughes, 2001).

Information Technology based distribution channels also reduce personal contact between the service providers and the customers, which inevitably leads to a complete transformation of traditional bank-customers relationships (Barnes and Howlett, 1998). According to Kaleem and Ahmad (2008), increasing competition among banks and from non-bank financial institutions also raises concerns as to why some people adopt one distributional channel and others do not, and that identifying the factors that may influence this decision is vital for service providers. Literature also supports that the level of user's acceptance of electronic Banking is to a large extending determined by their perceptions of its effectiveness in terms of costs and benefits (Gefen and Straub, 2004; Abu-Musa 2005; 2009; Olatokun and Igbinedion 2009).When the people are ever increasing and ever changing and the people needs are not fulfilled, they become dissatisfied. Dissatisfied people are likely to contribute very little for any purpose. Job satisfaction is one of the most popular and widely researched topics in the field of organizational psychology (Spector, 1997).

Banks in Ethiopia are involved in tough competition to attract customers by delivering various services. Whether the banks are public or private the main thing is the success of their business and that depends upon its employees. Now the working culture is totally changed. The burden of paper work is reduced (Jegan and Edwin, 2011). Considering the low extent of development of ICT infrastructure in developing countries when compared with the developed countries, E-banking has not really been able to diffuse into society given the low rate of internet access (Banji and Catherine, 2004).

Despite this growth of IT worldwide, Ethiopian banks continue to conduct most of their banking transactions using traditional methods. In Ethiopia, however, cash is still the most dominant medium of exchange, and electronic payment systems are at an infant stage. The customers of Ethiopian commercial banks have missed to enjoy technological advancement in banking sector easily which had been entertained elsewhere in Africa and the rest of the world. The modern e-banking methods like ATMs, Debit cards, Credit cards, Tele banking, Internet banking, Mobile banking and others are new to the Ethiopian banking sector.

The appearance of E-banking in Ethiopia goes back to the late 2001, when the largest state owned, commercial bank of Ethiopia (CBE) introduced ATM to deliver service to the local users. Even though, CBE has implemented the e-banking system before a decade there are challenges in adopting this system internally and externally. Internally the bank faces some challenges like employees are not easily adopting the new technology that requires the bank huge budget for the training in addition to cost of installation, lack of technical expertise in e-commerce business within the bank in particular and Ethiopia in general. The other challenge is concerning security that the bank data may face threats from hackers and data loss occasioned by things like viruses. Hackers may also proliferate (increase greatly) bank system to transfer money from one account to another and this may make both the bank customers and the bank itself to lose huge sums of money. In the face of rapid expansion of electronic payment systems throughout the developed and the developing world, Ethiopia's financial sector remain behind in expanding the use of the system. Certainly, the banking industry in Ethiopia is underdeveloped; the employees feel free to provide services through e-channels and can spend their saved time on other improvement activities. If the employees are not satisfied from their job, working conditions, work culture, management they can never make the customers satisfied with better quality services (Jegan and Edwin, 2011). No matter how much effort the banks put into their electronic services, if the customers do not understand the meaning or value of using them, the electronic service itself will be meaningless (Jonsson and Hagg, 2009).

Commercial banks in Ethiopia have launched E-banking services as part of ensuring service excellence by reducing waiting time, errors, costs, and improve customer satisfaction. In order to encourage or discourage further E-banking expansion in Ethiopia, a better understanding of its impact on employee's satisfaction is critical. However, despite the importance of E-banking in bringing employees satisfaction limited studies are available in Ethiopia both in terms of number and scope. Moreover, almost all recent studies are done on customer side rather than on employees. Therefore, more studies are still required to understand the relevancy of E-banking in the country.

Bultum (2014) also studied factors that affect adoption of E-banking in the Ethiopian banking industry. Still this study was entirely focused on factors that affect adoption of E-banking. Satisfaction of employees towards E-banking required to be investigated to understand the relevance of E-banking in the country. Ultu (2014) also studied factors that affect adoption of E-banking in the Ethiopian banking industry and this study as entirely focused on the prospect and challenges of E-banking on employee satisfaction.

Therefore, this study was designed to assess the status of e-banking in commercial bank of Ethiopia, Hawassa city branches. It also assesses whether E-banking employees are constrained (forced) by the technology, particularly on the basis of different demographic characteristics, such as different age groups, educational level, and employment status.

1.1 OBJECTIVES OF THE STUDY

The study has following objectives:

1. To assess the current electronic banking service status and dimensions that has challenges and prospects on Employees job satisfaction.
2. To analyse the degree of effects of demographic variables (age, occupation and education) in the level of Employees job satisfaction in E-banking in the study area.
3. To bring out the factors influencing the level of job satisfaction of bank employees working in e-channels.

II. Profile of the Commercial Bank of Ethiopia

The history of modern banking in Ethiopia goes back to 1900 when an agreement was reached in 1905 between Emperor Minilik II and Mr.MaGillivray, representative of the British owned National Bank of Egypt. As per National Bank of Ethiopia estimates there are 18 private and 2 state owned banks in the end of Jan, 2016. Out of these 19 banks, the state owned commercial Bank of Ethiopia (CBE) is the largest and leading bank in financial operations. Commercial Bank of Ethiopia is the leading bank in Ethiopia which is established in 1942 and Pioneer to introduce modern banking to the country. According to May,2016 human resource data, CBE has 1,119 branches and more than 35 thousand employees stretched across the country. The total number of branches under Hawasssa district is 68 by May,2015. Currently, CBE has 13 branches in Hawassa city Namely:Hawassa ,Tabor, Furra, Adare, Dato, Dume, Gebriel, Tulla, Tesso, Daka,Gafuma,Alamura and Gudumale branches .The oldest is Hawassa branch and the youngest is Tesso and Daka branches which are

established in 1968 and 2014 respectively. Tabore, Fura and Adare is established in 2005,2010 and 2011 respectively. Dato, Dume & GebrielSefer branches are established in same year in 2012. The only off line branch is Tulla branch which is established in 2013. Being all online except Tulla branch and being Gudumalle is opened recently and also Gafuma and Alamura is recently merged CBB branches, the study is restricted to the rest nine branches. CBE plays a catalytic role in the economic development of the country and it is the first bank in Ethiopia to introduce ATM service.(CBE-Hawassa District,2015).

The CBE was established to perform major banking functions, including:

- Accepting saving demand time deposit
- Providing short, medium and long term loan
- Buying and selling foreign exchange
- Buying and selling negotiable instruments and securities issued by the government, private organization or any other person
- Engaging in other banking activities customarily carried out by commercial banks.

Currently, commercial bank of Ethiopia-Hawassa District city branch employee's office arrangement is described here below.

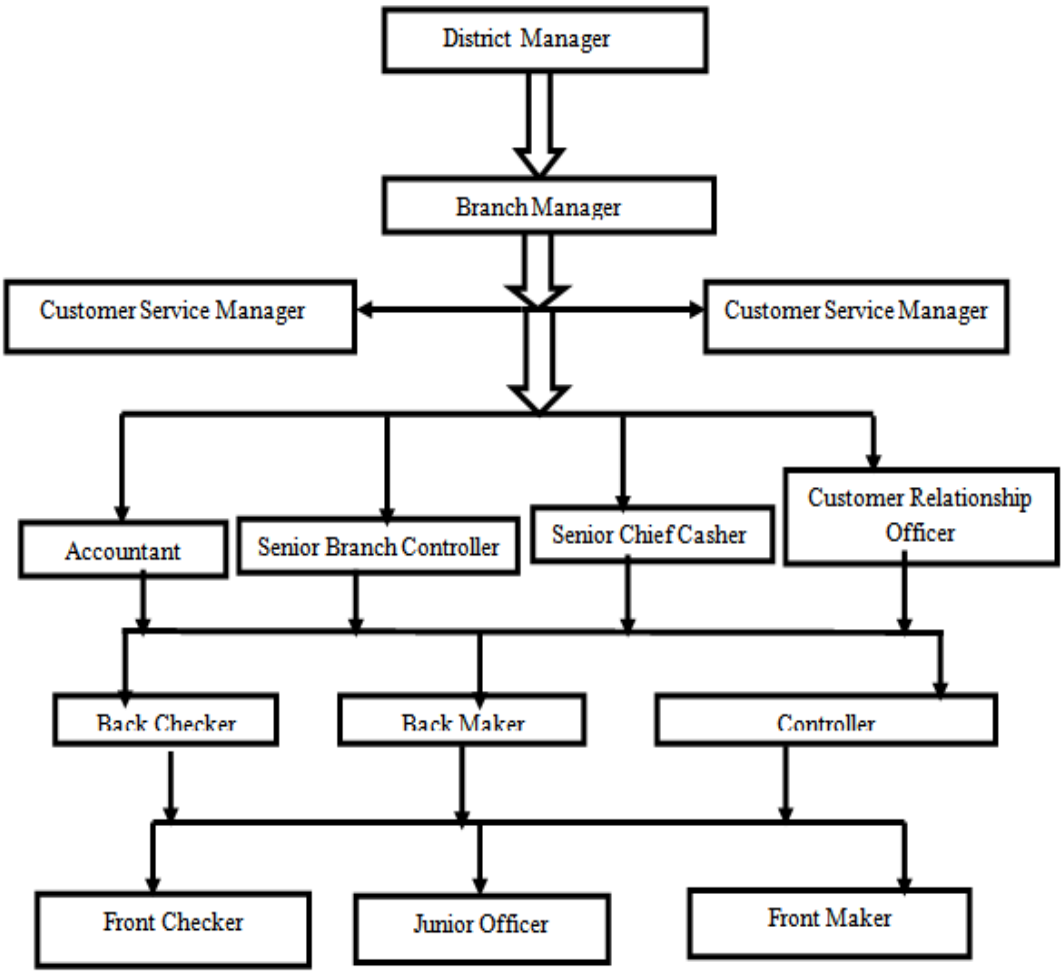

Fig 3: Organizational Structure of CBE-Hawassa District city branch

Table-1: E-banking Service and Features Delivered by CBE-Hawassa City Branches

No	Types of Electronic Banking	Features of Electronic Banking Activities
1	Internet Banking	• Personal Profile Administration • Balance enquiry • View daily transaction register, • ability to link accounts together so that transfers can be completed • from one account to another • View Check Issuance Status through the register

		• Password change and management features
2	Mobile banking	• Authentication and verification • Check daily, weekly or monthly balance • Interactively receive account balance • Produce a mini statement on your mobile • Receive alerts and notification on: • Low balance • Deposit and withdrawal • Transfer of funds from your account or into your account
3	POS	• Cash advance • Various payments • Fund transfer • Mobile top up bill payment
4	ATM banking	• Cash Withdrawals • Bill Payments • Forex • Fund transfer • Mobile top up balance inquiry, etc • Payment to beneficiary
5	SMS banking	• Deposit & Withdrawal of account • Local transfer message • Other Information (eg. Noticing candidate the exam date) etc

Source: Hawassa district IT office of Commercial Bank of Ethiopia, 2016

Table 2: Branch wise distribution of E- Banking Service and Customer Base

S.No	Branch Name	Number of ATM Machines	Number of POS Machine	Number of Mobile banking customer	Number of Internet Banking Customer	Number of ATM card Customer
1	Adare	1	5	594	40	3,917
2	Dato	1	1	228	-	1,777
3	Daka	2	2	712	9	1,407
4	GebrielSefer	1	4	2,043	8	3,357
5	Fura	1	6	1,238	7	5,091
6	Tabore	2	16	2,113	26	4,362
7	Tesso	1	2	250	-	816
8	Hawassa	6	10	2,341	39	11,045
9	Dumme	1	1	1,160	10	4,354

Source: Hawassa District Planning Office, December, 2016

III. Conceptual Framework of the Study

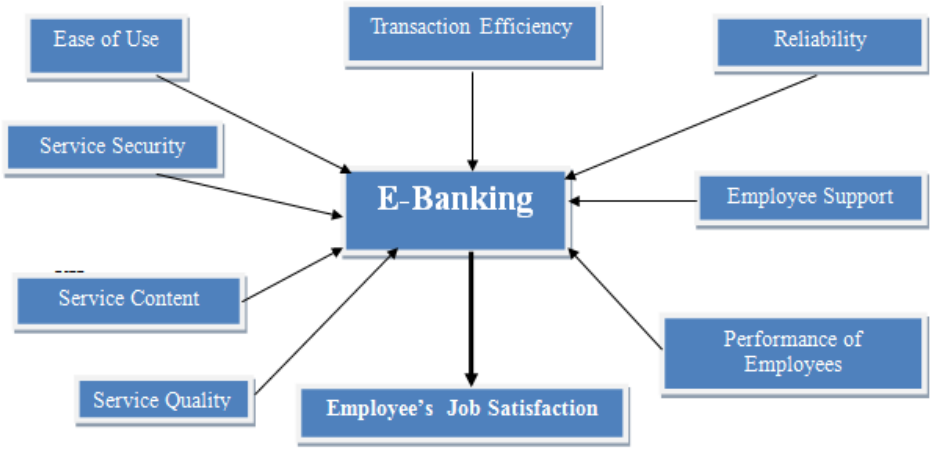

Fig-.1: Conceptual framework of the Study
Source: Researchers' Own Sketch

IV. Research Methodology

he study was carried out by using both quantitative and qualitative data type. Primary source is collected from the respondents through questionnaire and Interview and Secondary data is collected from different documents like records, books ,websites and reports of the bank. This was done by distributing questionnaire for employees who are engaged in E-banking service in selected branches of CBE, Hawassa. 155 employees including branch managers were contacted for this study. Semi-structured interviews were conducted with six randomly selected CBE- Hawassa city branch managers.

4.1. Population and Sample

The population of this study is composed of employees of CBE Hawassa city branch who provide services of e-banking. Accordingly, the total study population was 252 in the selected nine branches. Sample size of 155 respondents were taken from all selected branches who have been working at least one of the e-banking types. To calculate sample size, simplified formula provided by Taro Yamane (1967) pp. 34

$n = \frac{N}{1+N(e)^2}$ Where, n = number of sample size,

N = Total number of study population,

e =is the error term, which is 5% (i.e. at 95% confidence interval) level of confidence to have in the data or degree of freedom.

Using the above formula the sample size of the study is determined as

$n = \frac{252}{1+ 252 (0.05) 2} = 154.6$

$n \approx 155$

4.2 Pre-test

To estimate the reliability of the questionnaire a sample of 27 employees, 3 from each bank, were selected and Cronbach Alpha was computed by SPSS software. Table 3 shows both the total and the pilot sample test result of reliability about the questionnaire.

Table 3: Cronbach Alpha Coefficient for each Variable

Item	Cronbach Alpha	
	10% Pre- test Sample	Total Sample
Reliability	0.797	0.986
Transaction Efficiency	0.779	0.983
employee support	0.686	0.926
Service security	0.784	0.841
Ease of use	0.720	0.919
Performance	0.553	0.895
Service content	0.669	0.935
Service quality	0.702	0.905

Source :SPSS Output

All the items in the case of total sample have Cronbach Alpha values of greater than 80%. This Shows that the questionnaires was highly reliable. The content validity of the questions was corrected from the comments given by the respondents such as technical and dictionary words which are not clear for the respondents were corrected by the researcher.

V. Results And Discussion

Table 4: Demographic Profile of the Employees

No.	Description	Category	Frequency	Percentage
1.	Age (Years)	18 – 24	47	30.32
		25 – 35	78	50.32
		36 – 50	30	19.35
2.	Marital Status	Single	53	34.19
		Married	102	65.80
3.	Educational Qualification	TVET	19	12.25
		Degree	94	60.65
		Masters	42	27.09
4.	Experience	0-2years	32	20.64
		2-5years	48	30.96
		5-10years	54	34.83
		Above 10 years	21	13.54
Total			155	100%

Source: Computed

As it can be seen from Table 4. the sample employees were mostly in the age group of 25-35 years (50.32%). It is also evident from the table that (30.32%) of the respondents were youngsters (between 18 and 24 years). There were no respondents whose age were 51 and above. Majority of the respondents were married (65.80%), while (34.19%) were Single. The respondents were predominantly degree holders (60.65%) and TVET (12.25%) and Masters (27.09%). As far as experience is concerned, the respondents were (20.64%) up to 2 years of experience, (30.96%) 2-5 years of experience, (34.83%) were 5-10 years of experience the remaining (13.54%) were above 10 years of experience.

Table 5: Employees Response on Reliability of E-Banking Service

One-Sample Statistics						**Test Value = 3**					
No	**Description**	**n**	**Mean**	**Std. Deviation**	**Std. Error Mean**	**T**	**Df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
										Lower	**Upper**
1	E-banking completes a task without making operational error	155	2.83	0.992	0.08	-2.105	154	0.037	-0.168	-0.33	-0.01
2	E-banking delivers the service more accurately than manual system does.	155	3.55	1.033	0.083	6.688	154	0	0.555	0.39	0.72
3	E-banking performs the service without human help	155	2.35	1.287	0.103	-6.302	154	0	-0.652	-0.86	-0.45

Source : Computed from field Survey

Note: According to Best,1977 Mean score between (2.41-3.40) is neutral domain
Mean score between (1.81-2.40) is disagree domain
Mean score between (3.41-4.20) is agree domain
Mean score between (1.0-1.80) is strongly disagree
Mean score between (4.21-5.00) is strongly agree

The mean value of the item E-banking completes a task without making operational error is 2.83 and SD= 0.992with P- value of 0.08 which is found to be insignificant at (t=-2.105) <0.5 level. So, since the mean score lies between (2.41-3.40 that depicts about the most respondents' response fall into the neutral domain. From this the researcher concludes that, it is impossible to say E-banking completes a task without making operational error.

The mean value of the item, "E-banking delivers the service more accurately than manual system does", is 3.55 and SD=1.033 with p-value of 0.083 which is found to be insignificant at (t=6.688) <0.5 levels. Since, the mean score lies between (3.41-4.20) that implies most respondents' response fall into the agree domain. From this the researcher conclude that, it is possible to say E-banking delivers the service more accurately than manual system

The mean value of the item E-banking performs the service without human help is 2.35 and SD=1.287 with p-value of 0.103 which is found to be insignificant at (t=-6.302) <0.5 levels. the mean score lies between 1.81- 2.40. This implies that most respondents' response fall into the disagree domain. From this the researcher concludes that, it is difficult to say E-banking performs the service without human help.

Table 6: Employees' Response on Transaction efficiency

One-Sample Statistics						**Test Value = 3**					
No.	**Description**	**n**	**Mean**	**Std. Deviation**	**Std. Error Mean**	**T**	**df**	**Sig. (2-tailed)**	**Mean Difference**	**95% Confidence Interval of the Difference**	
										Lower	**Upper**
1	E-banking provides complete help to execute employee's request.	155	3.74	1.211	0.097	7.63	154	0	0.742	0.55	0.93
2	E-banking transaction process is very accurate and fast in providing service	155	3.79	1.183	0.095	8.354	154	0	0.794	0.61	0.98

Source: Computed from Field Survey

The mean value of the item, 'E-banking provides complete help to execute employees r request' is (3.74) with SD of (1. 211) with t- value (7.63) which is significant (0.000) which is found to be at the scale of agree domain and its significant with the significant t< 0.05. It can be inferred from the table results that E-banking provides complete help to execute employee request.

The mean value of the question E-banking transaction process is very accurate and fast in providing service is (3.79) with SD of (1. 183) with t- value (8.354) which is found to be significant (0.000) at the scale of agree domain and its significant with the significant t< 0.05. Hence, it can be concluded that E-banking transaction process is very accurate and fast.

Table 7: Employees' Response on support provided by the bank during work

No	One-Sample Statistics					Test Value = 3					
	Description	N	Mean	Std. Deviation	Std. Error Mean	T	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
										Lower	Upper
1	E-banking helps me in overcoming the drawback of manual system in terms of time saving	155	3.65	1.215	0.09	6.679	154	0	0.89	0.71	1.07
2	In Case of problem happen, it is possible to contact My manager immediately	155	3.88	1.145	0.092	9.61	154	0	0.884	0.7	1.07
3	E-banking contains responsible section to guide for common problem like system failure.	155	3.89	1.12	0.09	9.898	154	0	0.89	0.71	1.07
4	My supervisor provides E-banking Training to solve technical problem.	155	3.94	1.058	0.085	11.081	154	0	0.942	0.77	1.11
5	My supervisor helps me to develop my skill and knowledge through coaching system for providing E-banking service.	155	3.82	1.102	0.088	9.259	154	0	0.819	0.64	0.99

Source : Computed from Field Survey

The mean value of the question E-banking helps me in overcoming the drawback of manual system in terms of time saving is (3.65) with SD of (1.215) with t-value (6.679) which is significant (0.000) at the scale of agree domain (significant t< 0.05). Therefore, it is clear from this, e-banking overcome the drawback of manual system and saves time.

The mean value of the question in case of problem happen, it is possible to contact your manager immediately is (3.88) with SD of (1. 145) with t- value (9.61) with its significant (0.000) is found to at the scale of agree domain and its significant with the significant t< 0.05. It can be inferred from the above results that most of the respondents stated that in Case of problem happen, it is possible to contact manager immediately.

The mean value of the question E-banking contains responsible section to guide for common problem like system failure is (3.89) with SD of (1.12) with t-value (9.898) with its significant (0.000) which is found to at the scale of agree domain and significant with t< 0.05. The table results reveal that E-banking operations have got a separate responsible section to guide for common problem like system failure.

The mean value of the item, 'my supervisor provides E-banking Training to solve technical problem' is (3.94) with SD of (1.058) with t-value (11.081) with its significant (0.000) which is found to at the scale of agree domain and with its significant t< 0.05. Thus, the findings reveal that the supervisor provides training on e-banking to overcome the technical problems during the operation.

The mean value of the item, 'My supervisor helps me to develop my skill and knowledge through coaching system for providing E-banking service' is (3. 82) with SD of (1.102) with t-value (9.259) with significant (0.000) which is found to at the scale of agree domain and with the significant t< 0.05. From this the researcher understands that supervisor helps employees to develop the skill and knowledge through a system of coaching for providing E-banking service.

Table 8: Employees Response Regarding Service Security

No	One-Sample Statistics					Test Value = 3					
	Description	N	Mean	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
										Lower	Upper
1	E-banking provides security for transaction data and privacy.	155	3.59	1.257	0.101	5.878	154	0	0.594	0.39	0.79
2	No problem of accepting the change during implementing E-banking service.	155	3.02	1.084	0.087	0.222	154	0.824	0.019	-0.15	0.19
3	E-banking is secure for the customer's accounts in terms of notifying on time.	155	3.16	1.159	0.093	1.732	154	0.085	0.161	-0.02	0.35
4	I feel safe against personal contact when using E-banking system	155	3.21	1.201	0.096	2.208	154	0.029	0.213	0.02	0.4
5	E-banking can check the validity of past transaction every time	155	3.13	1.097	0.088	1.464	154	0.145	0.129	-0.05	0.3
6	E-banking system do not allow unauthorized person to login in the system	155	3.61	1.032	0.083	2.569	154	0.011	0.213	0.05	0.38

Source: Field Survey

The mean value of the question E-banking provides security for transaction data and privacy is (3.59) with SD of (1.257) with t-value (5.878) with it's to significant (0.000) which is found to at the scale of agree domain and it's significant with the significant t< 0.05. Therefore, from this the researcher understands that E-banking provides security for transaction.

The mean value of the question No problem of accepting the change during implementing E-banking service is (3.02) with SD of (1.084) with t-value (0.222) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this, the researcher understands that it is difficult to say No problem of accepting the change during implementing E-banking service.

The mean value of the question E-banking is secure for the customer's accounts in terms of notifying on time is (3.16) with SD of (1.159) with t-value (1.732) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this, the researcher concluded that it is difficult to say E-banking is secure for the customer's accounts in terms of notifying on time.

The mean value of the question I feel safe against personal contact when using E-banking system is (3.21) with SD of (1.201) with t-value (2.208) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. This therefore, indicates that it is difficult to say employees fell safe against personal contact when they use E-banking system.

The mean value of the question E-banking check the validity of past transaction every time is (3.13) with SD of (1.097) with t-value (1.464) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this the researcher understands that it is difficult to say E-banking check the validity of past transaction every time. The mean value of the question E-banking system do not allow unauthorized person to login in the system is (3.61) with SD of (1.032) with t-value (2.569) with it's to significant (0.000) which is found to at the scale of agree domain and it's significant with the significant t< 0.05. Thus the researcher concluded that it is possible to say e-banking do not allow unauthorized person to login in the system.

Table 9: Employees Response Regarding Ease of use

No	One-Sample Statistics					Test Value = 3					
	Items	N	Mean	Std. Deviation	Std. Error Mean	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
										Lower	Upper
1	It is Easy to find all information needed in E-banking system.	155	3.11	1.048	0.084	1.303	154	0.195	0.11	-0.06	0.28
2	The language in E-banking displays is easy to understand.	155	3.08	1.042	0.084	0.925	154	0.356	0.077	-0.09	0.24
3	Information and text are easy and clear to understand on E-banking system.	155	3.14	1.013	0.081	1.664	154	0.098	0.135	-0.03	0.3
4	Using e-banking do not require special place.	155	3.2	1.041	0.084	2.393	154	0.018	0.2	0.03	0.37
5	E-banking is provided in bi-language.	155	3.51	1.053	0.085	2.364	154	0.019	0.2	0.03	0.37

Source: Computed from field survey

The mean value of the question It is Easy to find all information needed in E-banking system is (3.11) with SD of (1.048) with t-value (1.303) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this the researcher understands that it is difficult to say it is easy to find all information needed in E-banking system. The mean value of the question, the language in E-banking displays is easy to understand is (3.08) with SD of (1.042) with t-value (0.925) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this, the researcher concluded that it is difficult to say E-banking displays are easy to understand.

The mean value of the question Information and text are easy and clear to understand on E-banking system is (3.14) with SD of (1.013) with t-value (1.664) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. Therefore, it is understood that it is difficult to say Information and text are easy and clear to understand on E-banking system. The mean value of the question, Using e-banking do not require special place is (3.20) with SD of (1.041) with t-value (2.393) with it's to significant (0.000) which is found to at the scale of neutral domain and it's significant with the significant t< 0.05. From this it is understand that it is difficult to say that using e-banking do not require special place.

The mean value of the question, E-banking is provided in bi-language is (3.51) with SD of (1.053) with t-value (2.364) with it's to significant (0.000) which is found to at the scale of agree domain and it's significant with the significant t< 0.05. Therefore, the researcher concluded that it is possible to say E-banking is provided in bi-language.

Multi colinearity Test between Study Variables

In this section the correlation between employees satisfaction in e-banking and explanatory variables; reliability, transaction efficiency, employee support, service security, ease of use, performance, service content had been presented and analysed. A correlation matrix is used to ensure the correlation between explanatory variables.

Table 10: Correlation Matrix between Explanatory Variables

	X1-reliability	X2-transaction efficiency	X3-employee support	X4-service security	X5-ease of use	X6-performance	X7-service content
X1	1						
X2	0.737**	1					
X3	0.695**	0.119*	1				
X4	0.819**	0.519**	0.857**	1			
X5	0.469**	0.692**	0.042**	0.171**	1		
X6	0.617**	0.846**	0.152**	0.409**	0.889**	1	
X7	0.953**	0.888**	0.530**	0.795**	0.540**	0.727**	1

Source: SPSS output

**Correlation is significant at the 0.01 level

*Correlation is significant at the 0.05 level

Cooper & Schindler (2009) suggested that a correlation coefficient above 0.8 between explanatory variables should be corrected for because it is a sign for multi co linearity problem. Malhotra (2007) argued that the correlation coefficient can be 0.75. Lastly, Hair et al. (2006) argued that correlation coefficient below 0.9 may not cause serious multi co linearity problem. Thus, service content has been correlation coefficient of 0.953 with reliability at 0.01 level of significant and correlation coefficient of 0.888 with transaction efficiency at 0.01 level of significant both greater than 0.8. Performance has also been correlation coefficient 0.846 and 0.889 with transaction efficiency and ease of use respectively both greater than 0.8 at 0.01 level of significance. Finally, service security has been correlation coefficient of 0.819 and 0.817 with reliability and employee support respectively at 0.01 level of significant. Therefore, the variables service content, performance, and service security were excluded from the regression model to control multi co linearity problem.

Linearity Test

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. To determine whether the relationship between the dependent variable ESEB and the independent variables X1 (reliability), X2 (transaction efficiency), X3 (employee support), and X5 (ease of use) is linear; plots of the regression residuals through SPSS software had been used.

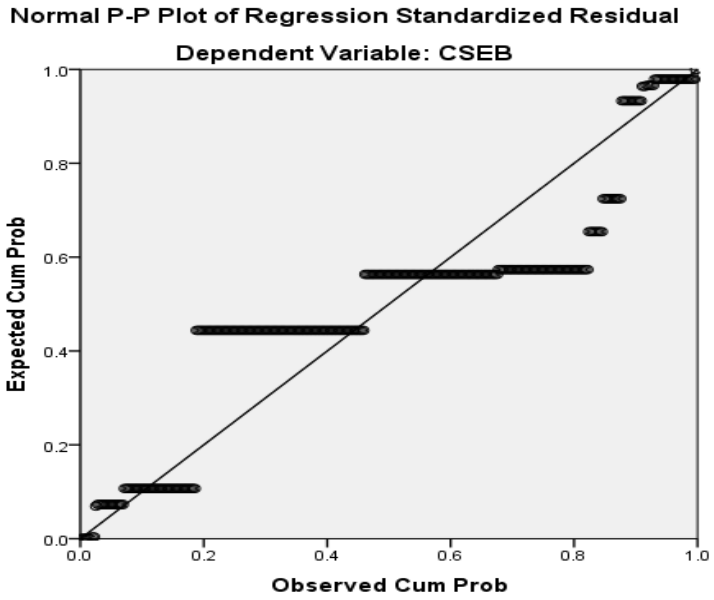

Fig-5: Normal Point Plot of Standardized Residual.
Source: SPSS output.

The scatter plot of residuals shows no large difference in the spread of the residuals as observed from left to right in figure 5. This result suggests that the relationship the researcher trying to predict is linear.

Normality Test

As per the Classical Linear Regression Models assumptions, the error term should be normally distributed or expected value of the errors terms should be zero (E(ut)= 0).

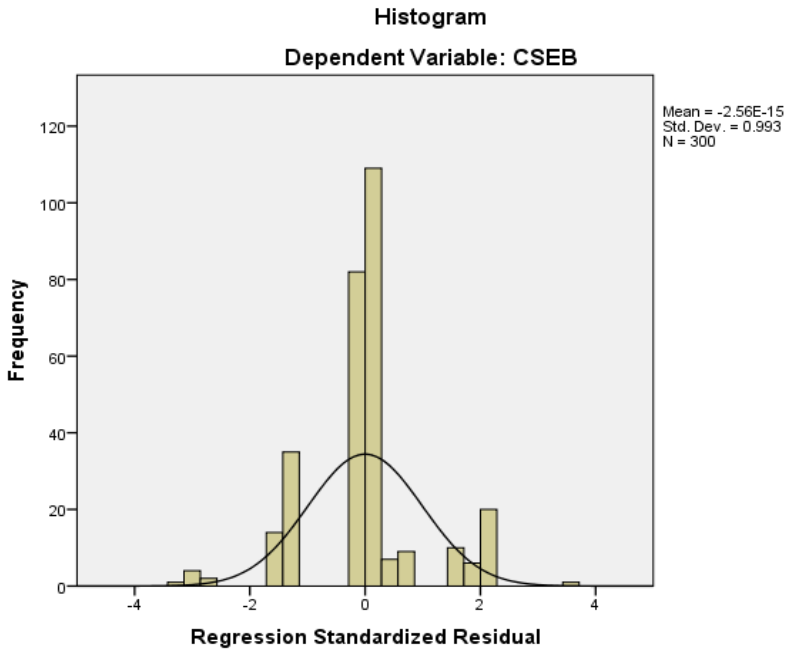

Figure 6: Frequency Distribution of Standardized Residual
Source: SPSS output

Figure 6 shows the frequency distribution of the standardized residuals compared to a normal distribution. As you can see, although there are some residuals (e.g., those occurring around 0) that are relatively far away from the curve, many of the residuals are fairly close. Moreover the histogram is bell shaped which lead to infer that the residual (disturbance or errors) are normally distributed. Thus, no violations of the assumption normally distributed error term. Therefore, from an examination of the information presented in all the three tests, the researcher concludes that there are no significant data problems that would lead to say the assumptions of multiple regressions had been seriously violated.

Correlation Analysis between Employees Satisfaction in E-banking and Explanatory Variables

Table 11: Correlation matrix: ESEB

	ESEB	X1	X2	X3	X5
ESEB(employee satisfaction in e-banking	1				
X1(reliability)	0.772**	1			
X2(transaction efficiency)	0.739**	0.737**	1		
X3(employee support)	0.379**	0.695**	0.119*	1	
X5(ease of use)	0.405**	0.469**	0.692**	0.042	1

Source: SPSS output

**Correlation is significant at the 0.01 level
*Correlation is significant at the 0.05 level

Reliability and employees satisfaction had highest correlation coefficient which is 0.772 at 0.01 level of significant. This result shows that reliability of commercial banks in service delivery have significant relationship with the level of satisfaction in e-banking. Transaction efficiency and employees support had the second highest correlation coefficient (0.739) next to reliability at 0.01 level of significant. Therefore reliability and transaction efficiency tends to be a better predictor of satisfaction level on e-banking. Employee support (0.379) and ease of use (0.405) have also significant correlation with employee's satisfaction though their coefficients are relatively smaller.

Regression Analysis between Employees Satisfaction on E-Banking and Explanatory Variables

The overall regression model and its ANOVA are summarized as follows:

Table 12 : Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.821	0.674	0.669	0.610

Predictors: (Constant), X5, X3, X2, X1.

R- Squared is measured the goodness of fit of the explanatory variables in explaining the variations in employees satisfaction measures of explanatory variables (reliability, transaction efficiency, employee support and ease of use). As clearly described in Table 4.14 adjusted R- square value for the regression model was 0.669. This indicates the explanatory variables; reliability, transaction efficiency, employee support and ease of use in this study explain about 67% of the variation in the level of employee's job satisfaction. The remaining 33% of the variation in the level of employee's job satisfaction of CBE are explained by other variables which are not included in the model. Therefore, e-banking service dimensions (reliability, transaction efficiency, employee support and ease of use) are good explanatory variables of the satisfaction level of all CBE in Hawassa city branches.

Table 13 : ANOVA

Model	**Sum of Squares**	**DF**	**Mean Square**	**F**	**Sig.**
Regression	226.839	4	56.710	152.422	.000
Residual	109.757	150	0.372		
Total	336.597	154			

a. Dependent Variable : ESEB

b. Predictors: (Constant), X5 , X3 , X2 , X1

From the ANOVA test in table 4.15 it shows that the table Sig. value 0.01 is greater than the calculated Sig. value 0.000. It reflects there was a statistically significant correlation between dependent variable and independent variables at 1% significant level. Which means the explanatory variables; reliability, transaction efficiency, employee support and ease of use have great contribution to improve e-banking Employees satisfaction level among Commercial Banks of Ethiopia in Hawassa city branches. But, it does not mean that, all these factors of e- banking service quality had equally significant correlation with Employees satisfaction level. The results of the multiple linear regression analysis signals that there is variation in the effect of e- banking service quality dimensions on Employees satisfaction.
Beside the F statistics (152.422) which is used to measure the overall test of significance of the model was presented, and null hypothesis can be clearly rejected since the p-value is 0.000 which is sufficiently low, the model is well fitted at 1% level of significance.

Table 14: Regression Coefficient Analysis of the Model

Model	**Unstandardized Coefficients**		**Unstandardized Coefficients**	**T-value**	**Sig.**
	B	Std. Error	Beta	5.581	.000
Constant	1.497	.268			
X1	.394	.083	.549	4.734	.000
X2	.380	.077	.454	4.928	.000
X3	-.046	.073	-.050	-.637	.525
X5	.239	.067	.164	3.548	.000

Dependent Variable ESEB

From the above finding we can develop the following regression model
ESEB = 1.497 + 0.549X1+ 0.454X2 + 0.164X5
Std. Err (0.268) (0.083) (0.007) (0.067)
T values (5.581)* (4.734)* (4.928)* (3.548)*
R square (Adj.) = 0.669, F = 152.422
*= Significant at 99% level
Where, ESEB = Employees satisfaction on E-Banking
X1 = Reliability
X2 = Transaction Efficiency
X3 = Employee Support
X5 = Ease of Use

Coefficient analysis shows the relationship between dependent variable and independent variables. According to Sig. value of X1 (reliability), X2 (transaction efficiency) and X5 (ease of use) are statistically

significant at 1% significant. Which means; reliability, transaction efficiency and ease of use have great contribution to improve Employees satisfaction on e-banking. Whereas the sig. value of X5 (ease of use) is greater than 0.05 and conclude that the variable has no significant impact on Employees satisfaction from using e-banking.Here, X1 (reliability) = 0.549 i.e., 100% change in reliability leads to 54.9% change in Employees satisfaction level. X2 (transaction efficiency) = 0.454 i.e., 100% change in transaction efficiency leads to 45.4% change in Employees satisfaction level. X5 (ease of use) = 0.164 i.e., 100% change in ease of use leads to 16.4% change in Employees satisfaction level.

All explanatory variables have a positive relationship with employees satisfaction except X3 (employee support), low coefficient of -0.05 shows that employee support has weak impact on e-banking employees satisfaction of commercial banks. A positive coefficient of reliability (0.549) implies that an increase in reliability leads to increase employee's satisfaction. Transaction efficiency has a positive coefficient of 0.454; this means transaction efficiency leads to better satisfaction of employees on e-banking. Similarly, ease of use has a positive coefficient of 0.164. This means any increase in this variable leads to increase in employees satisfaction of commercial banks in Hawassa city branches.

These findings provide significant support for the reliability, transaction efficiency and ease of use literature which advocates that the variables have an influence upon employee's satisfaction in the study area.

The findings are also consistent with other research findings for example (Jun et al, 1999; January, 2009; Parsurman et al, 1988; Yang, Jun and Peterson, 2004, Lui& Amett, 2000) found that reliability provides higher degree of satisfaction on e-banking. Storback cited in (Thahkur, 2011) also empirically found that e-banking transaction efficiency and satisfaction have positive relationship. Parasurman et al, 1988, (Yang, Jun and Peterson, 2004), (Lui & Amett, 2000), (Storback et al, 1994) cited in (Thahkur, 2011) found ease of use and satisfaction as critical factors on the use of e-banking.

VI. Conclusion

All the service sectors depend on committed employees and their satisfaction and the banks are no exception. Employee as well as customer satisfaction is the major factor contributing to the success of service sector. E-banking has become a major facility sought after by the existing and potential employees. One of the ways for achieving high Employee and gaining the loyalty of customers is for banks to offer high quality e-banking service. In this research the level of satisfaction of employees with the different dimensions was evaluated. Accordingly, the major findings are presented as follows:

The researcher found that the main categories of E-banking delivered by the study area were: POS, Internet banking, Mobile banking ATM cards (Debit cards) and SMS banking. Descriptive analysis results revealed that the majority of current e-banking users are youth between the ages of 18 up to 35, occupationally all are the clerical. Non clerical are not participant in using the service. Educational wise, the respondents were predominantly Masters, degree holders and TVET. Employee satisfaction on E–Banking is above satisfactory level with a mean value of 3.43 on a 5 point Likert scale. Out of the e-banking service dimensions transaction efficiency (mean of 3.86), service security (mean of 3.76) and ease of use (mean of 3.61) are the majors to improve e-banking service quality and in turn overall Employees satisfaction. Reliability, transaction efficiency and ease of use have a positive relationship with Employees satisfaction in agreement with the Empirical literature. Any increase in reliability, transaction efficiency, and ease of use leads to increase in Employees satisfaction by 54.9%, 45.4%, and 16.4% respectively. These results are significant at 1% level of precision.

Out of the demographic variables under investigation educational qualification and age have statistically significant relationship with satisfaction in e-banking.In other words Employees satisfaction in e-banking definitely dependent on one another with age and educational level at 0.01 level of precision. Except performance (mean of 2.71) all explanatory variables play a fundamental role for Employees job satisfaction among CBE, in Hawassa that the relationship between Employees satisfactions in e-banking and the demographic variables educational qualification and age are statistically significant as their p- value were lower than 0.05. This implies that the relationship between Employees satisfaction in e- banking and demographic variables (educational qualification and age), except Experience and marital status, are not due to chance rather it is systematic. In other words the probability associated with the chi- square statistic of educational level (108.024) is less than 0.01 indicating that there is a strong relationship between employees satisfaction in e-banking and educational level.

Employees with higher education such as university graduates are more comfortable in using technology, like the internet and other forms of e- banking. As educational level increases individual's level of IT literacy increases so they tend to use e-banking and gets more satisfaction. About age, chi- square value is 34.132 associated with less than 0.01 level of precision indicating age has a strong relationship with satisfaction in e-banking. Reliability and employees satisfaction had highest correlation coefficient which is 0.772 at 0.01 level of significant. This result shows that reliability of commercial banks in service delivery have significant relationship with the level of satisfaction in e-banking. Transaction efficiency and employees support had the

second highest correlation coefficient (0.739) next to reliability at 0.01 level of significant. Therefore reliability and transaction efficiency tends to be a better predictor of satisfaction level on e-banking. A positive coefficient of reliability (0.549) implies that an increase in reliability leads to increase employee's satisfaction. Transaction efficiency has a positive coefficient of 0.454; this means transaction efficiency leads to better satisfaction of employees on e-banking. Similarly, ease of use has a positive coefficient of 0.164. This means any increase in this variable leads to increase in employees satisfaction of commercial banks in Hawassa city branches. Moreover, qualitative data analysis shows that there are a number of challenges that imped employee's job satisfaction in connection with e-banking study. These are: Customers and employees challenges, Organizational Challenges, Economic Challenges, Technological Challenges, and Security related challenges.

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