

**AUTOMATED TELLER MACHINES (ATMS) AND EMPLOYEE  
PERFORMANCE: A CASE STUDY OF BARCLAYS BANK  
KAMWOKYA BRANCH KAMPALA  
(UGANDA)**

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**A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS  
AND MANAGEMENT SCIENCES IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF A BACHELORS DEGREE IN  
BUSINESS ADMINISTRATION OF KAMPALA  
INTERNATIONAL  
UNIVERSITY**

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## DECLARATION

I, **MUGABI PAUL**, do hereby declare that the work presented in this report is my original work and that no study of the kind has been submitted for award of the degree in any University as a whole or in part.

Researcher

**MUGABI PAUL**

Signature

.....  .....

Date

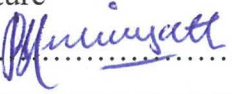
..... 09<sup>th</sup> / 11 / 2012 .....

## APPROVAL

This research report has been prepared under my supervision and submitted to the college of economics and management sciences with my approval.

**SUPERVISOR: MR. KABAGAMBE JESSE**

Signature

.....  .....

Date

..... 9/11/2013 .....

## DEDICATION

I dedicate this research report to my parents who worked hard towards my academic success.

This wonderful piece of work is also dedicated to my family members for their awesome support spiritually through prayers, encouragement when things would seem to be tough.

I would also like to dedicate this work for all those who gave me courage while at the university not forgetting the staff of Kampala International University especially those in the college of economics and management sciences.

## LIST OF ABBREVIATION

<b>ATM</b>	Automated Teller Machine
<b>PIN</b>	Personal Identity Number
<b>BBC</b>	British Broadcasting Services

## ACKNOWLEDGEMENTS

First and foremost, I give honor and glory to the almighty God who gave me good health, wisdom, knowledge and hope in this study.

My sincere acknowledgement goes to the lectures in the department of economics and management sciences who have mentored me ever since I begun this programs me in august 2008 to this date.

However my passionate gratitude is extended to my supervisor MR. ODERO GEORGE MICHEAL for the advice, supervision, guidance and thought full insights helped me get clear view to write this report. May God bless you?

I would like to express my sincere appreciation to my course mates and my closest friends with whom I interacted most of the time during the course of my study for their contribution and guidance, the entire college of economics and management sciences of Kampala International University, and to all members of Kampala international university. May God bless you.

*May god almighty reward abundantly*

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## ABSTRACT

The topic of the study was ATM and employee performance. A case study of Barclays bank Kamwokya branch,  
The purpose of the study was to find out the relationship that exists between ATM and employee performance.

The objectives of the study was; to establish the effects of ATMS on employee performance of Barclays bank Kamwokya branch, To establish the effects of carrying out banking transactions 24hrs a day on employee performance behavior, To establish how ATMS control fraud.

The research used both descriptive and analytical research design. The findings of the study indicated the following:

ATM machines are present in Barclays bank Uganda Limited  
The major role of ATM function is to prevent detect errors and fraud  
Employee reports are made for the management to base their decisions on  
External auditors measures the effectiveness of ATM machine functions  
Management of Barclays Bank Uganda Limited gives employees due independence

While a number of challenges have been cited, the most seem to point at the independence and objectivity of the employees. Basing on the fact that internal auditors are employees of the organizations, they tend to perform their duties towards the directors of their employers or management.

The following recommendations were made;

Strong and sustained support from senior management is the single most important element in building an effective and independent employee performance. Ideally, the head of the bank should report directly to the Board of Directors. This positions the employees to play a more independent and strategic role, which extends beyond performing as expected. It also reflects the attitude and expectations of senior management with respect for the employees, and promotes independence and objectivity by placing an appropriate distance between the bank and its employees.

2. To be effective on employee performance, management needs to move from a tactical level to a strategic level. They need to align their resources and provide assurance on risk, governance, and control of business processes that support the banks objectives and that demonstrate the value of the employees.

3. A close working relationship with senior management, along with their visible support, signals that they value the expertise that employees bring to their organization. Such a relationship can strengthen the perception of the independence and objectivity of the management function.

## CHAPTER ONE

### 1.0 Introduction

This chapter contains the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, scope of the study, and the significance of the study.

### 1.1 Background of the study

A growth in banking institution in Uganda has become constantly complex where clients are faced with a problem of long queues and it's upon that background that ATMS cards were introduced.

ATM is a computer controlled device at which a customer can make withdraws and deposits, check their account balances or make an appointment with the loans officers, all without human involvement. In order to use this system, a customer is issued a plastic card bearing his/her name and account number, Personal identity number (PIN) which does not appear on the card is also issued.

Nile bank Uganda was the first bank to install ATM with a total of 8 ATMS. Next was Barclays banking with 5 ATMS, and then Stanbic bank with 15 ATMS, centenary bank with 10 ATMS, Crane bank in 1995 had 3ATMS which is not the case today. Standard chartered bank followed the race among others in 1996 up to date. All those ATMS were installed by NCR since 1966 update.

Barclays bank has over 55 branches country wide, over 70 ATMS in central, eastern, northern and western Uganda. ATMS in central Uganda (Kampala) has over 20 branches for instance Bugolobi branch next to silk events, corporate service centre Hannington road, Garden City prestige centers, Jinja road branch, Kampala down town branch along old Kiira road and among others.

Attempts were carried out "by Akinhohu Agboola" a student of Obafemi Awolowo University Ihe-Ifa, Nigeria to study the effects of ATM on the operation of commercial

banks in Nigeria, but it was not carried out in Uganda and particularly Kampala international university by BBA students. With such a conceptual and contextual gap this study set out to determine the effects of ATM on the performance of employees of Barclays bank at Kamwokya branch Kampala.

## **1.2 Problem statement**

According to BBC news.25zone2007hhttp/news.bbc.co.uk/z/hi/business/6230194.stm.retrieved 26 April 2010, ATM were intended to provide 24hrs service to customers, increase speed of servicing customer waiting in queues (lines), control fraud, increase reliability, security and diligence, transactional secrecy and integrity. Unfortunately however, performance of employees at times hinders the effective and efficient bank transactions. Whenever it comes in long queues, few tellers inside the bank, risk of handling huge amounts of money, limited time of bank operations. It's upon such a background that the researcher seeks to investigate on the effect of ATMS and employee performance.

## **1.3 Purpose of the Study**

The purpose of this study was to find out the relationship that exists between A T M and employee performance.

## **1.4 Objectives of the Study**

In order to achieve the above purpose, the researcher considered the following Objectives;

- To establish the effects of ATMS on employee performance of Barclays bank Kamwokya.
- To establish the effects of carrying out banking transactions 24hrs a day on employee performance behavior
- To establish how ATMS control fraud.

## **1.5 Research Questions**

In order to achieve the objectives, the researcher asked the following questions;

- what effects do ATMS have on the performance of employees?

- What effects does carrying out banking transactions 24hrs a day have on the employee's performance behavior?
- How does ATM control fraud?

## **1.6 Scope of the Study**

The study covered ATMS and how they are helpful in employee performance.

### **1.6.1 Geographical study**

The study covered Barclays bank Kamwokya branch situated along old Kiira road on your way to Bukoto and Ntinda town Kampala city with specification of employees in accounts department because most of the information the researcher's needed was easily accessed from this department.

### **1.6.2 Time frame of the study**

The study covered a period of 2009-2012. It was based on the hope of providing the most recent data which determines on how the bank employee has been performing over the past 6 years.

### **1.6.3 Subject Matter**

The study focused on the available data about ATMS and employee performance.

## **1.7 Significance of the study**

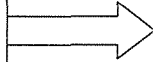
- a) To management, the study helped them to understand the relevance of ATMS to the employees.
- b) To bank, the study was an eye opener to strengthen the relationship between bank and the clients.
- c) To future researchers, the study contributed on the impact of ATMs on employee performance.
- d) To the researcher, the study was a fulfillment of the Award of the Degree in Bachelor of business administration (accounting option) of Kampala International University.

## 1.8 Conceptual Framework

### Independent variables

#### **A T M S**

- Enough funds in the machine
- Easy to use
- Control fraud
- More reliable
- Distributed country wide



### Dependent variables

#### **EMPLOYEE PERFORMANCE**

- Improve performance
- Good cash and funds management
- Easy employee and organization evaluation
- Good image of the banker
- Low transaction costs
- 24hr banking

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.0 Introduction**

This chapter explained the key concepts according to different authors, reviews empirical literature on the research topic of ATM and employee performance by specifying the independent and dependent variables and the possible relationship between them.

### **2.1 ATM**

#### **Definition of ATM**

According to [www.ATMmarketplace.com](http://www.ATMmarketplace.com), ATMS are known by other names including automatic banking machines, money machines, and automated transaction machines cash points, auto teller and many other names. Therefore, ATM is a computerized controlled device at which a customer can make withdraws and deposit, check account balances or make appointments with the loan officer , all without human involvement, in order to use this system the customer is issued a plastic card bearing his/her names and account number, PIN which does not appear on the card issued.

### **2.2 Roles of ATM**

#### **Global use**

John McGill, 7<sup>th</sup> September 2004, there are no hard international or government-compiled numbers totaling the complete number ATMs in use worldwide. Estimates developed ATMIA place the number of ATMS in use currently at over 2.2million, or 1ATM per around over 3000 people in the world.

For the purpose of analyzing ATM usage around the world, financial institution generally divide the world into seven regions, due to the penetration rates, usage statics, and feature deployed. Four regions (USA, Canada, Europe and Japan) have high number of ATMs per million people. Despite the large numbers of ATMS, there is additional demand for machine in Asia/ pacific area as well as Latin America.



## **Security**

According to “ATM Fraud and security white paper”, Security, as it relates to ATMs, has several dimensions. ATMs also provide a practical demonstration of number of security systems and concepts operating together and how various security concerns are demonstrated.

Early ATMs security focused on making the ATMs invulnerable to physical attack; they were effectively safes with dispenser mechanism. A number of attacks on ATMs resulted, with thieves attempting to steal entire ATMs by ram-raiding. Since late 1990s, criminal groups operating in Japan improved ram-raiding by stealing and using a truck loaded with heavy construction machinery to effectively demolish or uproot an entire ATM and any housing to steal its cash.

## **Reliability**

Before an ATM is placed in a public place, it typically has undergone extensive testing with both test money and the backend computer systems to allow it to perform transactions. Banking customers also have come to expect high reliability in their ATMs, which provides incentives to ATM providers to minimize machine and network failure. Financial consequences of incorrect machine operation also provide high degrees of incentive to minimize malfunctions. ATMs and the supporting electronic financial networks are very reliable, with industry benchmarks typically producing 98.35% customer availability for ATMs. If ATM networks do go out of service, customers could be left without the ability to make transactions until the beginning of their banks next time of opening hours.

## **Fraud**

As with any device containing objects of value, ATMs and systems they depend on to function are the targets of fraud. Fraud against ATMs and peoples attempt to use them takes several forms.

The first known instance of fake ATM was installed at a shopping mall in Manchester Connecticut in 1993. By modifying the inner workings of a Fujistic model 7020 ATM,

criminal gangs known as the Bucklands Boys were able to steal information from cards inserted into the machine by customers.

According to "WAVY-TV" reported an incident in Virginia beach of september 2006 where a hacker who had probably obtained a factory- default admin password for a gas stations white label ATM caused the unit to assume it was loaded with \$5 USD bills instead of \$20s, enabling himself and many subsequent customers to walk away with four times the money they wanted to withdraw. This type of scam was featured on TV series the real hustle.

### **Card fraud**

In an attempt to prevent criminals from shoulder surfing the customer's Personal Identification Number (PIN), some banks draw privacy areas on the floor.

For a low tech form of fraud, the easiest is simply stealing a customer's card along with its PIN. A later variant of this approach is trapping the card inside the ATMs card reader with a device often referred to as a Lebanese loop. When the customer gets frustrated by not getting the card back and walks away from the machine, the criminal is able to remove the card back from the customer's account, using the card and its PIN.

### **2.3 Elements of ATM**

ATM is typically made up of the following devices; CPU (to control the user interface and transaction devices), Magnetic and /or chip card reader (to identify the customer), PIN pad (similar in layout a touch tone or calculator keypad), often manufactured as part of a secure enclosure, secure crypto processor, generally within a secure enclosure. Display (used by the customer for performing the transaction), function key buttons (usually close to the display) or a touch screen (used to select the various aspects of the transaction) Record printer (to provide the customer with a record of their transaction) Vault (to store the parts of the machinery requiring restricted access) Housing (for aesthetics and to attach signage to) due to heavier computing demands and the falling price of personal computer-like architectures, ATMs have moved away from custom hardware architecture using microcontrollers and /or -specific integrated circuits to

adopting the hardware architecture of a personal computer, such as,USB connections for peripherals, Ethernet and IP communications, and use personal computer ware .it does make ATMS potentially vulnerable to the same sort of problems exhibited by conventional personal computers.

## **2.4 Employee Performance**

### **Definition of employee performance**

Performance is the accomplishment of given task against the present known standard of accuracy, completeness cost and speed (Gareth 2003). Performance is getting the job done (Don Hellriege 2002).

Accomplishment of given task against the present known standard of accuracy, completeness cost and speed (Gareth 2003). Performance is also the fulfillment of an obligation in a manner that releases the performer from all liabilities under the contract (Garry D 2002).

**Employees** are human resources hired in an organization to accomplish a given tasks or responsibilities.

**Employee performance** is the measure of the quality and quantity of the employee production in relation to the requirement of that particular job and the expectation of the management.

**Performance appraisal** is the measure of employees' past and present performance in relation to the background of the working environment and his future potential in an organisation.

Career development programs play a huge role in career advancement. Particularly during times of economic turmoil, when unemployment rates may be higher than usual, a solid history of career development can place a candidate ahead of the competition. A professional who takes advantage of many training opportunities in different areas often becomes diverse and possesses a broad set of skills. This person would be better prepared to handle a recession than someone who has never had additional training, because he may be qualified to work in a different industry or profession hence promoting the performance.

### 2.4.1 Employee Relationship

Employee means an individual who works part time or fulltime under a contract of employment whether oral or written, express or implied, and has recognized rights and duties. [www.businessdictionary.com](http://www.businessdictionary.com).

Employees are one of the major stake holders for every organization, both commercial and nonprofit organizations. Employees give the best part of their lives to organization; there is therefore a moral obligation to let them know how they are performing. At the same time organizations have to measure the performance of all their resources unlike technology and capital. This resource people has expectation and interests and they are manifested in behavior which impacts performance.

Torrington and Hall (1998) refers to the relationship between employees and management as a framework of organizational justice consisting of organizational culture and management style as well as rules and procedural sequence for grievance and conflict management indeed, the objective of employee relationship is to achieve harmonious employee relations and minimize conflict practices in employment.

#### **Factors affecting Performance**

**Ability;** Character traits, skills and knowledge which are used in the performance, it is always present and will not vary widely over short periods of time.

**Effort;** The amount of manual or mental energy that a person is prepared to expend on a job to reach a certain level of performance can vary according to incentive and motivation (Vallerand, R. J.1993)

**Motivation;** Many people who are not motivated keep their performance to an acceptable level by expending only 20-30% of their ability managers who know how to motivate their employees can achieve 80-90% ability levels and consequently higher levels of performance (Whyte, C.B. 1980).

**Equity & Expectation;** Basically, people expect to be treated equally, within the company and as others are in similar companies; they expect to get a certain reward for a certain effort; and they expect to get promoted if they undergo training. All these factors

are inter-related and affect the amount of effort people are prepared to put in (Mark Lepper 1995)

**Task, or role, perception;** The direction in which the person wishes to channel his or her effort and ability. It varies according to such factors as whether or not the job is seen to be important or of value in itself, to the organization, to workmates, to the individual (Cassandra B. 1979)

**Environmental factors;** Those factors over which an individual has no control, eg the job may have been completed under severe time constraints, with a lack of adequate resources, or by using obsolete equipment; there may have been conflicting priorities or information overload, such that the individual was confused and under stress, other staff and departments may have been less than cooperative, the restrictive policies of the organization may have prevented the individual from using her initiative and imagination to the extent that she wished, the quality of the supervision exercised may have been defective - some people need encouragement and support, whereas others like to be left to get on with the job( Susan Harter 1981

**Feedback;** Feedback from management that effectively communicates the status of the person's performance, based on measurable guidelines and tools.

### **The board of directors**

The board of directors with its legal authority to hire, fire and compensate top management, safeguards invested capital. Regular board meetings allow potential problems to be identified, discussed and avoided.

### **ATM control procedures**

#### **Balance of power**

The simplest balance of power is very common; require that the President be a different person from the Treasurer. This application of separation of power is further developed in companies where separate divisions check and balance each other's actions.

#### **Performance-based remuneration**

Performance-based remuneration is designed to relate some proportion of salary to individual performance. It may be in the form of cash or non- cash payments such as shares and share options, superannuation or other benefits.

## **2.5 Relationships between ATM and employee performance**

An effective employee performance and of good governance (Brisson, 2004) can be provide by senior management and committees with assurance about the efficiency and effectiveness of key financial, administrative, and operational activities and the organization's management practices, along with suggestions for improvement and reduce on the rate of failures. Employee remuneration is one of the tools that an organization may use to assess and monitor management practices and the achievement of its objectives. For the complexities of ATM cash management and administration, a sophisticated, highly versatile software application is a vital component of successful operations. The CIM-ATM application in the cash management suite of applications is a product developed specifically to meet the cash tracking and cash replenishment needs of bank, armored carriers, and ATMN processing centers.

ATM administration from cash tracking to cash replenishment becomes an easily managed process with CIM and CIM-ATM supplies remain constant, cash balances in order, and performance profiles always available for review and management decision making.

## CHAPTER THREE: METHODOLOGY

### 3.0 Introduction

This chapter presented the methods that was used to conduct the study .It included the research design, area of study procedure of data collection, type of data collection method and data analysis. It also outlined the limitations of the study.

### 3.1 Research Design

The study adopted a case study design that was a descriptive analysis of a single entity, the bounded case. This approach enabled the researcher to understand phenomenon in its entity, therefore qualitative and quantitative method was utilized to grasp data on process and reasons for the particular outcomes which was useful for providing adequate information on the study.

### 3.2: Research Population of the study

The research population of the study comprised of full time employees and members of Barclays bank Kamwokya branch. The bank employs 20 people of whom are workers in the bank.

### 3.3 Sample size

The sample size comprised of 18 respondents and the sample was selected from employs of the Barclays using random sampling technique. The sample comprised of both men and women irrespective of the religions and tribe, the selection was done with no discrimination whether one is still in probation was selected and these was determined using Slovenes formula as seen below

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{20}{1 + 20(0.5)^2}$$

$$n = \frac{20}{1 + 20(0.0025)} = 18$$

### **3.4 Sampling Procedure**

After deciding on the sample size, the researcher formulated a procedure of selecting the subject to be included in the sample. The goal of probability sampling was select, a reasonable number of subjects, objects or cases that represented the target population. This provided the researcher with accurate information about groups that are too large to study in their entity. It also provided the researcher with an efficient system of capturing in a small group, the variations or heterogeneity that existed in the target population.

### **3.5 Data Collection methods**

Data collection refers to the gathering of information to serve or prove some facts. The researcher had clear vision of the instruments to use by the respondents and the selected area. The procedure to collect data was influenced by the research instruments to be used. For example, Questionnaires, interviewing, sampling, reviewing the related literature and data analysis.

#### **The questionnaire**

The semi structured questionnaire is the main instrument of the study that will be administered to the staff of the bank. The questionnaire was designed according to Likert scale so as to explore key variables of factors ATM and employee performance. The researcher preferred this method because of its ability to solicit information from several respondents within a short time as supported by Gupta (1999). The respondents were given time to consult records for sensitive questions and truthfully answer them (Proctor 1997).

#### **Review of relevant documents**

A number of documents relevant on ATMs and employee performance were reviewed and also surfing on the net was relevant to get the required literature. The other methods to get the required literature includes library research, published and unpublished literature, statutes, official reports and other policy documents and position papers.



**Observation**

The choice of strategy derived the benefits of producing the data based on the real world observation; was possible in accordance with the way in which the researcher gets the idea of carrying out the research in this particular.

## CHAPTER FOUR: PRESENTATION, INTERPRETATION AND ANALYSIS OF DATA

### 4.0 Introduction

This chapter involves the presentation of the results as obtained from the study. Here tables have been used to summarize qualitative data. The results are organized under the headings of the main questions, which were used by the researcher in the process of obtaining data. Percentages were used to clearly show the internal audit and corporate governance in Dyer and Blair Investment Bank Uganda Limited. All percentages in this chapter were rounded off to the nearest whole number.

### 4.1 Characteristics of the respondents

The researcher classified his respondents in order to determine the reliability of the data provided as follows:

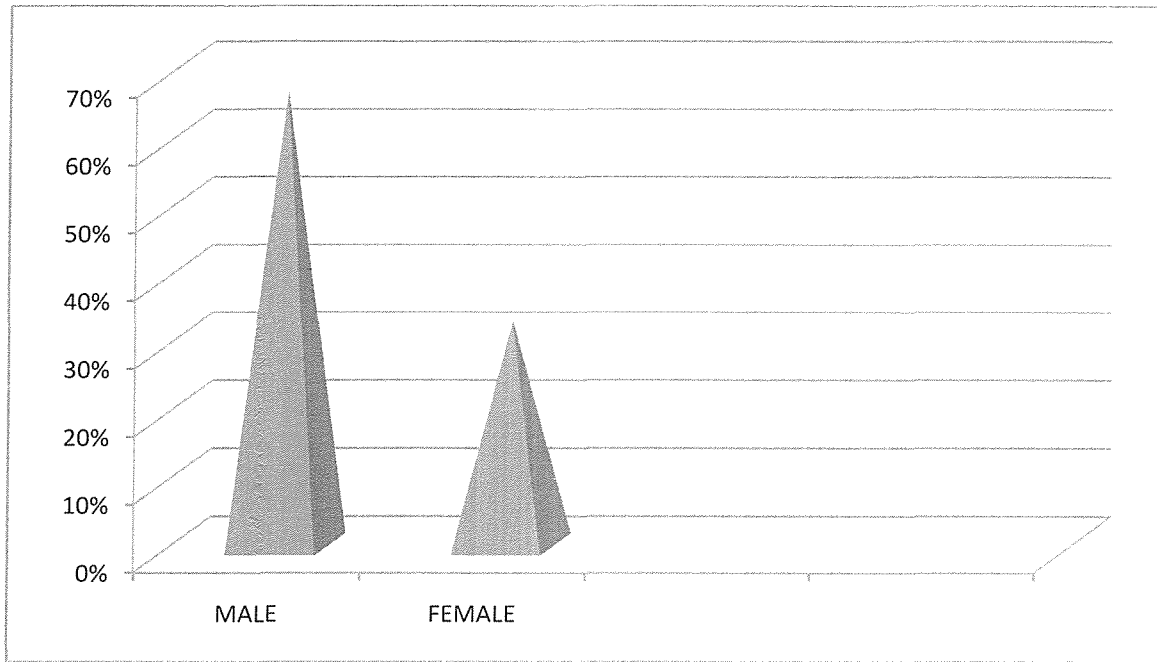
**Table 1: illustrating the gender composition of the respondents**

Sex	Frequency	Percentages
Male	12	67%
Female	06	33%
Total	18	100%

**Source: Primary data**

The researcher carried out an analysis of the gender composition of the respondents Barclays Bank Uganda Limited the following was discovered. The above table indicates that 67% of the respondents were male, and 33% was female. This shows that generally Barclays Bank Uganda Limited is dominated by male employees. Therefore, from the above table the researcher was certain on the gender presentation of the respondents.

**Figure 1: Illustrates the Gender Composition of the Respondents**



**Table 2: Illustrating the Age Composition of Respondents**

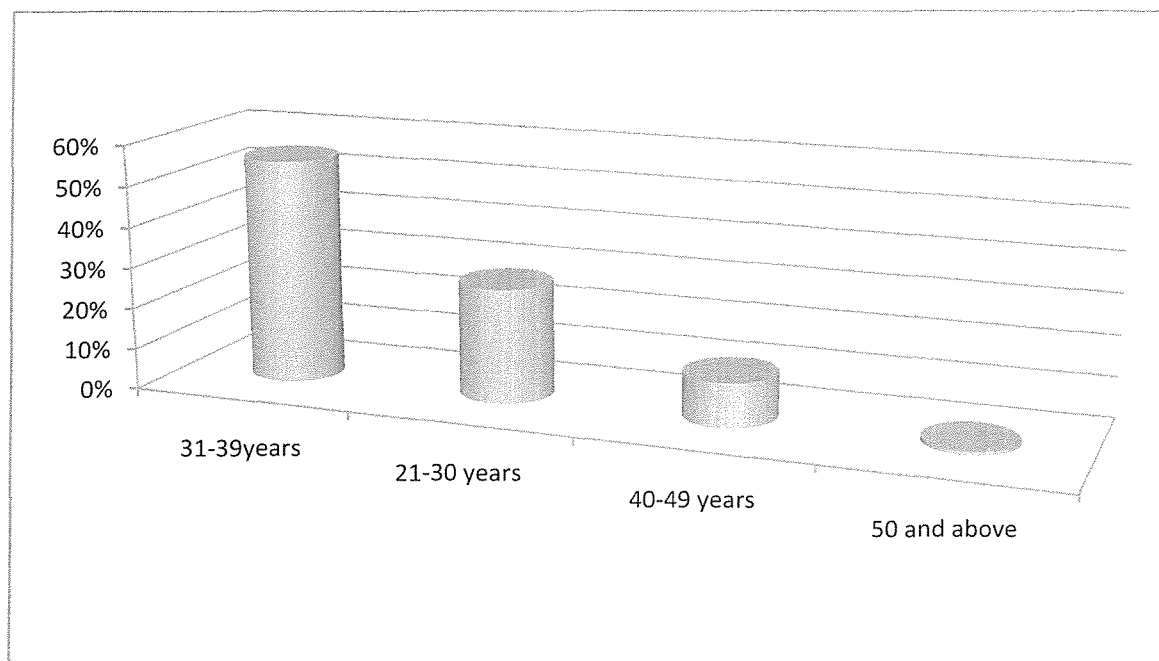
Age group	Frequency	Percentage
21-30	05	28%
31-39	10	55%
40-49	2	11%
50 and above	1	6%
<b>Total</b>	<b>18</b>	<b>100%</b>

**Source: Primary data**

The researcher carried out an analysis of the age composition of the respondents in Barclays bank and the following was discovered.

From the table 28% of the respondents were in the age group of 21-30 years, 55% were in the group of 31-39 years, 11% were in the age group of 40-49 years, 1% had 50 and above years. This implies that the information given by the respondents can be relied on since all of them were mature minded that is to say were above eighteen years.

**Figure 2: Illustrating the Age Composition of Respondents**



**Table 3: Illustrates the marital status of respondents**

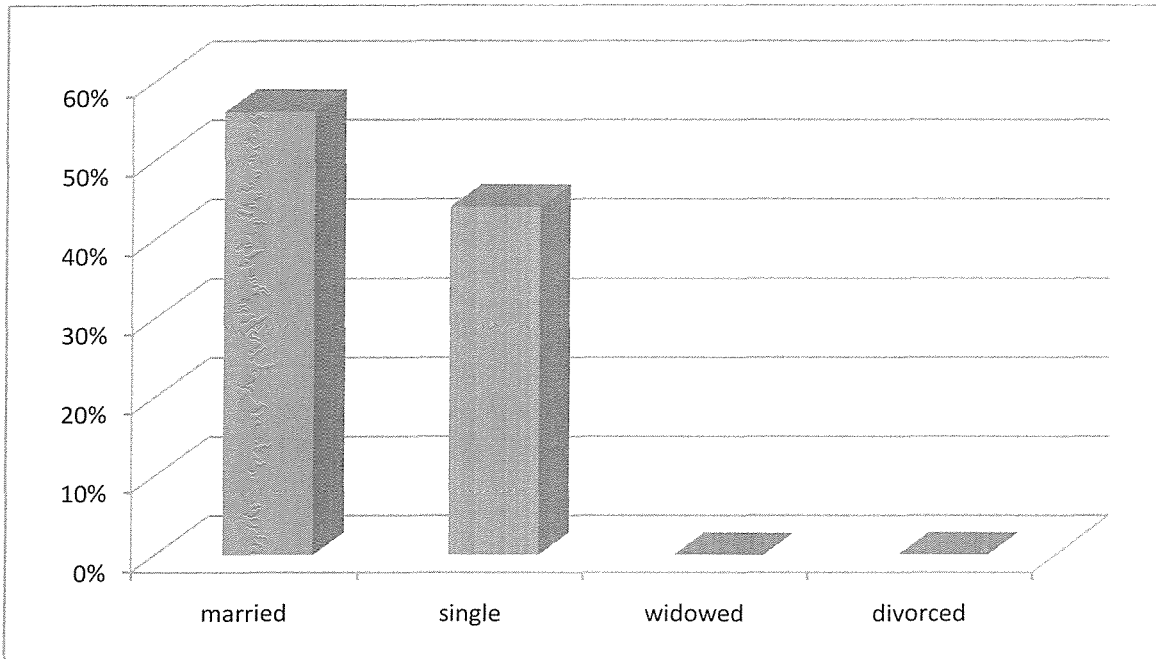
Marital status	Frequency	Percentages
Single	8	44%
Married	10	56%
Divorced	0	0%
Widowed	0	0%
<b>Total</b>	<b>18</b>	<b>100%</b>

**Source: primary data**

The researcher carried out an analysis of the marital status of the respondents Barclays bank and the following was discovered:

The above table indicates that 44% of the respondents are single, 56% are married, and 0% of the respondents divorced and 0% of the respondents are widowed. This implies that the majority of respondents were married. Therefore, all of this has no effect on the reliability of the information provided.

**Figure 3: Illustrates the Marital Status of Respondents**



**Table 4: Illustrates the Respondent's Education Level**

Educational level	Frequency	Percentages
Certificate	00	00%
Diploma	04	22%
Degree	10	56%
Postgraduate	04	22%
Total	18	100%

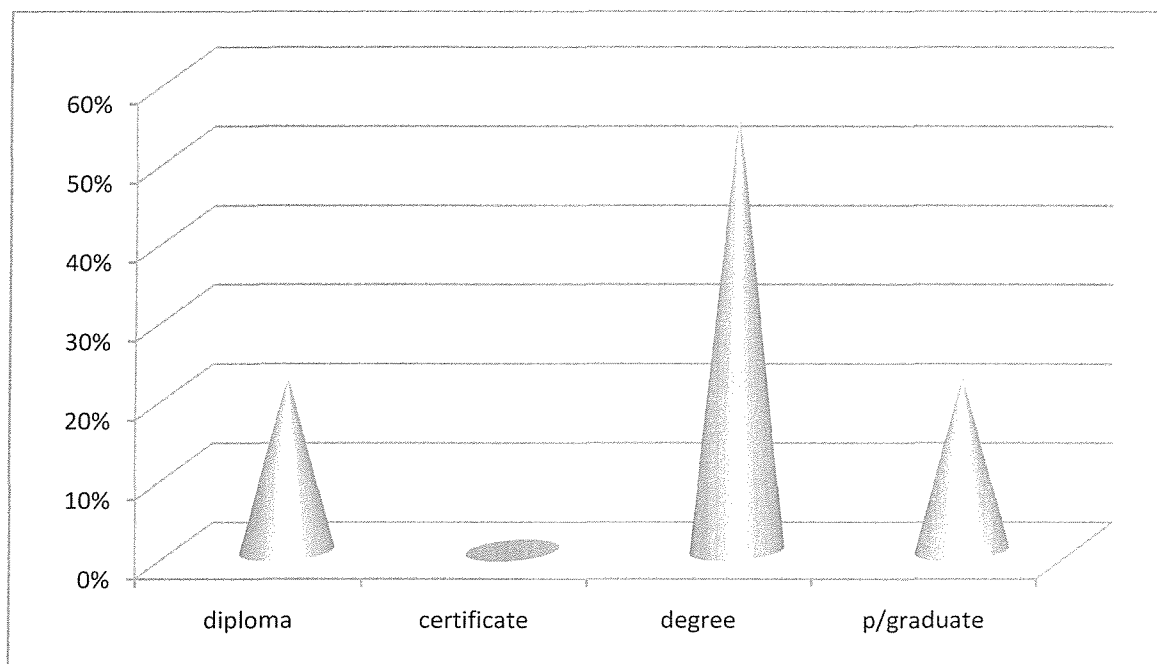
**Source: Primary data**

The researcher carried out an analysis on the educational level of the respondents in Barclays bank limited Kamwokya branch and the following was discovered:

The above table indicates that 00% of the respondents hold a certificate, 22% is diploma holders, 56% are degree holders, and 22% acquired a post graduate degree. This implies

that the respondents had a clue on what was asked about in the research, is the information given can be depended on due to the respondent's educational background.

**Figure 4: Illustrates the Respondent's Education Level**



**Table 5: Illustrates the Working Experience of Respondents**

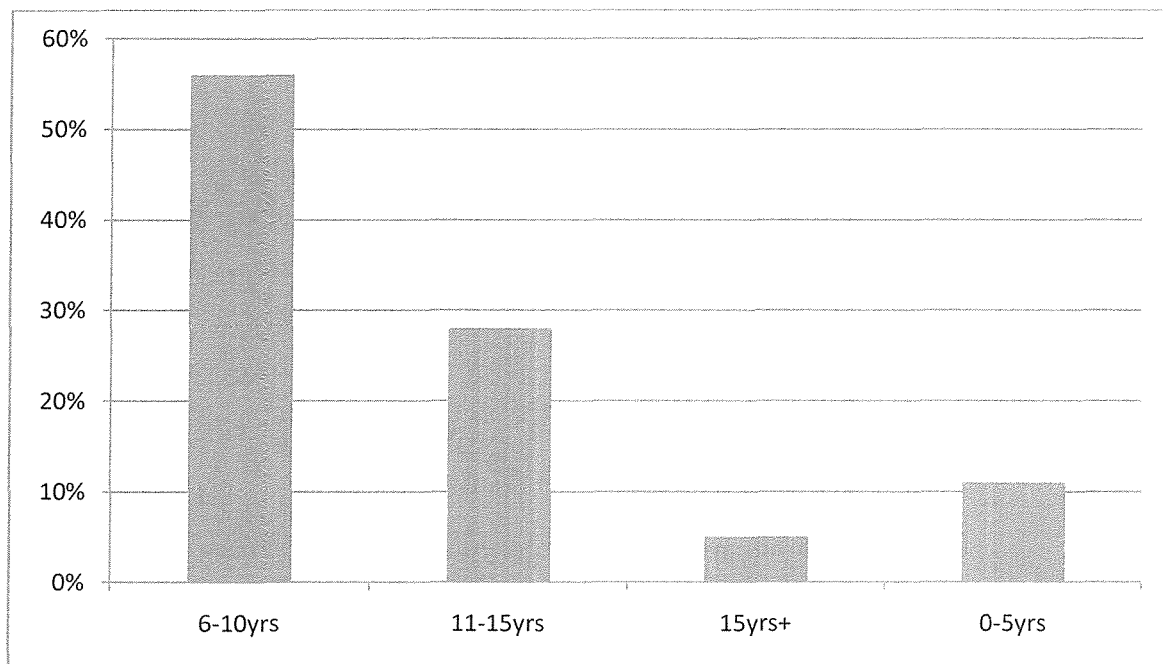
Number of years	Frequency	Percentages
0-5 years	2	11%
6-10 years	10	56%
11-15years	5	28%
Above 15 years	1	5%
Total	18	100%

**Source: Primary data**

The researcher carried out an analysis on the working experience of the respondents in Barclays bank limited, Kamwokya branch and the following was discovered:

From the above table, 11% of the respondents had 0-5 years working experience, 56% had 6-10 years working experience, 28% had 11-15 years working experience and 5% had a working experience which is above 15 years. This shows that the respondents are more experienced in what they are doing and the information given by them can be relied upon.

**Figure 5: Illustrates the Working Experience of Respondents**



**Table 6: Illustrates which Department the Respondents Fall in**

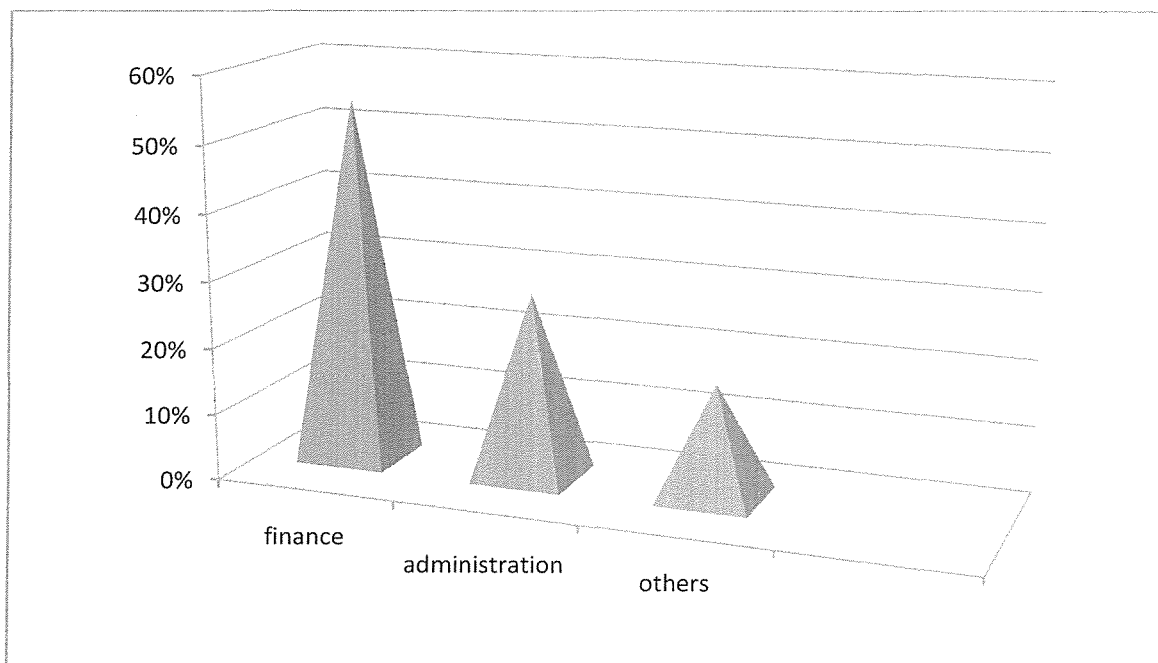
Department	Frequency	Percentages
Finance and accounts	10	55%
Administration	05	28%
Others	03	17%
Total	18	100%

**Source: Primary data**

The researcher carried out an analysis on the department of the respondents in Barclays Bank Uganda Limited and the following was discovered:

The above table indicates that, 55% are from the Finance and Accounts department. 28% are from the administration department and 3% from other departments. This implies that information was got from every department in Barclays bank Kamwokya branch hence can be relied on.

**Figure 6: Illustrates which Department the Respondents fall in**



**Table 7: Illustrates the Response on Presence of ATMs**

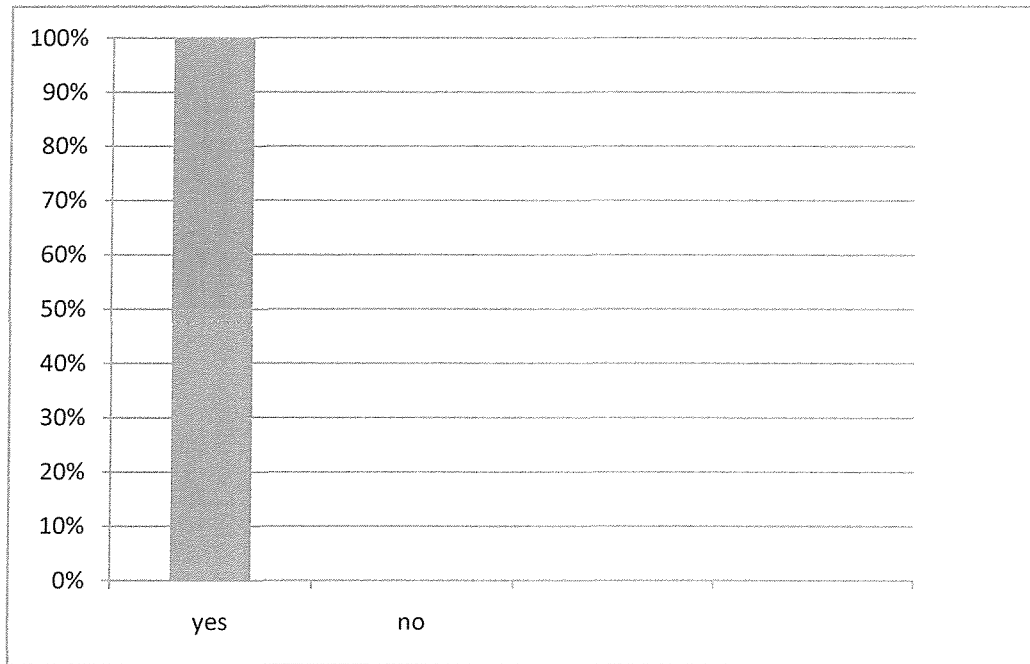
Response	Frequency	Percentages
Yes	18	100%
No	00	00%
Total	18	100

**Source: Primary data**

The researcher carried out an analysis on the presence of ATMs. The above table indicates, 100% strongly agreed that ATM is present in Barclays Bank and none thinks otherwise. This implies Barclays Bank has good data which was ideal for this research.



**Figure 7: Illustrating Responses on the Internal Audit Function**



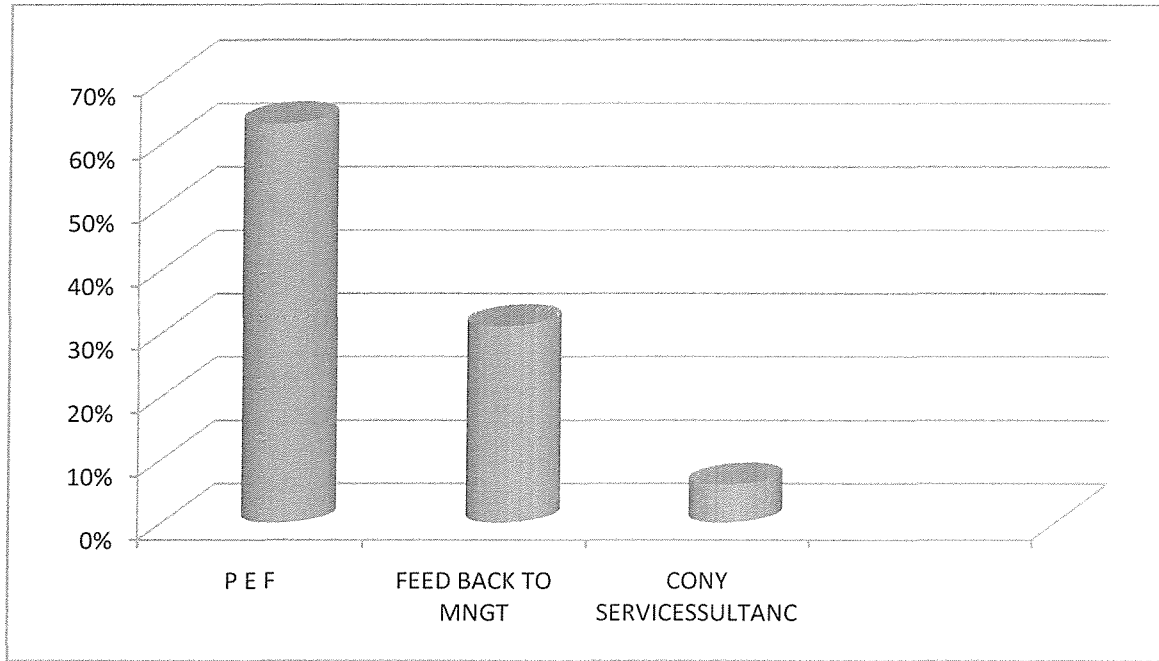
**Table 8: Showing the role of ATM on employee performance**

Role	Frequency	Percentages
Global use	2	11%
24hr banking	10	56%
Prevents errors and fraud	6	33%
Total	18	100%

**Source: Primary data**

The above table indicates that 56% of the respondents said that the role of ATM in Barclays Bank is easily available 24/7, 33% said that it is to prevent errors and fraud and 11% agreed that it's globally used. This is in agreement with Browning (2006).

**Figure 8: Showing the Role of ATM on Employee Performance**



**Table 9: Showing how often Management use ATM Machine**

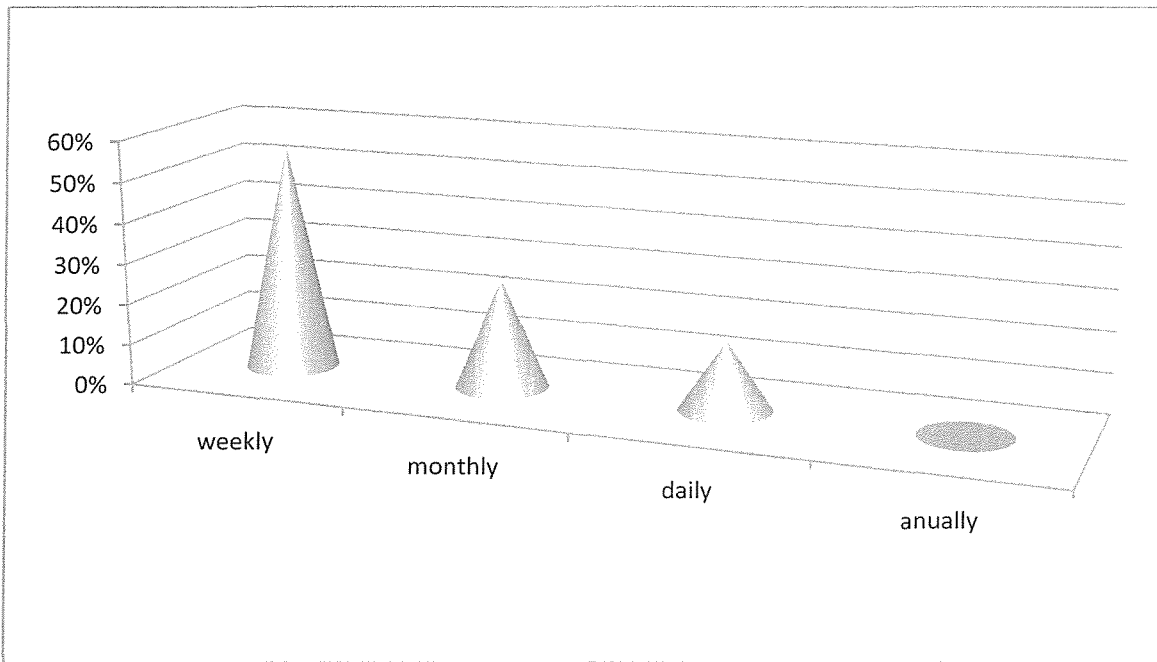
Period	Frequency	Percentage
Daily	3	17%
Weekly	10	56%
Monthly	5	27%
Annually	0	0%
Total	18	100%

**Source: Primary data**

The researcher carried out an analysis on the period it takes for the management to use ATM machine and the following as discovered.

From the table above, 10% responded that ATMs are made daily by the management, 70% responded that ATMs are made used after two weeks and 20% responded that ATMs are used monthly by Barclays Bank Uganda Limited.

**Figure 9: Showing how often Management use ATM Machine**



**Table 10: Who measures the Effectiveness of ATM Machine**

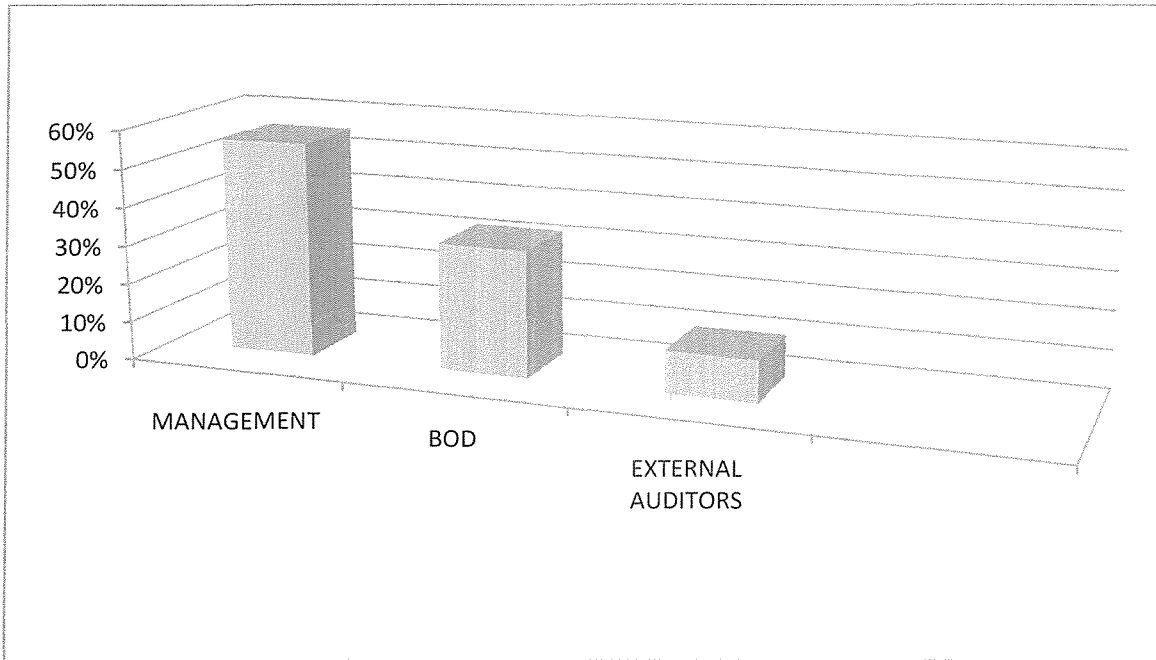
Response	Frequency	Percentages
Management	10	56%
Board of Directors	2	11%
External auditors	6	33%
Total	18	100%

**Source: Primary data**

The researcher carried out an analysis who measures the effectiveness of the in Barclays Bank Uganda Limited and the following was discovered.

The above table indicates that 56% responded that the effectiveness of the ATM machine is measured by the management, 11% responded that it's the Board of Directors and 33% indicate that external auditors measures the effectiveness of the ATMs

**Figure 10: Showing who Measures the Effectiveness of ATM Machine**



**Table 11: Illustrating who Assess loses or Fraud committed by Employees**

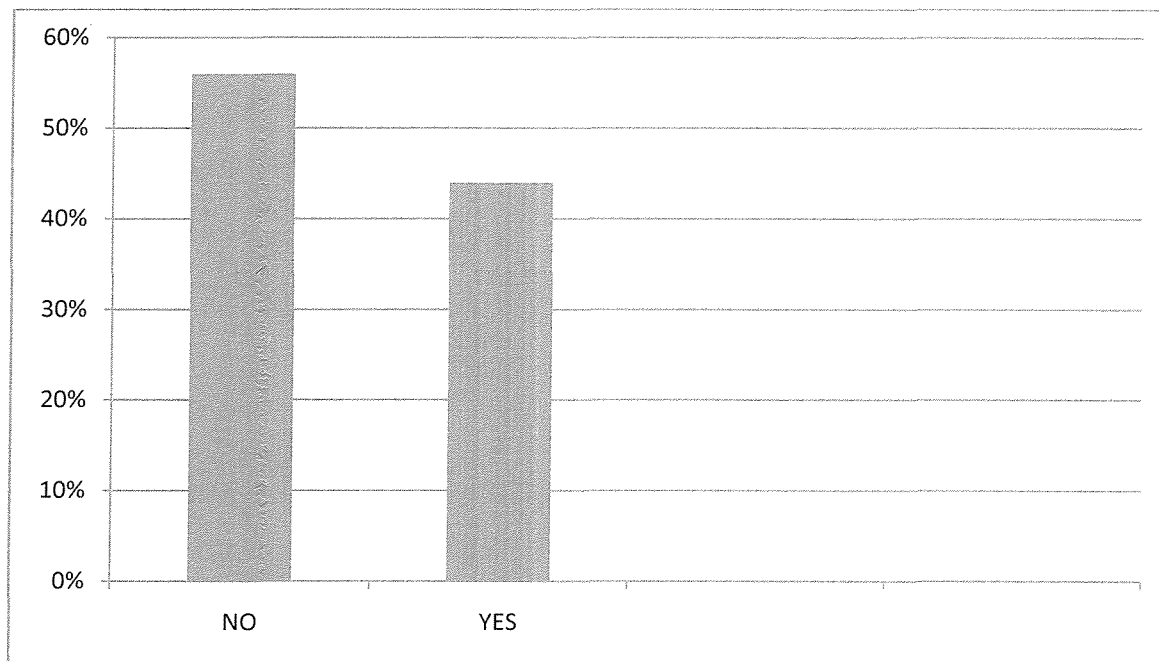
The researcher carried out an analysis that who is responsible for the prevention of fraud and error in Bank and the following was discovered.

Response	Frequency	Percentage
Yes	08	44%
No	10	56%
<b>Total</b>	<b>18</b>	<b>100%</b>

**Source: Primary data**

The above table shows that 44% of the respondents said that the responsibility to prevent fraud and error in the Bank is shared by management, while 56% of the respondents said that it was not the case. Therefore, it is the role of the management to immediate take precautions that would enable banks financial statements to be free from financial misstatements.

**Figure 11: Illustrating the Response on who is Responsible for the Prevention of Fraud and Error in ATM**



**Table 12: Illustrating the Major Principal Stakeholders in the Bank**

The researcher carried out an analysis on the principal stakeholders of the bank and the following was discovered.

Response	Frequency	Percentage
Shareholder	10	56%
Customer	03	16%
Employees	02	12%
Management	03	16%
Others	00	00%
Total	18	100%

**Source: Primary data**

The above table indicated that 56% of the shareholders were the major principal stakeholders in the Bank, 16% said that they are customers, 12% said that they are the employees, 16% said that they are management and 00% suggested that they are other

stakeholders among which include the board of Directors, creditors, suppliers, community, regulators, among others.

**Figure 12: Illustrates the Response on the Major Principal Stakeholders**



**Table 13: Illustrating the Response on the Relevance of the Ethical Code of Conduct**

The researcher carried out an analysis on the relevance of the ethical code of conducted in the Bank and the following was discovered.

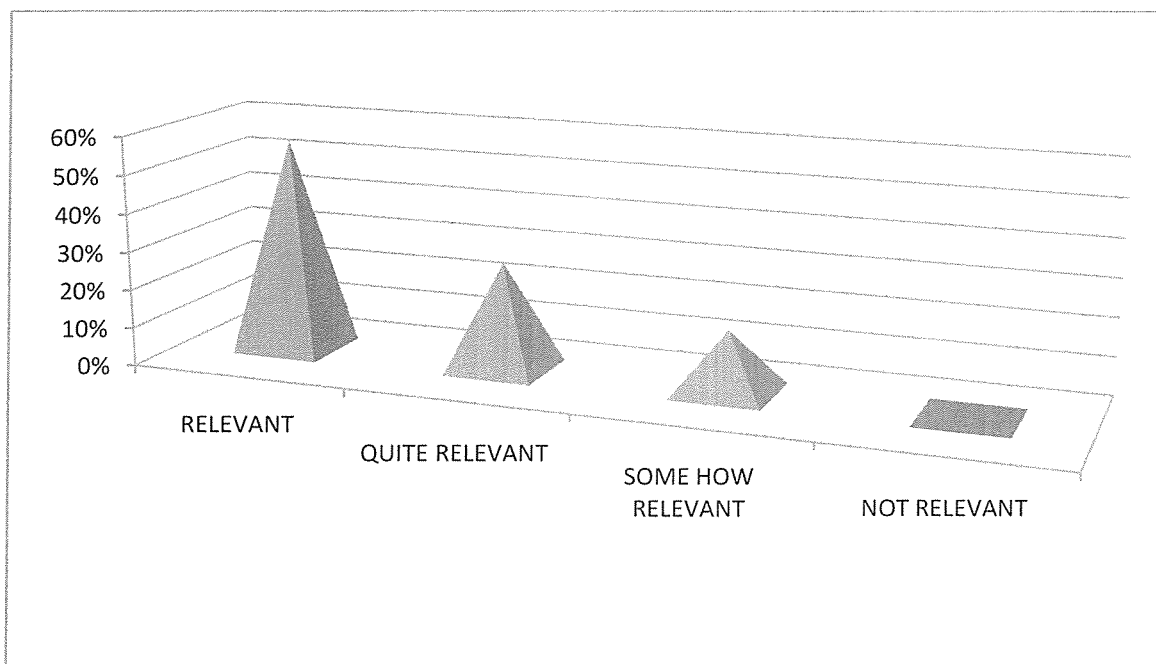
Relevance code	Frequency	Percentages
Quite relevant	05	28%
Relevant	10	56%
Somehow relevant	03	16%
Not relevant	0	0%
Total	18	100%

**Source: Primary data**

56% of the respondents think the code of ethics is relevant, 28% think it's quite relevant while 16% think the code is somehow relevant and none thinks it's not relevant. This

implies that majority of the respondents are willing to follow and apply it in their daily activities at the corporation. Since they think that it is relevant, then they will apply it in their work situation.

**Figure 13: Illustrating the Response on the Relevance of the Ethical Code of Conduct**



**Table 14: Showing the Response on whether Management gives Employees Independence when using ATM Machines**

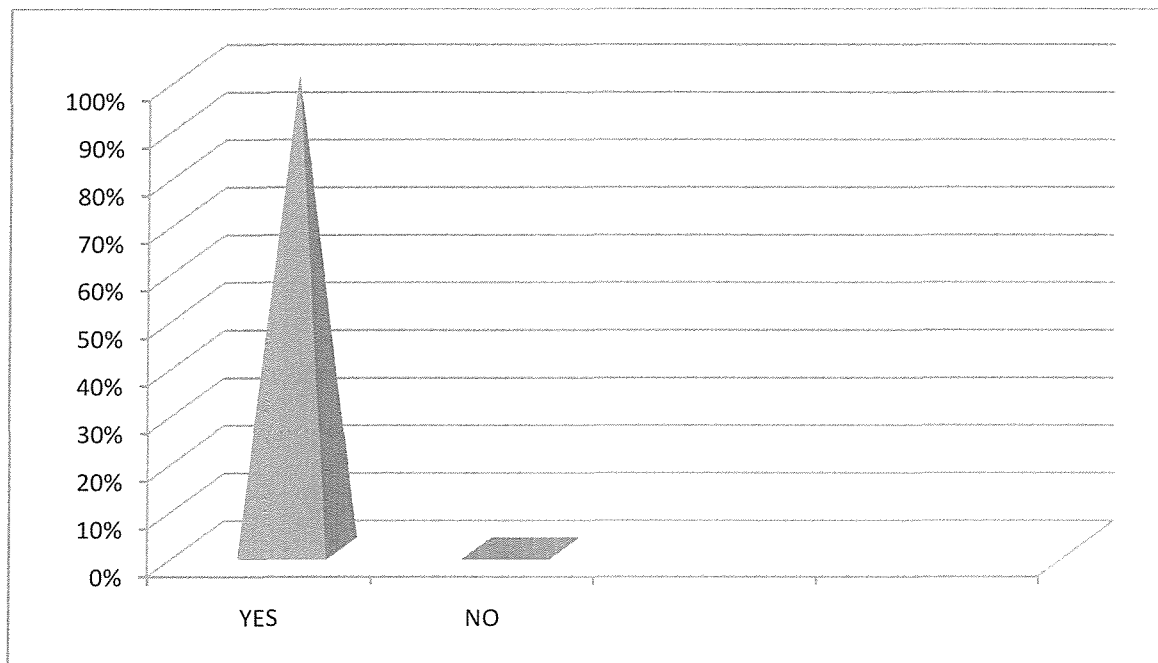
The researcher carried out an analysis on whether the management gives employees independence when using the machine and the following was discovered.

Response	Frequency	Percentage
Yes	18	100
No	-	-
Total	18%	100%

Source: Primary data

From the table above, 100% responded that the management gives employees due independence while none of the respondents thought otherwise.

**Figure 14: Showing the Response on whether Management gives Employees due Independence**



**Table15: Showing the Findings on the Challenges faced by the Employees when transacting Money on the ATM machines**

The researcher carried out an analysis on the challenges faced by employees when carrying out their transactions and the following was discovered.

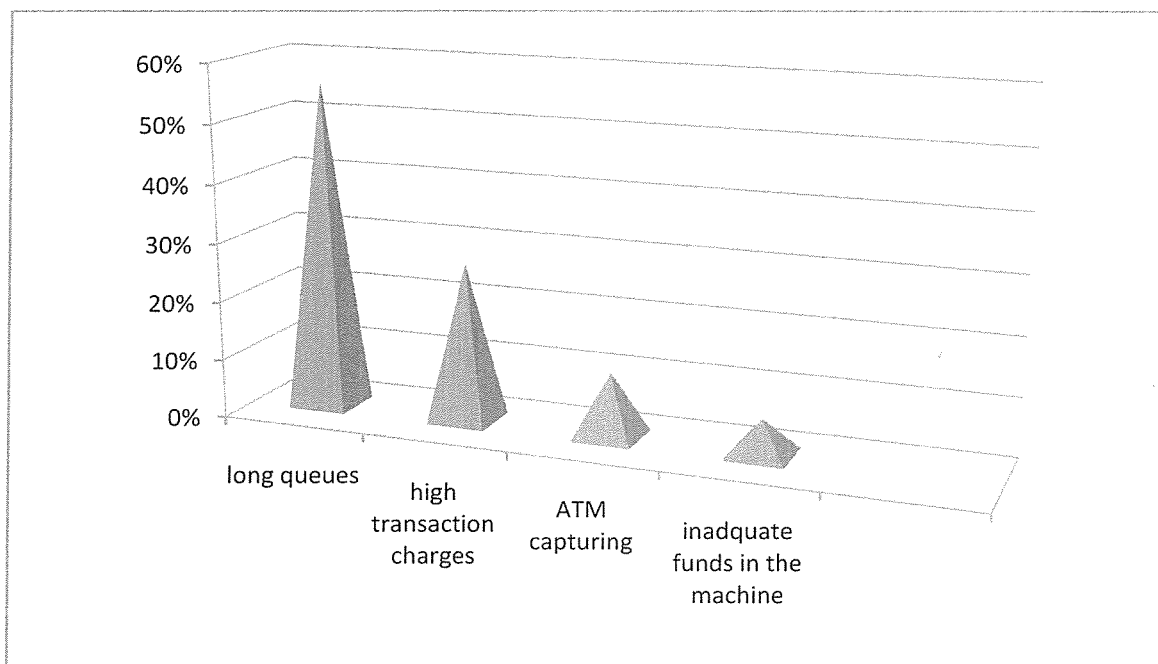
Challenges	Frequency	Percentages
Inadequate funds in the ATM machine	01	6%
ATM card capturing	02	11%
Long queues	10	56%
High transaction charges	05	27%
Total	18	100%

Source: Primary data



The table above indicates that 6% faced by inadequate funds, 11% card capturing, 56% long queues, 27% transaction charges.

**Figure 15: Showing Findings on the Challenges faced by the Employees**



### **End of year gathering**

End of year parties and gatherings act as a get together for all employees from management to subordinate staff. Such gatherings offer opportunities for staff to interact at all levels and gives them a sense of belonging and acts as a motivating factor to the employees to work harder towards achieving the organizations goals. The fact that subordinated get a chance to wine and' dine with their bosses bridges the gap between them and creates a conducive atmosphere for working. They get to respect each other rather than fear each other as is usually the case in most organizations. This improves on employee performance.

### **Integrity and accountability of members of Board of Directors**

The Board of Directors should be upright and responsible in their operations. They should ensure that recruitments and appointments are done on merit and not on technical

know-who, as been the case Barclays bank. Also all moneys received and paid should be reported and statements made accordingly. This will give them credibility even in the eyes of the public and investors will not shy away from investing in such an organization as they will know that they are dealing with people of integrity and will therefore get value for their money.

### **Employing professional**

The respondents suggested that Dyer and Blair investment Bank Uganda Limited should aim at professionalism, which is also a pillar of corporate governance. The corporation should employ only qualified professionals who are knowledgeable and understand what the job entails, instead of employing unqualified people just because they are your relatives or friends.

## **CHAPTER FIVE: SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS**

### **5.0 Introduction**

This chapter presents the summary, compares the conclusions that are drawn from the discussions of findings and the recommendations regarding ATM and employee performance and areas for further research.

### **5.1 Summary of the Research Findings**

ATM machines are available at the Barclays banks in reference to Kamwokya branch.

The major role of ATMs is to prevent, detect errors and fraud

ATM reports are made for the management to base their decisions on

Management measures the effectiveness of ATM machines

Management of Barclays Bank Uganda Limited Kamwokya branch gives employees their due independence

The main role of corporate governance is to shape business behavior Customers are the major principal stakeholders Barclays bank who have a corporate ethical code of conduct

### **5.2 Conclusions**

From the study carried out at Barclays bank limited, the researcher made the following conclusions.

#### **5.2.1 The challenges faced by employees when using ATM machines**

While a number of challenges have been cited, the most seem to point at the independence and objectivity of the employees. Basing on the fact that employees of the bank, they tend to perform their duties towards the directors or management.

### **5.2.3 The relationship between ATM and employee performance**

From the findings, an effective ATM function is a fundamental component of good employee performance as it can provide senior management with assurance about the efficiency and effectiveness of key financial, administrative rational activities and the corporation's management practices, along with suggestions for improvement and creation of excellent working practices.

### **5.3 Recommendations**

I the researcher recommend that, the following should be done by managements of bank to ensure the effective performance of the employees

Strong and sustained support from senior management is the single most important element in building an effective and independent employee performance. Ideally, the head of the bank should report directly to the Board of Directors. This positions the employees to play a more independent and strategic role, which extends beyond performing as expected. It also reflects the attitude and expectations of senior management with respect for the employees, and promotes independence and objectivity by placing an appropriate distance between the bank and its employees.

To be effective on employee performance, management needs to move from a tactical level to a strategic level. They need to align their resources and provide assurance on risk, governance, and control of business processes that support the banks objectives and that demonstrate the value of the employees.

A close working relationship with senior management, along with their visible support, signals that they value the expertise that employees bring to their organization. Such a relationship can strengthen the perception of the independence and objectivity of the management function.

#### **5.4 Areas of Further Study**

The researcher recommends that further study should be carried out on the following topics:

- ATM and management of funds in Banks
- The effectiveness of ATM in detection and prevention of fraud in the public sector
- ATM and bank failure.

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## APPENDICES

### APPENDIX A: RESEARCH INSTRUMENTS

#### 1. QUESTIONNAIRE

##### Questionnaire on “ATM and employee performance”

Dear Sir/Madam;

I am Muledhu Wilson a final year student at Kampala International University pursuing a Bachelors Degree of Business Administration (accounting option). I am carrying out a research on “ATM and employee performance” basing on Barclays Bank Uganda Limited. I kindly request you to spare some of your precious time and complete this questionnaire.

Your response will be treated with utmost confidentiality and only used for purposes of this study. Your cooperation is highly appreciated;

Kindly tick in the appropriate box and fill the space provided where necessary.

#### SECTION A

##### Respondents' Profile

##### 1. Gender

a) Male

b) Female

##### 2. Age group

a) 20-30 years

b) 31-40years

c) 41-50 years

d) 50 and above

3. Marital status

- a) Single
- b) Married

4. What is your highest formal level of education attained?

- a) Post primary
- b) Secondary
- c) College
- d) University
- e) Any other

5. Which department do you belong to?

- b) Finance and accounting
- c) Administration
- d) Any other

6. Which position do you hold?

- a) Managing director
- b) Middle manager
- c) Accountant
- d) Supervisor
- e) Any other

7. For how long have you worked for this bank?

- a) 1-5 years
- b) 6-10 years
- c) 11-15 years
- d) Above 15 years



8. How do you make decisions in your bank?

- a) By committee
- b) By departmental heads
- e) By consulting
- d) Any other

9. How your work is normally assessed?

- a) By immediate supervisor
- b) Self assessment
- c) Any other

**SECTION B ATM**

10. What are the functions of ATM in this Bank?

- a) Reduces time wastage in queues
- b) Identify, assess and manage risks
- c) Earlier detection of errors and fraud

Others please specify .....

11. How often does management use ATM machines?

- a) Daily
- b) Weekly
- e) Monthly
- d) Annually

12. Who measures the effectiveness of ATM machine?

- a) Employees
- b) Management
- c) Board of Directors
- d) Other stake holders

Any other, please specify .....

13. What challenges are faced by employee when using ATM cards?

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

14. Do ATM card assess loses or fraud committed by employees?

- A) Yes
- b) No

If NO, what steps has the management taken achieved in this regard with in a spell of six years?

.....  
.....

**Employees**

15. Are you aware of the usefulness of ATM in this Bank?

- a) Yes.
- b) No

If yes, what is it?

.....  
.....

16. Who are the principal stake holders of this bank?

- a) Share holders
- b) Management
- c) Board of Directors
- d) Customers

Others, please specify -----

17. Do Barclays Bank has a corporate ethical code of conduct?

- A) Yes
- b) No

If yes, when do you refer to it?

- a) When introducing an employee
- b) When organizing employee meetings
- c) When handling disciplinary cases
- d) Never refer to code of ethics

Others, please specify

.....

.....

18. Which internal corporate governance controls are used in Barclays Bank?

- a) Board of Directors
- b) Internal control procedures
- c) Balance of power
- d) Performance-based remuneration

Others, please specify

.....

.....

19. What strategies do you think can be put in place to improve employee performance in this Bank?

- a) Changing and encouraging codes of best practice
- b) Transparency and disclosure should be encouraged
- c) Independence of directors is vital
- d) Organizing training and workshops for top and middle managers

Others, please specify

.....

.....

**RELATIONSHIP BETWEEN ATM AND EMPLOYEE PERFORMANCE**

20. Is the ATM a fundamental component of good performance of the bank and its employees?

Yes

No

If yes, how?

.....  
.....

21. Under employee performance of Barclays Bank, what time period was set to act on the performance appraisal?

a) Immediately

b) A week

c) A month

d) A year

## **2. INTERVIEW GUIDE**

- 1) For how long have you worked for this bank?
- 2) How do you make decisions in your bank?
- 3) What are the functions of ATM in this Bank?
- 4) How often does management use ATM machines?
- 5) Who measures the effectiveness of ATM machine?
- 6) How often does management use ATM machines?
- 7) What challenges are faced by employee when using ATM cards?
- 8) Are you aware of the usefulness of ATM in this Bank?
- 9) Do ATM card assess loses or fraud committed by employees?
- 10) Who are the principal stake holders of this bank?
- 11) Which internal corporate governance controls are used in Barclays Bank?
- 12) Do Barclays Bank has a corporate ethical code of conduct?
- 13) Do Barclays Bank has a corporate ethical code of conduct?