

## **1. SYNOPSIS**

United Overseas Bank (UOB) Group has charted steady growth since its establishment and today has distinguished itself as one of Singapore's leading bank. This report focused on UOB Invest Shop (UOBIS), a prime project of its Branches Division that was started in 1994 to provide premium services for its retail banking.

The organisation structure of UOBIS displayed moderate complexity with high formalisation and centralisation. Operating in a regulated banking environment attributed to the above results. Other contributing factors were size, strategy and technology.

Adopting a market differentiation strategy, it strived to provide all-rounded quality service to emerge itself in the local banking industry. Two structural problems that were identified from its current organisation design were inappropriate approach in its measurement of organisational effectiveness and relatively high spatial differentiation that resulted in insufficient communication between invest planners.

It was recommended that UOBIS should adopt the strategic-constituencies approach in measuring its organisational effectiveness, and encouraged information sharing through contact with other invest planners and sales and marketing personnel to promote horizontal communication. These aimed to fine-tune the current organisation design to enhance lateral coordination, increase learning opportunities among invest planners and improve organizational effectiveness in view of current industry trends.

## 2. INTRODUCTION

Organisation theory refers to the study of organisational structure, and how the structure can affect the organisation (Robbins 1990). Structure refers to the formal pattern of interactions and co-ordination designed by management to assist organisational members in their task to achieve organisational goals (Bartol, Martin, Tein and Matthews 1998).

Complexity, formalisation and centralisation are important aspects determining the development of the organisation structure. These elements are, in turn, influenced by variables such as size, strategy, environment and technology.

Daft (1998) describes organisational effectiveness (OE) as the degree to which an organisation achieves its goals. There are four approaches to assess OE namely: goal attainment approach, systems approach, strategic constituencies approach and competing values approach (Robbins 1990).

Therefore, the type of structure an organisation adopts and the structural implementation of organisational effectiveness are key determinants for an organisation to sustain long-term profitability and growth.

### **3. ORGANISATION STRUCTURE**

#### **3.1 BACKGROUND INFORMATION**

##### **3.1.1 United Overseas Bank (UOB)**

United Overseas Bank (UOB) group, one of the leading banks in Singapore, offers a full range of commercial banking services. In addition, the UOB group provides other financial services such as private banking, trust services, stockbroking, insurance, fund management and derivatives trading.

##### **3.1.2 UOB Invest Shop (UOBIS)**

This report focused on UOB Invest Shop (UOBIS), an effort initiated by UOB Group Branches Division to provide premium services for retail banking. UOBIS is launched in 1994 as a one-stop investment shop to help individuals to start an investment portfolio. The investment options include UOB unit trust, foreign exchange and share margin trading (*Appendix 1*). Currently, UOBIS has staff strength of 53 with 8 outlets over the island (*Appendix 2*). It is a three-tier sales team with the objective to give personalised services to its clients (*Appendix 3*)

#### **3.2 CLASSIFICATION OF THE ORGANISATION STRUCTURE OF UOBIS**

Organisation structure refers to the way it allocates responsibilities, the extent of formalisation and the location of decision making (Robbins and Barnwell 1998). This report had adopted Robbins Structural Model in conjunction with its questionnaires (Robbins 1987) to classify UOBIS's structure along the 3 core components of: complexity, formalisation and centralisation (*Appendix 4 - 6*). A summary of the results of the said

questionnaires is depicted in Table 1. Robbins Structural Model was chosen as the 3 core structural dimensions, when combined represent the variables that create different organisational designs. As such, it allows for a comprehensive grasp on the mechanisms for controlling and coordinating people in an organisation.

<i><b>STRUCTURAL DIMENSIONS</b></i>		<i><b>SCORE</b></i>
<i>Horizontal Differentiation</i>	<i>4/10 = 40%</i>	
<i>Vertical Differentiation</i>	<i>4/10 = 40%</i>	
<i>Spatial Differentiation</i>	<i>10/15 = 67%</i>	
<i>Overall Complexity</i>		<i>18/35 = 51% (Moderate)</i>
<i>Centralisation</i>		<i>41/50 = 82% (High)</i>
<i>Formalisation</i>		<i>29/35 = 83% (High)</i>

**Table 1: Structural Characteristics of UOBIS**

The following is the analysis on each of the dimensions together with its implications on UOBIS.

### **3.2.1 Complexity**

Complexity is the extent of differentiation within an organisation. It involves an examination of horizontal, vertical and spatial differentiation (Robbins 1990).

#### **3.2.1.1 Horizontal Differentiation**

Horizontal differentiation refers to the number of job titles or units existing horizontally across the organisation (Daft 1998).

UOBIS has very few different job titles. It is fundamentally a sales unit comprising mainly of invest planners who are responsible of providing friendly services answering individual questions on investing, and helping

clients make wise investment choices. About 55% of its invest planners hold advance degrees or had years of specialised training.

Hence, this results in a moderately low horizontal differentiation which is reflected by question 1 & 2 in the complexity questionnaires, with a score of 40% (*Appendix 4*).

#### 3.2.1.2 Vertical Differentiation

Vertical differentiation is the number of levels in the organisation's hierarchy (Daft 1998).

UOBIS has a flat structure with 3 vertical levels. It suggested a shorter and simpler communication between invest planners and the top management.

Accordingly, it has rated moderately low on its vertical differentiation (40%), as shown in question 3 and 4 of the complexity questionnaire (*Appendix 4*).

#### 3.2.1.3 Spatial Differentiation

Spatial differentiation is the number of geographical locations of an organisation's offices, plants and personnel (Collins and McLaughlin 1996).

UOBIS has a total of 8 outlets islandwide. All its 48 invest planners are stationed with an average of 6 in each outlet. Its 3 assistant managers are assigned to manage specific outlets, and will report to the deputy manager, who will in turn report to the vice president (VP) stationed at in the headquarters responsible of strategic planning and its overall performance.

As such, UOBIS had rated moderately high on its spatial differentiation, which is evident with a score of 67% from questions 5 to 7 in the complexity questionnaire (*Appendix 4*).

#### **3.2.1.4 Overall Complexity & Implications**

UOBIS exhibited an overall moderate complexity (51%) in its structure. Among its 3 elements, attention has to be drawn to its moderately high spatial differentiation contributed by a total of 8 outlets. A moderately high spatial differentiation may imply a greater need for effective communication and coordination so that ability for decision makers to retrieve timely information from these separated units and coordinate activities among them is ensured (Robbins and Barnwell 1998).

#### **3.2.2 Formalisation**

Formalisation refers to the degree “an organisation relies on rules and procedures to direct the behaviour of employees” (Robbins and Barnwell 1998, p5).

Even though UOBIS is of sales nature, and must be flexible to respond to changing requirements of customers, however the extent of rules and regulations governing their work procedures is high. This could be due to the fact that UOBIS is a sub-unit of UOB group, and is subjected to the rules and regulation imposed by its parent organisation and Monetary Authority of Singapore (MAS) to maintain financial and reporting consistencies (Robbins and Barnwell 1998). In addition, invest planners are at the lowest level in UOBIS, so standardisation in their work by rules and regulations helps to promote coordination and consistency among its 8 separate units.

Accordingly, it had rated high on formalisation with a score of 83% in the formalisation questionnaire (*Appendix 5*).

### ***3.2.2.1 Implications***

With high formalisation, it may imply high rigidity for invest planners when performing their jobs.

### **3.2.3 Centralisation**

Robbins (1990) refers to centralisation as the degree to which decision making is focused at the single point in the organisation.

At UOBIS, decision-making is centralised at the management level, consisting of its deputy manager and VP from the headquarters. The management makes decisions on strategic choices such as new product offer and performance management. It also maintains control on UOBIS budget allocation and rewards systems. Invest planners who are at the lowest level in the hierarchy are allowed participation in certain operative decisions. Specifically, invest planners have to draft their short term marketing plans, work and vacation schedule quarterly which is subjected to approval from the management.

The above is reflected in the centralisation questionnaires (*Appendix 6*) and resulted in UOBIS having a highly centralised structure (82%).

### ***3.2.3.1 Implications***

Top management maintains control on most strategic decisions as the need for UOBIS to calculate costs and profit is crucial. Because invest planners are closest to the customers and can provide detailed and specific inputs relevant to the marketing issues, they are given opportunity to share in making marketing decisions. Such moves also aimed to enhance their

motivation as having a say in such operative decisions that will directly impact their work will escalate their commitment to the marketing plans.

## **4. INFLUENCES ON STRUCTURE**

### **4.1 ORGANISATION SIZE**

Organisation size is most often indicated by the total number of persons it employed (Scott 1992).

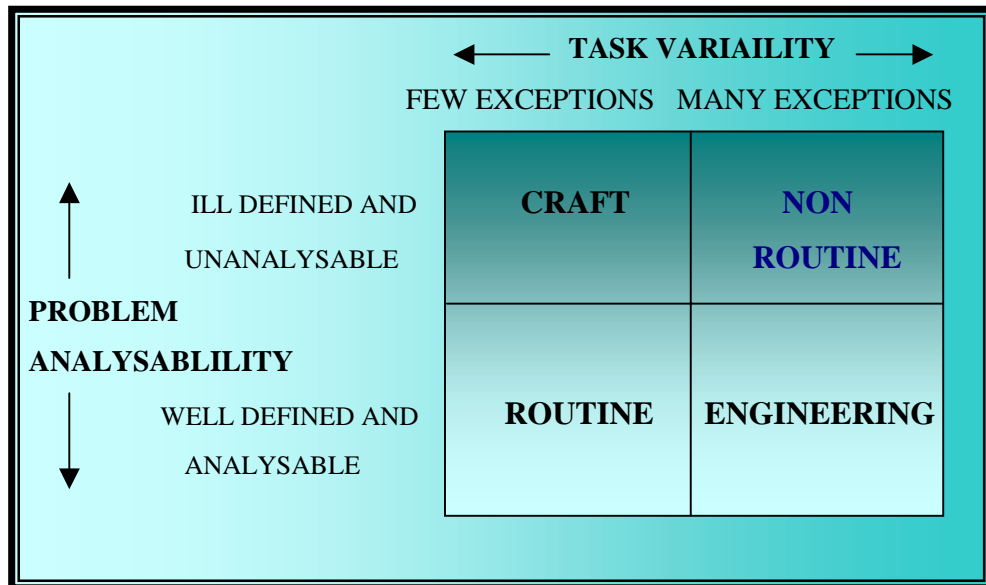
UOBIS has a headcount of 53, which is considered relatively large in the industry as compared to the current market leader, Citibank with headcount of around 60.

According to Robbins (1990), a large organisation is often associated with high formalisation and complexity, with low centralisation. UOBIS matches Robbins' findings with regard to formalisation. However, UOBIS exhibited moderate complexity and high centralisation for its relatively large size. With only 3 vertical layers in its hierarchy, management is able to maintain centralised decision making and oversee the execution of decisions made at the operation front. As a sales unit aimed to provide premium service, UOBIS operative employees (invest planners) performed largely on a single function - to secure as large a sales base as possible. Such focus has reduced its horizontal and vertical differentiation, consequently reflecting moderate on the spectrum of complexity.

## 4.2 TECHNOLOGY

Robbins (1990) refers technology as the information, equipment, techniques and processes required to convert inputs into desired outputs in the organisation.

Perrow identifies two dimensions of knowledge technology, namely task variability and problem analysability (Robbins 1990). Task variability considers the number of exceptions encountered in one's job whereas problem analysability assesses the kind of search procedures followed to find successful methods to respond to task exceptions (Figure A). The 4 main types of technology are summarised in Table 2 below:



**Figure A: Perrow's Classification**  
Adapted and Modified from Robbins, 1990

TECHNOLOGY	NATURE OF JOB	EXAMPLES
ROUTINE	<ul style="list-style-type: none"> <li>❖ Little task variety and the use of objectives, computational procedures.</li> <li>❖ Task are formalised and standardised.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Manufacturing (MCD)</li> <li>❖ Automobile assembly line</li> <li>❖ Banking</li> </ul>
NON-ROUTINE	<ul style="list-style-type: none"> <li>❖ High task variety.</li> <li>❖ A great deal of effort is devoted to analysing problems and activities.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Strategic Planning</li> <li>❖ Social Science Research</li> <li>❖ Creative Technology</li> </ul>
ENGINEERING	<ul style="list-style-type: none"> <li>❖ Tends to be complex.</li> <li>❖ Substantial variety in task performed.</li> <li>❖ Activities usually handled based on established formulas, procedures and techniques.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Legal Engineering</li> <li>❖ Tax accountant</li> </ul>
CRAFT	<ul style="list-style-type: none"> <li>❖ Fairly stable stream of activities.</li> <li>❖ Task requires extensive training and experience.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Performing arts</li> <li>❖ Shoe making</li> </ul>

**Table 2: Perrow's Technology-Structure  
Adapted and Modified from Robbins, 1990**

UOBIS falls closely under the routine technology category. Task variability and problem analysability are well defined, as operations are predictable. Duties are repetitive and routine e.g. educating the investing public the various financial products and creating new product awareness, giving clientele personalised service, data entry, transactions, etc. Problem analyzability is low, as there are Standard Operating Procedures (SOPs) and policies to guide the invest planners when problems occur. The fact

that these SOPs, rules and regulations and policies are developed is evident that problems encountered are well defined and analysable (Bartol and Martin 1998).

UOBIS's structural characteristic resembles Perrow's expected structure where formalisation and centralisation are high. The existence of SOPs, rules and regulation that govern UOBIS's operations implied planning and rigid rules developed to facilitate coordination and control. To keep the system in check, an external consultant acts as an additive layer to ensure service to clientele is kept at high standards.

### 4.3 STRATEGY

Strategy is a series of decisions, involving configuring organisational resources to meet demand and opportunities that an organisation faces (Robey & Sales 1994).

UOBIS strives to harness the latest technologies for the benefit of its customers and fostering creativity and excellence among the employees. The ability to leverage on cutting-edge technology, provide targeted customer sectors with a tailored basket of financial products, and offering all-rounded quality service is the key factor in differentiating UOBIS in the local bank industry. Using Miller's Integrated Framework, as illustrated below, UOBIS is pursuing the market differentiation strategy.

STRATEGIC DIMENSION	CHALLENGE	PREDICTED STRUCTURE CHARACTERISTIC
INNOVATION	To understand and manage more products, customer types, technologies and market	Scanning of market to discern customer requirements; low formalisation; decentralisation; extensive use of coordinative committees and task force.
<b>MARKET DIFFERENTIATION</b>	<b>To understand and cater to consumer preference.</b>	<b>Moderate to high complexity, extensive scanning and analysis of customer's reaction and competitor's strategies; moderate to high formalisation; moderate decentralisation.</b>
<b>BREATH BREATH-INNOVATION</b>	To select the right range of products, services, customers and territory.	High complexity; low formalisation; decentralisation.
<b>BREATH STABILITY</b>		High complexity; high formalisation; high centralisation.
<b>COST CONTROL</b>	To produce standardised products efficiently.	High formalisation; high centralisation

**Table B: Miles and Snow's Strategic Typologies**

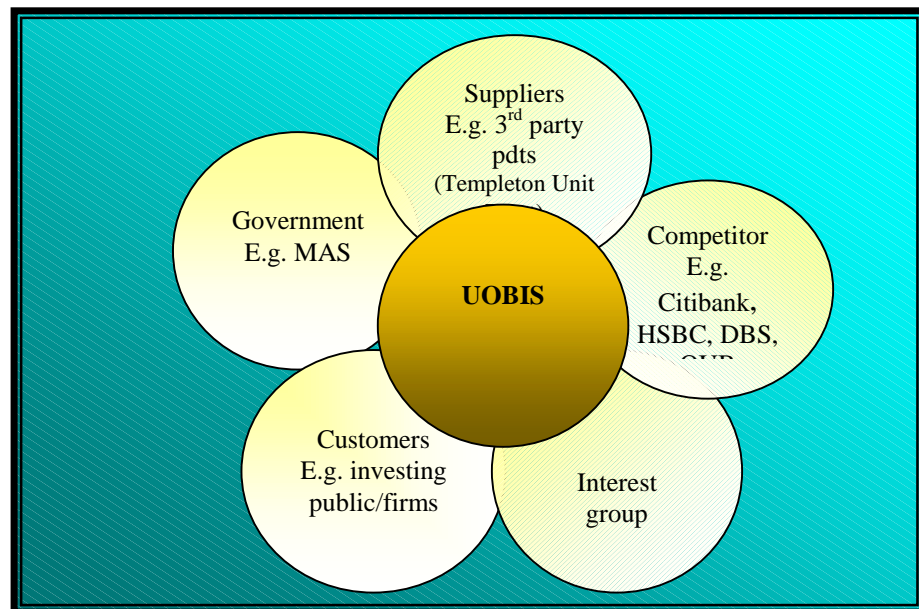
**Adapted and Modified from Robbins, 1990**

Robbins (1990) states that an organisation using the market differentiation strategy is characterised by moderate to high complexity and formalisation with moderate decentralisation. Contradictory to this characteristic is UOBIS's complexity. UOBIS's moderately low complexity arises due to its flat structure.

#### 4.4 ENVIRONMENT

The environment encompasses the general environment (may not have a direct impact on the organisation) and the specific environment (directly impact the organisation) (Robbins 1990).

Domain refers to the claim that the organisation stakes out for itself the product range and market served (Robbins 1990). UOBIS's domain is the financial banking industry in Singapore. The following figure illustrates the environmental impacts on UOBIS.



**Figure B: Perrow's Technology Classification**  
Adapted and Modified from Robbins, 1990

In recent years, banks have evolved into one-stop financial supermarkets. Their investment booths now distribute typically a menu of unit trusts and other financial products. Having a pioneer status as a one-stop investment shop in Singapore has enabled UOBIS to capture a significant market share till the recent liberalisation of the banking industry (Tan 1999). With the Monetary Authority of Singapore (MAS) liberalising the industry, the

stable banking environment is being transformed into a current dynamic and competitive environment.

In addition, competitors such as OUB and Citibank have stepped up efforts to set themselves apart from others through customer relationship management (CRM), heightening the competition (Appendix 7).

Capacity, volatility and complexity (Three Dimensional Model of the environment) are key factors to UOBIS's environment (Robbins 1990).

#### **4.4.1 Volatility**

Volatility is the degree of instability captured in its environment (Robbins 1990). UOBIS's environment is beginning to become more dynamic and complex. Other than facing threats from a beefed-up local bank industry, UOBIS is faced with greater competition from imminent foreign banks' entry.

#### **4.4.2 Complexity**

Complexity refers to the degree of heterogeneity and concentration among environmental elements (Robbins 1990). The complexity of UOBIS's environment moves from its homogeneous embryonic environment to a heterogeneous environment, encompassing foreign banks and other financial institutions.

#### **4.4.3 Capacity**

UOBIS has abundant capacity – degree to which the environment can support growth (Robbins 1990). In Singapore, the new generation of younger computer-literate and financially savvy professionals will look for

better services and higher returns than they can get from traditional bank deposits. This is a segment of market which UOBIS cannot afford to lose.

#### 4.4.4 Summary

UOBIS is high on all the above three dimensions, hence, it operates in a disturbed-reactive environment, as suggested by Emery and Trist in Table 4. The expected structure of an organisation in this environment is likely to be moderately low in complexity, formalisation and centralisation.

UOBIS's high centralisation and formalisation arises due to its operations where rules, regulations and policies are developed to facilitate planning and control.

TYPES OF ENVIRONMENT	CHARACTERISTICS	ORGANISATIONAL RESPONSE	EXAMPLES
Placid - Randomised	Changes are infrequent and in single element.	Concentrates on day-to-day operations. Minimal planning.	Government agencies.
Placid – Clustered	Changes are infrequent but occur in cluster of linked elements.	Plan and forecast to anticipate and avoid clustered changes.	Public Utilities. Lumber industry.
<b>Disturbed - Reactive</b>	<b>External environment reacts to changes in organisation and vice versa. Organisations are large and visible.</b>	<b>Plan and fostered to anticipate and countermoves by other organisations.</b>	<b>Cars, soda and clothing UOBIS</b>
Turbulent - field	One that is most dynamic and has the highest uncertainty	Interpret environment and adapt to survive.	IT-based industry

**Table 4: Emery and Trist's Environment Classification**

**Adapted and Modified from Robbins, 1990**

## 5. ORGANISATIONAL EFFECTIVENESS

Daft (1998) defines organisational effectiveness as the degree to which an organisation realises its goals.

According to Robbins (1990), there are four approaches of assessing organisational effectiveness, namely, goal-attainment, systems, strategic-constituencies and competing-value approach.

APPROACH	DEFINITION	WHEN USEFUL
	<b>An organisation is effective to the extent that:</b>	<b>The approach is preferred when:</b>
<b>GOAL ATTAINMENT</b>	<b>It accomplishes its stated goals.</b>	<b>Goals are clear, time bound, and measurable.</b>
<b>SYSTEMS</b>	It acquires needed resources.	A clear connection exists between inputs and outputs.
<b>STRATEGIC CONSTITUENCIES</b>	All strategic constituencies are at least minimally satisfied.	Constituencies have powerful influence on the organisation and the organisation must respond to demands.
<b>COMPETING VALUES</b>	The emphasis of the organisation in the four major areas matches constituent preferences.	The organisation is unclear about its own emphasis, or changes in criteria over time are of interest.

**Table 5: The 4 Approaches of Organisational Effectiveness**

**Adapted and Modified from Robbins, 1990**

UOBIS has adopted the goal-attainment approach, based on profit maximisation and deliverance of quality service to measure its effectiveness. These goals are assessed through the generation of monthly

reports on numbers of new customers and amount of investment funds pooled.

The sales target for each invest planner tilts UOBIS to momentarily yield to the goal attainment approach as each invest planner is rewarded based on commission. Therefore, there are attempts to focus on outputs only, defined by dollar sales.

Hence, the goal-attainment approach focuses on ends rather than means, and does not consider creating value for other constituencies of the organisation (Robbins 1990).

## **6. CURRENT STRUCTURAL PROBLEMS**

### **6.1 INAPPROPRIATE APPROACH TO ORGANISATIONAL EFFECTIVENESS**

With the goal-attainment approach, UOBIS is more concerned with profit maximisation rather than to improve customer service. Since the capability to offer high standards of service is an important factor in differentiating UOBIS in the local financial sector, its performance and reputation will be undermined in the long run if there is a lack of quality customer service.

To survive in the new environment, UOBIS must place increased emphasis on efficiency, quality of service and shareholders' return. Hence, goal-attainment approach is not an appropriate measure of organisational effectiveness.

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## **6.2 RELATIVELY HIGH SPATIAL DIFFERENTIATION RESULTING IN INSUFFICIENT COMMUNICATION BETWEEN INVEST PLANNERS**

To serve a wider clientele base, invest shops and staffs are spread widely in different geographical locations in Singapore.

This has led to reduced opportunities of learning from one another including sharing of information regarding customer preference and needs, market information and successful execution of marketing plans and presentations etc.

## 7.0 POSSIBLE SOLUTIONS

### 7.1 SOLUTION FOR INAPPROPRIATE APPROACH TO ORGANISATIONAL EFFECTIVENESS

#### 7.1.1 Adoptnt Strategic-Constituencies Approach

The strategic-constituencies approach indicates that for an organisation to be effective, it should satisfy the demands of those constituencies in its environment from whom it requires support for its continued existence (Robbins 1990).

The table below identifies the organisation effectiveness criteria for assessing the strategic-constituencies listed.

CONSTITUENCIES	EFFECTIVENESS CRITERIA
<b>OWNERS</b>	Sales volume, profitability.
<b>Employees</b>	Job satisfaction, salary, fringe benefits, compensation.
<b>Customers</b>	Quality advice and service.
<b>Suppliers</b>	Satisfactory transaction.
<b>Union</b>	Competitive wages and benefits, satisfactory work conditions.
<b>Government Agencies</b>	Compliance with laws and regulations

**Table 6: Strategic Constituencies of UOBIS  
Adapted and Modified from Robbins, 1990**

The benefits and costs of this approach are listed Table 7 below.

<i>Benefits</i>	<i>Costs</i>
<ul style="list-style-type: none"> <li>❖ Recognition that there are constituencies in the environment that can threaten UOBIS's survival.</li> <li>❖ Able to identify critical constituencies for UOBIS (such as owners, customers and employees), assess their preferences and satisfy their demands in order to achieve effectiveness.</li> <li>❖ Directs top management's attention to the multiple stakeholders and reduces the possibilities of ignoring a group which has a significant power in hindering UOBIS's operation.</li> <li>❖ Lead to successful accomplishment of UOBIS's objectives.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Difficult to identify the expectations of these strategic constituencies hold for UOBIS.</li> <li>❖ Difficulties in reconciling the diverse constituencies' demand, which are varied (as each has a different set of values), and unlikely to be in agreement.</li> </ul>

**Table 7: Benefits and Costs of Strategic-Constituencies Approach**

### 7.1.2 Implement Systems Approach

The systems approach enables an organisation to assess its effectiveness by observing the beginning of the process and evaluating whether the organisation effectively obtain resources necessary for high performance (Daft 1998).

The benefits and costs of this approach are listed Table 8 below.

<i>Benefits</i>	<i>Costs</i>
<ul style="list-style-type: none"> <li>❖ <b>Emphasize on criteria that will increase the long-term survival of UOBIS.</b></li> <li>❖ <b>Ensure that staff employed (particularly the invest planners) are competent, well-trained and have passion in their job.</b></li> </ul>	<ul style="list-style-type: none"> <li>❖ <b>Recruitment of competent staff would not be considered effective if they are unable to maximise their potential.</b></li> </ul>

**Table 8: Benefits and Costs of Systems Approach**

## **7.2 SOLUTION FOR RELATIVELY HIGH SPATIAL DIFFERENTIATION RESULTING IN INSUFFICIENT COMMUNICATION BETWEEN INVEST PLANNERS**

### **7.2.1 Encourage Information Sharing through Contact with other Invest Planners and Management**

One way for UOBIS to proactively manage the inevitable competition is through brand differentiation and better customer service. Hence, invest planners would need to be equipped with updated knowledge of trends in the market and customer needs. Since direct contact is often difficult due to geographical diversity of the invest shops, intranet communication could be encouraged for invest planners to constantly post ideas. Presentations could be conducted by invest planners who have successfully secured clients to present their marketing plans and strategies so that others can learn and apply the new knowledge acquired. This can be done through a monthly meeting where personnel from the management level, with information of customer needs, can sit in and also provide valuable information for usage. The implications of the solution are listed below:

<i>Benefits</i>	<i>Costs</i>
<ul style="list-style-type: none"> <li>❖ Promote exchange of information, expertise and problem-solving among invest planners</li>   <li>❖ Better and faster decisions can be made with updated knowledge on market trends and customer needs.</li>   <li>❖ Better generation of strategies</li>   <li>❖ Improve customer service through the new knowledge learned.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Time-consuming.</li>   <li>❖ Competition among invest planners may increase.</li>   <li>❖ Careful coordination needed for scheduling meetings.</li> </ul>

**Table 9: Benefits and Costs of Information Sharing**

### 7.2.2 Appoint an Liaison Officer

A liaison officer is a specific individual appointed to facilitate communication (Bartol, Martin, Tein and Matthews 1998). UOBIS can consider to appoint a liaison officer, preferably from the management level, to interact and provides information to the assistant managers and invest planners with regards to future trends and customer needs.

<i>Benefits</i>	<i>Costs</i>
<ul style="list-style-type: none"> <li>❖ Enhance horizontal coordination</li> <li>❖ Facilitates information dissemination from management level.</li> <li>❖ Minimal adjustment required.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Greater coordination required of the liaison officer to constantly collect and disseminate information between the invest shops and Sales and Marketing Department.</li> <li>❖ Limited capacity to handle higher load of information.</li> <li>❖ Distortion of information might occur.</li> <li>❖ Lost opportunities for invest planners to interact and learn from one another.</li> </ul>

**Table 10: Benefits and Costs of Appointing a Liaison Officer**

## **8.0 RECOMMENDATIONS**

### **8.1 IMPLEMENT THE STRATEGIC-CONSTITUENCIES APPROACH**

UOBIS should adopt the strategic-constituencies approach to measure its effectiveness.

- Step 1: Identify the strategic constituencies that are critical to UOBIS's survival.**
- Step 2: Determine the relative power of each constituency.**
- Step 3: Identify the expectations that these constituencies hold for UOBIS.**
- Step 4: Compare the various expectations and assign relative weights to the various constituencies.**
- Step 5: Formulate a preference ordering of these various goals for UOBIS as a whole.**
- Step 6: Establish a feedback system to assess UOBIS's effectiveness in terms of its ability to satisfy these goals.**

### **8.2 IMPLEMENT INFORMATION SHARING THROUGH CONTACT WITH OTHER INVEST PLANNERS AND SALES & MARKETING**

UOBIS would adopt this method to facilitate improved communication and learning opportunities. The following steps can be taken:

- Step 1: Decide on the frequency of meetings (by invest planners and senior management)**
- Step 2: A schedule to be drawn up with regards to the person conducting the presentation**
- Step 3: Design a communication channel where higher management consultation can be readily available**
- Step 4: Encourage information sharing through the intranet**

## 9. CONCLUSION

Today, many organisations are facing the need to find themselves the appropriate organisational structure to ensure continued competitiveness in the rapidly changing marketplace.

Organisations can deliberately structure and coordinate its resources to achieve organisational effectiveness. By striving for greater horizontal coordination of work activities, UOBIS can promote flexibility and effectiveness in its lateral communication. This will increase the responsiveness to changes in its environment. As a social entity that is linked to the external environment, UOBIS needs to create value for its strategic constituencies to their mutual advantages.

Henceforth, when an organisation structure is designed to improve its organisation effectiveness, it can then function effectively and efficiently.

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