

# Organization and Management (OM)

## For JAIBB

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**Table of Content**

<b>SL</b>	<b>Details</b>	<b>Page No.</b>
<b>1</b>	<b>Module-A: <i>Fundamentals of Organizational Behaviour and Environment</i></b>	<b>5-19</b>
<b>2</b>	<b>Module-B: <i>Basic Management Concept, Environment and Process</i></b>	<b>20-27</b>
<b>3</b>	<b>Module-C: <i>Staffing and Human Resource Management in Banks &amp; NBFIs</i></b>	<b>28-38</b>
<b>4</b>	<b>Module-D: <i>Employee Motivation and Leadership</i></b>	<b>39-45</b>
<b>5</b>	<b>Module-E: <i>Organizational Ethics and Code of Conduct</i></b>	<b>46-48</b>
<b>6</b>	<b><i>Short Note</i></b>	<b>49-65</b>
<b>7</b>	<b><i>Previous year Question</i></b>	<b>66-70</b>



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## Syllabus

### **Module A: Fundamentals of Organizational Behaviour and Environment**

- Identify and describe the major components of the organization's internal and external environments, their effects, significance, and impact on an organization; Formal and Informal Organization, Developing a Sound Organizational Climate. Organizational Structure & Design, Technology & People, Quality of Work Life; Organizational Behaviour in the context of banks and non-bank financial institutions.

### **Module B: Basic Management Concept, Environment and Process**

- Management Function and Businesses; Define the management functions and business processes that create value for an organization; Define the management functions and business processes that create value for an organization; Identify management policies, practices, and procedures that influence group and individual dynamics in organizations; Patterns of Management Analysis. Internal Environment, External Environment and Management Process (Planning, Staffing, Organizing, Leading and Controlling); Time and stress management; The system and process of controlling – basic control process, critical control points, standards, and benchmarking; Control techniques – budget as a control technique, time-event network analysis, balanced scorecard.

### **Module C: Staffing and Human Resource Management in Banks & NBFIs**

- The nature and purpose of staffing, recruitment and selection, appointment, posting/placement, on-job training, off-job training, performance appraisal and performance management system (PMS), job analysis and job evaluation, compensation and employee benefits, career and succession planning, grievance – importance, reasons, handling employee grievance, disciplinary actions; Soft Skills for Banks/NBFIs- Soft skills - meaning, difference between soft and hard skills, importance, types of soft skills; soft assets and hard assets, different types of hard and soft assets; ways and means to use soft skills in the day-to-day life and office environments, application of soft skills for business. Module

### **Module D: Employee Motivation and Leadership**

- Human factors and motivation – human factors in managing, early behavioural model, Maslow's hierarchy of needs theory, ERG theory, hygiene theory, expectancy theory of motivation, equity and goal setting theory of motivation, McClelland's need theory, special motivation technique, job enrichment; leadership – definition, traits, leadership behaviour and styles, different approaches to leadership and decision making - situational or contingency approaches to leadership, transactional- transformational leadership; team building – concept, skills and its importance in banks/nbfis; emotional intelligence, team building and group dynamics – formal and informal organization, quality circle; conflict management, interpersonal communication and counselling; negotiation-different skills and process.

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### **Module-E: Organizational Ethics and Code of Conduct**

## Module-A

### Fundamentals of Organizational Behavior and Environment

#### Q-01. What is the environment of an organization?

An **organization's environment** includes all the internal and external factors that affect its operations and performance. **Internal factors Internal Environment:** This includes all the elements within the organization that can influence its operations. These factors are generally under the organization's control. Key components of the internal environment include the company's culture, its human resources, the organizational structure, internal policies, and the technologies used within the organization. Management styles, employee morale, and internal communication systems also play significant roles in shaping the internal environment. **External factors** As previously mentioned, this consists of factors outside the organization that can affect its performance but are not under its direct control. This includes economic, social, technological, legal, and political conditions, as well as the natural environment.

Understanding both internal and external environments is crucial for strategic planning and for the organization to effectively adapt and thrive in its industry.

#### Q-02. Describe the elements of internal and external environment?

Or, What are the key elements of internal environment of a bank? BPE-96<sup>th</sup>.

Or, What are the elements of general external environment of a financial institution. BPE-97<sup>th</sup>.

Or, Briefly explain, the key components of internal environment of an organization. BPE-98<sup>th</sup>.

1. **Organizational culture:** The shared values, beliefs, and behaviors that shape the way things are done within an organization.
2. **Leadership style:** The way in which leaders interact with their team members and make decisions.
3. **Company structure:** The formal and informal organization of departments, reporting lines, and decision-making processes.
4. **Employee morale:** The overall satisfaction of employees with their work and the workplace environment.
5. **Policies and procedures:** The formal rules and guidelines that govern how work is done and how employees should behave.
6. **Resources:** The physical, financial, and human resources that are available for the organization to use in achieving its objectives.
7. **Technology:** The tools and equipment used to support business operations and communication within the organization.
8. **Organizational strategy:** The plan for achieving the organization's goals and objectives over the long term.

#### Elements of external environment

1. **Economic factors:** such as inflation, interest rates, and unemployment levels.
2. **Political factors:** including government policies and regulations, trade agreements, and geopolitical tensions.
3. **Technological factors:** such as advances in automation, data analytics, and digital communication.
4. **Social factors:** including demographic changes, consumer trends, and cultural shifts.
5. **Environmental factors:** such as climate change, natural disasters, and sustainability concerns.
6. **Legal factors:** including changes to labor laws, taxation policies, and intellectual property rights.
7. **Competitive factors:** including the actions of rival businesses, industry trends, and market saturation.

**Q-03. Discuss the influence of internal and external environment on business and distinguish between internal and external environment?**

**Or, Distinguish between internal and external environments of an organization. BPE-98<sup>th</sup>.**

#### **Influence of Internal and External Environment on Business**

- 1. Internal factors:** Such as organizational culture, management style, and employee attitudes, can influence the overall performance of a company.
- 2. External factors:** Such as market trends, competition, and government regulations, can impact a business's operations and profitability. Understanding and adapting to the internal and external environment can help organizations maximize their potential and achieve their goals.

#### **Significance of Internal and External Environment on Business**

Knowledge of the environment helps managers identify the direction to which they should proceed. Without an understanding of the environment, managers are like a bicycle without a handlebar no way of maneuvering while riding on a street. Managers can isolate those factors, especially in the external environment, which are of specific interest to the organization. Managers can take preparation to deal with a predicted crisis in any of the factors in the environment. They can develop crisis plans for overcoming crises that affect an organization.

#### **Internal Vs External Environment**

	<b>Internal Environment</b>	<b>External Environment</b>
<b>1. Meaning</b>	All those factors that are present within the organization and have a direct impact on its operations	All those factors that are present outside the organization and which do not directly influence its operations
<b>2. Control</b>	Internal factors can be controlled by the organization	External factors cannot be controlled by the organization
<b>3. Offers</b>	Strengths and weaknesses	Opportunities and threats
<b>4. Effect of changes</b>	Specific to the organization	Industry-specific
<b>5. Impact on the organization</b>	Affects the operations, decisions and objectives of the organization	Affects the operations, decisions and objectives of the organization
<b>6. Resources Included</b>	Physical, financial, human and technological resources	Micro and macro environment

**Q-04 Discuss Organization need people and People also need Organization.**

**Organizations need people** because individuals provide the skills, creativity, and effort required to carry out tasks and achieve goals. Whether it's a business, a nonprofit, or a government agency, people are essential for operations, from decision-making and strategic planning to daily activities.

Similarly, **people need organizations** as they provide a structure where individuals can apply their talents and skills to earn a livelihood. Organizations also offer opportunities for personal growth, career advancement, and social interaction. In return, people contribute to the organization's objectives, helping it to innovate and grow.

This mutual dependency creates a dynamic where both parties benefit: organizations grow and succeed through the contributions of their people, and individuals find purpose, security, and opportunities within these organizations. This relationship is foundational to the functioning of any economy or community.

**Q-05. What are the impact of external and internal environment on an organization?**

The external and internal environments significantly impact an organization's performance and strategy:

**Impact of External Environment:**

1. **Economic Changes:** Fluctuations in the economy can affect consumer spending and business investments.
2. **Political and Legal Factors:** Laws and regulations can impose constraints or create opportunities for businesses.
3. **Technological Advancements:** New technologies can disrupt or enhance business models and operations.
4. **Social and Cultural Shifts:** Changes in societal values and trends can influence consumer preferences and market demands.
5. **Competitive Landscape:** Competitors' actions can affect market share and necessitate strategic adjustments.

**Impact of Internal Environment:**

1. **Organizational Culture:** Shapes employee behavior, job satisfaction, and overall effectiveness.
2. **Management and Leadership:** Influences decision-making processes, company direction, and employee morale.
3. **Resources and Capabilities:** Determine the organization's ability to innovate and compete.
4. **Internal Processes and Policies:** Affect efficiency, quality of service or product, and customer satisfaction.

Both environments require continuous monitoring and adaptation to maintain a competitive edge and achieve sustainable growth.

**Q-06. Define an organization as a social system?**

**Definition:** An organization as a social system means that it is a group of people who come together and interact within a structured setup to achieve common goals. This system includes roles, responsibilities, and relationships that are defined to help the group function efficiently. Like any social system, an organization involves communication, cooperation, and sometimes conflict, which all play a part in how the organization operates and achieves its objectives. The social aspect emphasizes that it's not just about individual efforts but about how individuals work together, influence each other, and create a collective output. This system is dynamic, evolving with the changes in its internal and external environments, and it requires effective management and coordination to thrive and meet its goals.

For example, a company like a bakery is an organization where bakers, cashiers, and managers interact to make and sell bread and pastries. They communicate and collaborate to meet daily sales targets and ensure customer satisfaction, functioning as a connected social system.

**Q-07. Briefly discuss different elements of task environment of an organization. Which of those are commonly found in financial service sector? BPE-96<sup>th</sup>.**

The task environment of an organization includes various elements that directly affect its operations and performance. These elements are:

1. **Customers:** Their demands and feedback influence product or service offerings.
2. **Competitors:** Rival firms affect market share and competitive strategies.
3. **Suppliers:** They provide the necessary resources for operations.
4. **Regulatory Agencies:** Government bodies set rules that the organization must comply with.
5. **Technology:** Advances can impact production processes and service delivery.

In the financial service sector, elements like regulatory agencies, customers, and competitors are particularly prevalent. Regulatory agencies play a crucial role due to the highly regulated nature of financial services. Customers are central as their trust and satisfaction are key to success. Competitors influence through innovation and service offerings, pushing financial institutions to continuously improve and adapt.

**Q-08. What is the difference between micro environment and macro environment of an organization? BPE-97<sup>th</sup>.**

Aspect	Micro Environment	Macro Environment
<b>1.Definition</b>	Refers to the internal factors and immediate external factors directly influencing an organization's operations and performance.	Encompasses the broader external factors that impact the business environment at a large scale.
<b>2.Elements</b>	Customers, suppliers, competitors, employees, shareholders.	Economic, social, technological, environmental, political, and legal conditions.
<b>3.Control</b>	More controllable as it deals with direct and immediate aspects.	Less controllable, requires strategic adaptation to external changes.
<b>4.Impact</b>	Direct and immediate effect on daily operations.	Indirect but significant long-term effect on strategic planning and decision-making.
<b>5.Example</b>	A retailer's micro environment includes its customers, local suppliers, and nearby competitors.	The same retailer's macro environment includes national economic trends, global supply chain conditions, and technological advancements in retail.

**Q-09. What is formal and informal organization?**

**Or, Illustrate the concept of formal organization. BPE 98<sup>th</sup>.**

**Or, State 04 (four) elements of informal organization. BPE 98<sup>th</sup>**

**Formal Organization:** Formal organizations are structured groups with defined roles, responsibilities, and rules. They often have a hierarchical structure, with clear lines of authority and communication. Formal organizations can be businesses, government agencies, or non-profit organizations. The goals and objectives of a formal organization are usually clearly defined and established. Individual employees are expected to adhere to policies and procedures, and there are usually consequences for not doing so. Formal organizations are often more rigid in their decision-making processes, but they can also be more efficient and effective in achieving their goals.

**Informal Organization:** Refers to the relationships, communication and interactions that arise among employees outside of the formal hierarchy of an organization. Can have a significant impact on the culture and productivity of a workplace. May form around shared interests, common goals or unofficial leaders. Examples include social groups, informal networks and unspoken rules or norms within a workplace. Effective management should recognize and utilize the benefits of informal organization, while also addressing any negative effects it may have on the workplace.

Informal and formal organizations have distinct characteristics defined by various elements. Here are four elements of each:

**Formal Organization:**

- 1. Structure:** Formal organizations have a defined hierarchical structure. Positions and roles are clearly delineated, and each level has specific responsibilities and authority.
- 2. Rules and Regulations:** There are established rules and procedures that guide operations and employee behavior. These are formally documented and enforced to maintain order and predictability.
- 3. Communication:** Communication in formal organizations often follows the official lines of authority within the hierarchy. It tends to be more structured and formalized.
- 4. Goals and Objectives:** Formal organizations have specific, stated goals and objectives that are officially declared and pursued. These guide the organization's activities and strategic planning.

**Informal Organization:**

- 1. Social Structures:** Informal organizations are made up of social networks and relationships that are not officially designed or prescribed by the organization. They evolve naturally among employees.

2. **Norms and Values:** Unwritten rules and shared values influence behavior in informal organizations. These norms develop organically based on group interactions.
3. **Communication:** Communication in informal organizations is more fluid and spontaneous, often occurring across different levels and departments without regard to the formal hierarchy.
4. **Leadership:** Leadership within informal organizations is not assigned based on position. Instead, leaders emerge naturally based on charisma, expertise, or interpersonal relationships.

**Q-10. Write down the weakness of informal organization?**

1. **Lack of accountability:** it is difficult to assign responsibility for actions or decisions made by members.
2. **Resistance to change:** resistant to new ideas or ways of doing things that challenge their established norms.
3. **Limited communication:** members may only share information with those they are close to or trust, resulting in incomplete or inaccurate information.
4. **Lack of leadership:** Informal organizations may lack clear leadership, resulting in confusion about roles, responsibilities, and decision-making processes.
5. **Conflict:** Informal organizations can be prone to conflict, as personal relationships and emotions can affect decision-making and group dynamics.

**Q-11. State the difference between formal and informal organization. Clarify your concept by citing examples? (Dec'14)**

**Or, Discuss the differences between a formal and an informal organization. BPE-96<sup>th</sup>.**

<b>Formal Organization</b>	<b>Informal Organization</b>
Hierarchy of Authority	Hierarchy of Friendships
Division of Labor	Division into Cliques
Formalization	Informal Norms and Procedures
Impersonality	Personal Relations
Formal Communication	Informal Communication
Formal Leadership	Informal Leadership

**Q-12. Discuss, Informal organization grows within formal organization.**

**Informal organization grows within formal organization:** Informal organization refers to the social network and relationships that exist among people within a workplace, beyond the formal organizational structure. They are often based on shared interests, values, and cultural norms, and can have a significant impact on employee motivation, job satisfaction, and productivity. Employees form relationships outside the hierarchy and build trust, loyalty, and collaboration.

**Examples** of informal organizations include lunch groups, sports teams, cross-functional committees, and mentoring or buddy systems.

**Q-13. What is Organizational Climate? BPE-98**

Organizational climate is the general atmosphere and the way employees perceive their workplace. It encompasses the shared perceptions and attitudes that employees hold about their organization's environment. This climate is influenced by various factors such as management practices, company values, the way decisions are made, and how employees are treated.

A positive organizational climate typically includes open communication, respect, and support from leaders and colleagues. In such environments, employees often feel valued and motivated, which can lead to higher



productivity, better job satisfaction, and lower employee turnover. On the other hand, a negative organizational climate can lead to dissatisfaction, stress, and a lack of engagement among employees.

Ultimately, organizational climate affects not just how employees feel about their job and workplace but also impacts their performance and the overall success of the organization. It is crucial for management to nurture a positive climate to foster a productive, engaging, and supportive workplace.

**Q-14. What are the features of organizational Climate?**

1. **Communication:** clarity and open channels of communication among employees and management.
2. **Leadership:** effective and inspiring leadership to motivate employees to perform better.
3. **Diversity and Inclusion:** embracing diversity and promoting an inclusive workplace culture.
4. **Teamwork:** fostering collaboration and teamwork among employees to achieve organizational goals.
5. **Employee Development:** providing opportunities for professional and personal growth to enhance employee skills and competencies.

**Q-15. Briefly state the techniques of developing a sound organizational climate. BPE-97<sup>th</sup>.**

**Or, How can a bank create a positive organizational climate to improve satisfaction and performance of its employees? BPE-98<sup>th</sup>.**

1. **Clear communication channels:** Ensure that communication is open and clear across all levels of the organization. This can be achieved through regular meetings, newsletters, and other communication tools.
2. **Demonstrating strong leadership:** Strong leaders can provide clarity, direction, and a sense of purpose for employees. They can also set an example for positive behavior and hold employees accountable.
3. **Empowering employees:** Give employees the tools and resources they need to succeed. This means providing training, coaching, and support to help them develop and grow in their roles.
4. **Encouraging teamwork:** Foster a sense of camaraderie and collaboration by promoting teamwork and recognizing collective achievements.
5. **Providing feedback and recognition:** Offer regular feedback and recognition to employees for their contributions and successes. This can help to build morale and motivation within the organization.
6. **Consistently reinforcing the organizational culture:** The organizational culture should be reinforced through actions, policies, and procedures. This requires leadership to consistently model behavior that aligns with the culture, and reinforce it through rewards and recognition.

**Q-16. What is organizational structure? BPE-96<sup>th</sup>.**

**Organizational structure** is the way a company or organization arranges its people and jobs so that its work can be performed, and its goals can be met efficiently and effectively. It determines how roles, responsibilities, and authority are distributed and how information flows between levels of management.

**For example,** think of a school. The principal is at the top, overseeing the entire operation. Teachers are organized into departments based on subjects like mathematics or science, each led by a department head. Support staff, such as librarians and administrative assistants, have their specific roles. This setup allows the school to function smoothly, with each group focusing on its tasks while contributing to the school's overall mission of education. This is a simple illustration of an organizational structure. ♦

**Q-17. Write down the key elements for proper organizational structure?**

**Or, Briefly explain the key elements of an ideal organization structure. BPE-96<sup>th</sup>.**

Proper organizational structure is built on several key elements:

1. **Hierarchy:** Clearly defined levels of authority and a chain of command ensure efficient decision-making and accountability.
2. **Division of Labor:** Tasks are divided into specialized roles and responsibilities, allowing individuals to focus on their expertise, which enhances productivity.
3. **Coordination:** Mechanisms for integrating activities across the organization to ensure teams work harmoniously towards common goals.
4. **Communication Channels:** Effective pathways for information flow, both vertically and horizontally, facilitating collaboration and decision-making.
5. **Flexibility:** The ability to adapt to changes in the environment, technology, and market demands.
6. **Clear Objectives:** Well-defined goals and objectives that guide the organization's activities and align with its mission.

These elements are crucial for creating an organizational structure that supports efficiency, clarity in roles and responsibilities, and the achievement of business objectives.

#### Q-18. State the types of organizational structure?

1. **Functional Structure:** Departments are created based on specific functions like marketing, finance, and production.
2. **Divisional Structure:** The organization structure is divided into various autonomous divisions according to products, customers, or geographic region.
3. **Matrix Structure:** The matrix structure combines functional and divisional structures and is designed to deal with complex and diverse programs.
4. **Hybrid Structure:** This structure combines two or more different structures to achieve specific goals and address complex situations.
5. **Flat Structure:** This structure has few levels of management and a wide span of control, allowing managers to work closely with team members.
6. **Network Structure:** This structure focuses on collaboration and strategic partnerships with several companies working together to achieve common objectives.
7. **Holacratic Structure:** This structure is focused on self-organization and collaboration with the belief in the collective intelligence and decision-making of teams.

#### Q-19. Briefly discuss the merits and demerits of organizational structure. BPE-98<sup>th</sup>.

##### Advantages of Organizational Structure

1. Clear division of labor and roles.
2. Streamlined communication channels.
3. Enhanced efficiency and productivity.
4. Improved decision-making processes.
5. Defined hierarchy and chain of command.
6. Reduced overlap and redundancy.
7. Increased accountability and responsibility.
8. Facilitates goal alignment and objective attainment.
9. Improved employee morale and job satisfaction.
10. Better utilization of resources.

##### Disadvantages of Organizational Structure

1. **Rigidity:** The hierarchical structure can limit flexibility and responsiveness to changes in the marketplace.
2. **Communication barriers:** A tall organization structure can create communication barriers making it difficult for employees to communicate and collaborate on projects.

3. **Costly overhead:** A complex organization structure can be expensive to maintain, requiring multiple levels of managers and supervisors.
4. **Poor morale:** Employees may feel constrained by the rigid hierarchy, leading to low morale and reduced job satisfaction.
5. **Slow decision-making:** The multiple levels of management can lead to slow decision-making and hinder innovation.
6. **Lack of accountability:** With a complex organizational structure, it can become difficult to identify who is responsible for what tasks and projects.
7. **Resistance to change:** The hierarchical structure can create resistance to change, making it difficult to implement new ideas and strategies.

**Q-20. Discuss the principles of organizational structure in brief. BPE-98<sup>th</sup>.**

1. **Principle of Unity of Objectives:** An enterprise should have a clearly defined purpose (or objectives). An organization structure is effective if it facilitates the contribution made by all the individuals in the enterprise towards the attainment of the objectives of the enterprise.
2. **Principle of Specialization:** The principle of specialization states that each person should play the role for which he is naturally best suited and should not interfere in any other occupation.
3. **Principle of Coordination:** Coordination is the process which ensures smooth interaction. It is between the forces and functions of the various constituent parts of the organization.
4. **Principle of Authority:** Authority principle refers to a person's tendency to comply with people in positions of authority, such as government leaders, law-enforcement representatives, doctors, lawyers, professors, and other perceived experts in various fields.
5. **Principle of Delegation:** According to this principle, if a subordinate is given the responsibility to perform a task, at the same time he should be given sufficient freedom and power to perform that task effectively.
6. **Principle of Efficiency:** Efficiency requires minimizing the number of unnecessary resources used to produce a given output, including individual time and energy.
7. **Principle of Unity of Command:** The concept of unity of command requires that each member of an organization must report to one and only one leader.
8. **Principle of Span of Control:** In simple words, span of control means a manageable number of subordinates of a superior. The more subordinates a manager controls, the wider his span of control.

**Q-21. Discuss the four types of organizational structure in brief. BPE-97<sup>th</sup>.**

Organizational structures can be categorized into four main types:

1. **Functional Structure:** Organizes a company based on specialized operational areas, such as marketing, finance, HR. Suitable for organizations with a single focus where each department is a silo with specific expertise.
2. **Divisional Structure:** Divides an organization into semi-autonomous units or divisions, each responsible for a product line or geographic area. It's effective for large corporations with diverse products or markets.
3. **Matrix Structure:** Combines aspects of both functional and divisional structures. Employees have dual reporting relationships - typically to both a functional manager and a product manager. This structure aims to maximize the strengths of both.
4. **Flatarchy Structure:** A blend of flat and hierarchical structures, often seen in startups and small companies. It reduces levels of middle management, encouraging more employee involvement in decision-making processes.

Each structure has its advantages and challenges, and the choice depends on the organization's size, industry, and strategic goals.

**Q-22. Discuss the differences between centralization and decentralization in the context of organizational structure. BPE-96<sup>th</sup> & BPE-98<sup>th</sup>.**

Centralization and decentralization are two different approaches in organizational structure:

**1. Centralization:**

- **Decision-Making:** Concentrated at the top level of management.
- **Control and Authority:** Held by senior management, leading to a top-down approach in decision-making.
- **Communication Flow:** Generally vertical, from higher to lower levels.
- **Suitability:** Effective in smaller organizations or in situations requiring tight control and uniformity.
- **Flexibility:** Less flexible, as decisions are made by a few people at the top.

**2. Decentralization:**

- **Decision-Making:** Distributed among various levels of management.
- **Control and Authority:** Delegated to middle and lower-level managers, encouraging autonomy.
- **Communication Flow:** More horizontal, promoting collaboration among different levels.
- **Suitability:** Beneficial in large, diverse organizations needing quick, localized decision-making.
- **Flexibility:** More flexible, adapting quickly to changes or regional needs.

Each approach has its benefits and drawbacks, and the choice depends on the organization's size, complexity, and strategic goals.

**Q-23. What is meant by organizational design?**

**a) Or, Organizational design.**

The **design of an organization** determines its structure, hierarchy, and decision-making processes. It involves identifying the roles, responsibilities, and reporting relationships of employees. It is an ongoing process that requires continuous evaluation and adaptation to meet the changing needs of the organization. Factors that influence organizational design include strategy, culture, technology, and external factors such as competition and regulations. The design should align with the organization's goals and objectives, and support the development and growth of its employees.

**Q-24. State the difference between hierarchical structure and organic structure?**

Aspect	Hierarchical Structure	Organic Structure
<b>1. Definition</b>	A traditional structure with clear levels of authority and a top-down approach.	A more flexible structure with less formal divisions and more collaboration.
<b>2. Authority</b>	Authority is centralized at the top levels.	Authority is decentralized, with more employee autonomy.
<b>3. Decision-Making</b>	Top management makes most decisions, with less input from lower levels.	Decision-making is more collaborative and often involves team members at various levels.
<b>4. Communication</b>	Usually formal and follows the chain of command.	More informal and free-flowing among team members.
<b>5. Example</b>	A large corporation with a clear chain of command.	A small tech startup where teams work collaboratively on projects.

**Q-25. What is quality of work life (QWL)? BPE-96<sup>th</sup>. BEP-98<sup>th</sup>.**

**Quality of work life:** QWL refers to the physical, mental, emotional and social well-being of employees while at work. A positive QWL can lead to increased job satisfaction, productivity and overall organizational performance. Factors that influence QWL include job security, work-life balance, workplace safety, employee benefits, and opportunities for growth and development. Employers can improve QWL by creating a positive work environment, offering benefits and incentives, promoting work-life balance, and providing support for employees' physical and mental health needs. A strong focus on QWL can help attract and retain top talent, and create a positive organizational culture.

**Q-26. Write down the major criteria for improving and measuring quality of work life?**

**Or, Identify the key issues regarding the Quality of Work Life in a financial institution. BPE-96<sup>th</sup>.**

**Or, Discuss 04 (four) strategies of improving QWL in an organization. BPE-98<sup>th</sup>.**

1. **Employee Engagement:** The level of employee engagement and satisfaction can be measured through surveys, feedback, and discussions.
2. **Work-Life Balance:** The ability to balance work and personal life through flexibility in work hours, time off, and family-friendly policies.
3. **Health and Wellness:** Promoting a healthy workplace culture by providing wellness programs, safety measures, and mental health support.
4. **Career Growth:** Offering development opportunities, training, and career advancement programs to show continuous progress.
5. **Communication and Feedback:** Open and effective communication channels that encourage idea-sharing and feedback.
6. **Recognition and Rewards:** Acknowledging and rewarding employees who exhibit exceptional work and skills.
7. **Work Environment:** Ensuring a positive and supportive atmosphere by providing appropriate resources, facilities, and equipment.

**Q-27. How does the equitable reward system improve Quality of Work Life (QWL) in an organization? BPE-97<sup>th</sup>.**

An equitable reward system can significantly improve the Quality of Work Life (QWL) in an organization in several ways:

1. **Employee Motivation:** Fair rewards ensure employees feel valued for their contributions, boosting their motivation and job satisfaction.
2. **Reduced Turnover:** When employees feel they are rewarded fairly, they are more likely to stay with the organization, reducing turnover rates.
3. **Increased Productivity:** Fair compensation and benefits can lead to higher levels of productivity, as employees are more engaged and committed.
4. **Improved Morale:** Equitable rewards contribute to a positive work environment, enhancing overall employee morale.
5. **Attracting Talent:** A reputation for fair rewards makes an organization more attractive to potential employees.

By ensuring fairness and equity in rewards, organizations can create a more motivated, productive, and satisfied workforce, which contributes positively to the overall work environment and organizational success.

**Q-28. Write down the limitation and problems in implementing QWL program?**

**Or, Briefly explain the problems in implementing Quality of Work Life (QWL) program in banks of Bangladesh. BPE-97<sup>th</sup>.**

1. **Resistance from Top Management:** The biggest hurdle in implementing QWL program is resistance from top management. It may be due to lack of awareness about its benefits or concerns about its cost.
2. **Resistance from Employees:** The success of QWL program depends on employee participation and cooperation. However, employees may resist the changes due to lack of trust, fear of change, or feeling of ambiguity.
3. **Lack of Resources:** Implementing QWL program requires resources such as time, money, and manpower. However, organizations may not have the necessary resources to implement it effectively.
4. **Cultural Differences:** QWL program may not be suitable for all cultures and may lead to conflict if not implemented with sensitivity.

5. **Lack of Monitoring:** Without proper monitoring and evaluation, the QWL program may not achieve the desired results, and its benefits may go unnoticed.
6. **Limited Scope:** QWL program may be limited to certain departments or sections of the organization, leaving out other employees who also require the benefits of the program.
7. **Inadequate Training:** Employees may require training to equip them with the necessary skills to implement the QWL program effectively. However, inadequate or inappropriate training may undermine the program's success.
8. **Resistance to Change:** QWL program involves significant changes, which may be uncomfortable for some employees. It is essential to address these concerns and provide support to reduce resistance to change.

**Q-29. State the factor that considered for making QWL program effective?**

**Factors to Be Considered for Making QWL Program Effective**

1. **Employee Participation:** Involve employees in the development and implementation of QWL program.
2. **Clear Objectives:** Ensure that the objectives of the program are clearly defined and communicated to employees.
3. **Flexibility:** Allow flexibility in work schedules and minimize job stress by providing support services.
4. **Performance Measurement:** Regularly measure the success of the QWL program and make necessary changes.
5. **Training and Development:** Provide training and development opportunities to enhance employee skills and knowledge.
6. **Management Support:** Ensure top management commitment and support for the QWL program.
7. **Communication:** Open and effective communication channels should be established between employees and management.
8. **Rewards and Recognition:** Recognize and reward employees who actively participate in the QWL program.

**Q-30. What is meant by organizational behaviour. State the key forces of organizational behaviour?**

**Or, Define organizational behaviour. BPE-96<sup>th</sup>.**

**Or, What is organizational behaviour? Explain the key factors affecting organizational behaviour in the banking industry. BPE-97<sup>th</sup>.**

**Organizational Behaviour:** Organizational behavior refers to the study of how people behave within an organization. Understanding organizational behavior is important for effective management and decision making. Key topics in organizational behavior include motivation, communication, leadership, and teamwork. Organizational behavior theories can help managers create a positive work environment and improve employee satisfaction and productivity. Effective organizational behavior can also lead to better customer satisfaction and financial performance.

**Key forces/basis of Organizational behavior**

1. **Leadership:** The way that leaders interact with employees can drive or hinder organizational performance and outcomes.
2. **Communication:** Effective communication is essential to building trust, collaboration, and innovation within an organization.
3. **Culture:** The shared values, beliefs, and norms within an organization can influence employee behavior and decision-making.
4. **Diversity:** Organizational diversity can enhance creativity and problem-solving, but it requires a commitment to inclusion and equity.

**Q-31. Briefly discuss the fundamental concepts of organizational behaviour from the perspective of people and organizations. BPE-96<sup>th</sup>.**

The fundamental concepts of Organizational Behaviour (OB) from the perspective of people and organizations can be summarized as follows:

1. **Individual Behavior and Attitudes:** Understanding how personal values, personality, perception, and attitudes of individuals affect their work and interaction with others.
2. **Group Dynamics:** Examining how individuals behave in groups, including teamwork, leadership, communication, and conflict resolution.
3. **Organizational Culture and Structure:** The influence of organizational culture and structure on the behavior of individuals and groups within the organization.
4. **Motivation and Leadership:** Exploring what motivates employees, and the role of leadership in guiding and influencing employee behavior.
5. **Change Management:** Understanding how individuals and organizations adapt to change and the strategies for managing organizational change effectively.

These concepts help in understanding and improving the way people interact within organizations, leading to enhanced performance and job satisfaction.

**Q-32. What do you mean by group? What are the key features of a group? BPE-96<sup>th</sup>.**

A group refers to a collection of individuals who come together for a common purpose or objective within an organization. Groups can vary in size and composition, ranging from small work teams to larger departments or divisions. Key features of a group include:

1. **Common Goal:** Groups have a shared objective or purpose that guides their activities and efforts.
2. **Interaction:** Members of a group interact with each other, engaging in communication and collaboration to achieve their goals.
3. **Interdependence:** Group members rely on each other to some extent, as their individual contributions contribute to the group's success.
4. **Structure:** Groups often have a defined structure, including roles, responsibilities, and leadership positions.
5. **Norms and Rules:** Groups develop norms and rules that govern behavior and expectations within the group.
6. **Identity:** Group members identify themselves as part of the group, which can lead to a sense of belonging and loyalty.
7. **Mutual Influence:** Group members can influence each other's attitudes, opinions, and behaviors.

Understanding these key features is essential in managing and leveraging groups effectively within organizations for optimal performance and collaboration.

**Q-33. Discuss the importance of understanding group dynamics in organization behaviour. BPE-96<sup>th</sup>.**

Understanding group dynamics is of paramount importance in the field of organizational behavior for several reasons:

1. **Effective Teamwork:** It enables organizations to build cohesive and productive teams. A grasp of group dynamics helps in forming teams with complementary skills, fostering collaboration, and optimizing performance.
2. **Conflict Resolution:** It equips managers with the skills to identify and address conflicts within groups. By understanding the root causes of conflicts, organizations can take proactive measures to resolve issues and maintain a harmonious work environment.
3. **Leadership Development:** Knowledge of group dynamics aids in the selection and development of effective leaders who can guide and motivate teams to achieve organizational goals.

4. **Communication Enhancement:** Understanding how communication flows within groups helps in improving internal communication systems, ensuring that information is disseminated effectively.
5. **Change Management:** It assists in managing organizational change. Leaders who understand group dynamics can navigate resistance to change and facilitate smoother transitions.
6. **Employee Engagement:** A grasp of group dynamics contributes to higher levels of employee engagement and job satisfaction, which, in turn, boost productivity and retention.

In summary, comprehending group dynamics is essential for creating a harmonious, productive, and resilient organizational culture. It empowers leaders and managers to navigate complex interpersonal relationships, leading to improved overall organizational performance.

**Q-34. Do you think a strong internal control mechanism can prevent unethical behavior within an organization? Give rationale in support of your answer. BPE-97<sup>th</sup>.**

Yes, a strong internal control mechanism can play a crucial role in preventing unethical behavior within an organization. Here's the rationale to support this statement:

1. **Deterrence Effect:** Well-established internal controls act as a deterrent by setting clear expectations and consequences for unethical actions. Employees are less likely to engage in wrongdoing when they know they will be detected.
2. **Transparency:** Internal controls promote transparency by ensuring that financial and operational processes are documented and monitored. This transparency discourages covert unethical activities.
3. **Accountability:** Accountability is reinforced through internal controls, making individuals responsible for their actions. Knowing they will be held accountable reduces the temptation for unethical behavior.
4. **Early Detection:** Internal controls include mechanisms for early detection of irregularities, allowing organizations to address ethical breaches promptly, minimizing their impact.
5. **Ethical Culture:** Implementing strong controls fosters an ethical culture where integrity is emphasized. This culture encourages employees to adhere to ethical standards voluntarily.
6. **Compliance:** Internal controls help organizations comply with legal and regulatory requirements, reducing the risk of legal consequences for unethical behavior.

In conclusion, a robust internal control mechanism establishes a framework that promotes ethical behavior, deters misconduct, and ensures swift action in case of violations, making it an effective preventive measure against unethical behavior in organizations.

**Q-35. Discuss how the image of an organization affects behaviors of its customers. BPE-98<sup>th</sup>.**

The image of an organization profoundly impacts customer behaviors. Here's how:

1. **Attraction and Trust:** A strong, positive image attracts customers and builds trust. This makes customers more likely to try and continue using the organization's products or services.
2. **Customer Loyalty:** A good reputation can foster customer loyalty. Customers are more likely to stick with brands they associate with positive attributes like quality and reliability.
3. **Premium Pricing:** Companies with a positive image can often charge more for their products, as customers are willing to pay extra for the perceived quality and assurance.
4. **Word-of-Mouth:** Positive or negative perceptions can influence word-of-mouth recommendations. A good image encourages customers to recommend the brand to others, whereas a bad image can lead to negative reviews and deter potential customers.
5. **Competitive Advantage:** A positive image provides a competitive edge, helping the organization stand out in a crowded market and attract more customers than competitors with weaker or negative images.

The image of an organization is crucial as it sets expectations and shapes customer interactions with the brand.



## **Q-36. Write short note:**

### **1. Individual Behaviors:**

Individual behaviors refer to the actions and reactions of a person in various situations, shaped by a combination of personal attributes, experiences, and the environment. In the workplace, these behaviors can greatly influence the atmosphere and productivity. Positive behaviors, such as teamwork, effective communication, and reliability, contribute to a harmonious and efficient environment. Conversely, negative behaviors like procrastination, hostility, or disengagement can disrupt workflow and affect team morale. Understanding and managing individual behaviors are crucial for creating a supportive and productive work environment. Employers often use training, incentives, and feedback to encourage desirable behaviors and address any issues that may arise, ensuring that individual actions align with the organization's goals and values.

For example, when an employee consistently meets deadlines and collaborates effectively with colleagues, it boosts team productivity and morale. Conversely, if an employee often arrives late or fails to communicate important information, it can lead to delays and frustration within the team.

### **2. Interpersonal Behavior:**

Interpersonal behavior is the way people interact with one another within organizational settings. Effective communication and active listening are crucial in promoting positive interpersonal behavior. Understanding personality traits and cultural differences can also help build strong interpersonal relationships within a team. Conflict resolution skills are important in managing interpersonal conflicts that may arise in the workplace. By fostering a positive work environment and promoting trust and respect among team members, an organization can enhance interpersonal behavior and ultimately achieve greater success.

For example, in a team meeting, if a manager listens attentively to suggestions from team members and responds thoughtfully, it fosters an environment of respect and collaboration. Conversely, if the manager dismisses ideas without consideration, it can create feelings of undervaluation and hinder effective teamwork.

### **3. Behavior of group:**

Group behavior refers to the ways in which people behave when they are part of a group. It includes how they interact, make decisions, solve problems, and influence one another. The dynamics within a group can greatly affect its overall performance and the outcomes of collaborative efforts. For example, when a group functions well, with clear communication and strong leadership, it can achieve goals more effectively than individuals working alone. However, negative group behaviors like conformity pressure or lack of participation can lead to poor decision-making and inefficiency.

**Example:** In a project team, if all members actively contribute ideas and work towards common goals, the group is likely to produce high-quality results efficiently. But if some members dominate discussions while others remain passive, the group may miss out on valuable insights, reducing the effectiveness of the collaboration.

### **4. Organizational Behavior in the Context of Banks:**

It refers to the study of how people within the banking industry interact with each other and with the systems and processes in place. Effective organizational behavior in banks requires a focus on areas such as communication, leadership, teamwork, and problem-solving. By understanding the unique challenges and dynamics of the banking industry, organizations can create a culture of collaboration and innovation to better serve customers and achieve their business goals. Key factors that impact organizational behavior in banks include changing regulations, technological advancements, and shifts in consumer behavior and preferences. Successful banks prioritize ongoing learning and development to prepare their employees for these challenges and ensure they have the skills and knowledge needed to succeed Quality of Work Life. With the right focus on organizational behavior, banks can create a strong, adaptable workforce that can weather any industry changes and drive long-term success.

## 5. Organizational Behavior in the Context of non-Banks financial institution?

Organizational Behavior in non-bank financial institutions is crucial for their success and efficiency. It involves understanding how employees' attitudes, behaviors, and interactions impact the overall functioning of the organization. Leadership plays a significant role in guiding and influencing employee behavior, which in turn drives performance and organizational success. Effective teamwork is essential for better problem-solving and operational efficiency. Employee motivation is another key aspect, as it enhances productivity and job satisfaction. These institutions often face rapid market and regulatory changes, and good organizational behavior helps in adapting to these changes smoothly. Additionally, a positive organizational culture creates a productive and harmonious work environment, essential for long-term success.

**Example:** In an insurance company, if employees are motivated and well-trained, they are likely to handle claims efficiently and provide excellent customer service, enhancing the company's reputation. Conversely, if the organizational culture does not support teamwork or employee development, it may lead to poor service delivery and high employee turnover, impacting the institution's stability and growth.

## 6. Span of Control:

Span of control refers to the number of subordinates or employees that a manager or supervisor directly oversees. In simpler terms, it's like the number of people a leader is responsible for leading and managing. A narrow span of control means the leader has fewer direct reports, while a wide span of control means they have more.

For example, if a manager has five employees reporting directly to them, their span of control is narrow. But if the same manager has fifteen employees reporting to them, their span of control is wider.

The span of control affects how effectively a leader can communicate, supervise, and make decisions. It also impacts employee autonomy and the efficiency of organizational operations.

## Chapter End

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