

# Barclays' organizational behavior



Organizational behavior is a study that looks at the individuals, employees, and how management teams behave and interact within the organization in a workplace setting. OB is therefore an interdisciplinary field that comprises communication, sociology, psychology, and management. The key issues that influence organizational behavior include; organizational change, corporate culture within the industry, organizational development, and customer expectations that usually shape the organizational values. This research paper tries to explain the basic but vital principles of organizational behavior in order to equip the management teams with adequate theoretical knowledge regarding essential concepts necessary for the efficient and effective management their work, and to understand some of the concepts and challenges related to the management of behavior in organizations. This is done with focus on Barclays bank, to identify the correlation between employees and the organizations in which they work. The research methodologies adopted are online questionnaire, interviews, and the use of observation of the operation of Barclays bank employees. There is an increase in the drive by companies to develop mature organizational behavior and culture, owing to the perceived benefits and success associated with it that companies enjoy.

Key words: Organizational behavior

Organizational Behavior Research on Barclays Bank

This paper seeks to analyze the organizational behavior adopted by Barclays bank across the world. Barclays PLC is a British multinational banking and financial services company, which is headquartered in London, United

Kingdom. Barclays PLC operations in over 50 countries across Europe, Asia, South America, North America and Africa including Kenya, with a total number of customers exceeding 48 million globally and the fourth-largest bank worldwide by asset (Business. barclays. co. uk, 2013). Barclays is organized in two business clusters, (1) the corporate and investment banking and wealth and investment management and (2), retail and business banking.

The corporate and investment banking and wealth and investment management cluster covers three business units: the corporate banking; Investment banking; and Wealth and investment management, while the retail and business banking cluster involve four business units that include Africa retail and business banking; Barclaycard; Europe retail and business banking; and UK retail and business banking (Business. barclays. co. uk, 2013). Most subsidiaries of Barclays PLC operate under Retail, Corporate, Treasury and Card Services with cross functional relationships to support the segments of local business and small to mid-sized enterprises (SME).

Barclays financial strength coupled with extensive local and international resources have positioned Barclays as the top provider of financial services in the market for the past several years. Moreover, Barclay's consistent financial performance has built confidence in their leadership and management among the Bank's shareholders, as well as the industry in general making it an easy go brand. For example, the Kenyan subsidiary known as Barclays Bank of Kenya Limited has been in operation for 95 years, and has consequently built an extensive network of 117 branches and over 230 ATM's countrywide (Business. barclays. co. uk, 2013). The network is

supported by Internet and mobile banking channels plus a Customer Service Centre that operates 24 hours a day, 7 days a week.

The multinational nature of Barclays bank and the diverse clusters operating in different business environment globally present different challenges to the bank that are related to the industry environment. Similarly, Barclays bank in this regards is influenced by both local and international industry environment since decisions made at the international regions have a direct bearing on the operation of other subsidiaries around the world. The bank draws its employees across all nationalities, races, and cultures as a result of the increasing globalization and interconnectivity where people from different nationalities are hired to work far away from their countries of birth bringing with them different values, norms and cultures. To deal with this, Barclays bank has successfully managed to develop workable and standard organization behavior and culture that that cuts across the nationalities to ensure harmonious operations.

## **Organizational Behavior Principles**

The success of multinational organizations is dependent upon the organizational behavior principles adopted and applied in the respective subsidiaries. The OB principles that re relevant to this study are customer responsiveness, personality and organization, work motivation, job satisfaction and reward management, communication, change management and leadership.

## **Customer Responsiveness**

Being that Barclays operates in a service industry; their success is fully attributed to the quality of service and the fast level of responsiveness when handling customer queries. One of the values adopted by the bank is the declaration that 'customer first', to mean that customers must be attended to first before anything else. This has become part of the organizational behavior, making the bank to strengthen their customer service department by ensuring that all employees handling customers are well trained to offer quality service within the shortest time possible. Every one including the management team is oriented to treat the customers as the boss in all circumstances.

Customer responsiveness is also achieved through product diversification to meet the demands of all groups of customers irrespective of their socio-economic status. This is much evident through the introduction of flexible and diversified credit card products commonly known as Barclaycards that match different needs. The market and customers expectation has been modeled to demand flexible and cheaper cards that match diverse needs of the members (Barclays. co. uk 2013a). For example, Barclaycard being the first credit card provider in Britain offers a range of quality products that match the need of all customers including those who require competitive interest-free product, or those in need of first credit card at competitive rates. Similarly, there are low standard-rate credit cards that are preserved for clients with excellent credit histories. This range of product ensures there is a suitable product for every category of customers. It is what is missing in

HSBC that needs to be provided to ensure that customers' satisfaction are met, corporate communication, group behavior, human decision making.

## **Personality and Organization**

To develop a good organizational behavior, the management need to understand personality of employees in order to develop a workable interaction model within the organization. Personality involves characteristics, qualities, skills, and competencies of employees, combined with other traits such as grooming and attitude. Personality in most cases is influence by the environment and the social settings. However, there are particular universal characteristics which always emerge in individuals that are acceptable across the board. For example, customer service executives are expected to be aggressive, humble and respectful, have a listening ability, assertive and welcoming. These traits, thoughts, and feelings should be translated into visible behavior that can attract and retain the customers.

## **Communication**

Clear communication within the organization is very important since it is essential in inculcating common objective. Failure in communication can result when clear purpose is not conveyed or when the message is distorted along the channel of communication followed. Communication setting can also bar clear conveyance of information as a result of unclear chain of command. Some of the barriers of effective communication may include assumptions by the sender who ignores parts of the information to be relayed, preconception among the receivers and biases in delivery. It is therefore imperative for the organization to develop communication culture as part of the organization behavior (Ashraf, 2012). Such culture clearly

stipulates the chain of command of communication, communication channel and generally the type of language to be used in any delivery of information, which must strictly be official. Everyone including the management must communicate well with all people within the organization irrespective of being subordinates. This will instill respect and accurate execution of the command as clearly outlined. Clear communication also plays a major role in the satisfaction of customer demands and to provide all the information needed by the customer for decision making

## **Work Motivation**

Full compliance to the organizational culture and behavior is also influenced by the level of motivation among the staff and the entire workforce.

Motivation brings the intrinsic urge to perform at work place, and is connected to the psychological and emotional well-being. The level of motivation among the staff within the organization therefore, activates behavior or an urge that is directed at a goal (Ashraf, 2012). This means that for the organizations culture and behavior to be adhered to at all times, the management need to develop a highly motivated staff that understands and fully embraces the values of the organization. To achieve the work motivation that has direct impact on productivity, several factors can be adopted as part of organization culture to encourage competition among the employees towards production. Some of the factors include;

**Job Enrichment:** Jobs need to be designed to offer opportunities for responsibility growth, achievement, and recognition for good performance. This involves providing challenging responsibilities that fully engages the

employees through greater utilization of skills and offers opportunity for personal development.

**Flexi time:** This concept is meant to allow employees to occasionally control their work schedule, such that they decide which work to start with (Ashraf, 2012). This system makes employees more responsible and accountable, and eliminates the general feeling that they are micromanaged to perform.

**Empowerment:** This involves giving employees authority in their area of operation to make decisions and be able to resolve their work related problems without approval from the management.

**Employees stock ownership plan:** this method has become a key tool in attracting, retaining, and motivating workforce in business organizations. The system allows employees to own the company's stock to be part of the stockholders and as part of their benefit package. This motivates employees work harder and protects the organization since their service directly impacts the performance of the company. Low employees' productivity means lower value of the stock prices. This strategy was adopted by Equity Bank, which is currently the fastest growing bank in the sub-Saharan Africa, thus should be adopted by market leaders like Barclays bank.

## **Job Satisfaction and Reward Management**

Organization behavior should be one that promotes job satisfaction, which is the employees' overall attitude towards their jobs. It is the fulfillment an employee develops after evaluation of a job or job experience. Job satisfaction can be derived from a number of features such as the amount of pay, promotion opportunities, the work itself, supervision, conducive work



environment, and relationship with co-workers. Every organization should therefore create a standard organizational behavior that includes employee promotion on merit, professional supervision, and standard remuneration of employees based on productivity and job group. Although different people may derive satisfaction from different features, the most common elements are as mentioned above and a wider approach to improve job design, work organization and general quality of life. In addition to job satisfaction, effective reward management needs to be developed that fairly recognizes employees' efforts to reinforce productivity or adherence to organizational values and behavior standards. Usually, in case peoples' good behavior are effectively recognized or rewarded through any means, the desired behavior is usually repeated. Organizations such as Barclays in this regard need to consider designing a standards reward system that is sustainable to the business and make it an organizational culture and behavior promotion tool.

## **Leadership**

This involves controlling and directing individuals, groups and subordinates within the firm. It includes hiring, training, guiding, and assessment of processes in order to achieve the best performance from employees.

Organizations that succeed in their operations usually maximize on the talents and energies of their employees (Ashraf, 2012). This is because such firms develop competitive advantage against their rivals as a result of maximum production. Due to the fact that employees are vital resource to the achievement of the organizational goals, managers should be careful on how they interact and handle their subordinates. This means that managers who are knowledgeable and skilled in organizational behaviors are likely to

effectively and efficiently manage their teams and influence them to fully support the company's goals.

Different leadership styles such as autocratic, consultative and free will may be adopted depending on the situation (Locke, 2009). Organizational behavior in relation to the leadership style adopted in all the management levels is very important to the success of the organization. The management structure adopted by Barclays bank is usually the vertical line where top management that comprise CEO and the board of directors issue directives that are implemented at the middle and lower level. However, before the decision is communicated downwards, consultation at the tactic level of management takes place, involving the finance department which is responsible for the strategy development process, driving business performance and financial control across Barclays Africa.

Other management functions include human resource, operations, consumer banking, risk management, corporate banking, treasury services and card business departments. This also includes the personnel in each of the departments. It is important for organizations to note that decisions made collectively are often easier to implement than forced decisions. Whereas different leadership styles can be adopted in different situations, organizations mindfully need to create a leadership culture that has clear distinction of roles and clear definition of responsibility to enable efficient flow of duties. Leadership must be concerned and emphasize on people's issues just as the organizational issues (Locke, 2009). Employees are very important resource that must be valued if the organization is to succeed, thus their complaints must be addressed well without any victimization from

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the leadership. Organizations must therefore adopt leadership behavior that respects the employees, treats them fairly in order to improve their attitude towards work and the firm in general.

## **Theoretical Framework**

Organizational behavior refers to the study of groups and individual dynamics within an organization, as well as the nature of the organizations. The interaction between human resource and the organization and the interaction amongst employees themselves usually bring several factors into play and in turn define the organizational behavior. Presently, different people with diverse cultural values and backgrounds work together in different institutions. Organizational behavior in this respect seeks to bring an understanding and emphasize the acceptable behavior in organizations in order to develop competencies and standards in which people likely to behave. These findings are therefore, to assist in controlling behaviors that go against the regulations and objectives of the organizations.

Equally, it is significant to note that in an organization, the social system comprises all the people, considering how they relate to the rest of the world. Normally, the behavior of one person has impact on the behavior of others either directly or indirectly. Culture refers to the conventional behavior of a society that comprises knowledge, beliefs, customs, and practices and people depend on culture since it guarantees them understanding, stability, security, and the ability to react to a given situation. It shapes human behavior, even if not fully embraced. In an organization set up, people fear change in culture and behavior for fear instability, and loss of security.

The operation of organization is usually based on the management's philosophy, vision and mission, values and goals that guide employees. These consequently define the organizations culture or behavior, which is composed of the formal and informal organizations, and borrowed from the social environment. The organizations culture determines the type of leadership adopted, communication channels and chain, and group and individual dynamics within the organization. Existence of such working environment, culture, and behavior becomes a motivating factor to the workforce, leading into high performance, individual and group satisfaction, and personal growth and development. The combination of these elements constructs the framework that guides the operation of the organization.

## **Research Methodology**

The choice of research methodology to determine the organizational behavior adopted by Barclays bank was depended on the objectivity, reliability and sustainability of the method based on the environment and nature if the industry. To clearly meet the purpose, three methods were used alternatively to determine the employees' feelings concerning the organizations culture and the customers' feelings on whether the organizations behavior is suitable in the service industry. Online questionnaire was used to collect data from 25 employees in different ranks within the organization equally distributed from the middle management to the cleaners through clerks. This was after securing their email addresses, having that time constraints could not allow them to adequately respond to interview questions. Face to face interview was also used to specifically interview 15 randomly selected walk-in customers from across socio-

economic class and age bracket with an intention to gauge if they were satisfied with the reception and service they received from the bank staff. Their feelings on the general arrangement within the banking hall and personal grooming of the staff were also sought. Finally, observation was used to monitor staff response to customer's enquiries and the speed of service. This observation was done during my routine visit to the bank to carry out transactions.

The structured online questionnaires were filled by the respondents at their convenient times. Prior to the collection of data, authorization was sought from the bank management, who in turn briefed the security agencies for the days the data were collected. This arrangement was done silently without notifying the staff members to ensure that the data collected in not skewed when employees try to conceal their right attitude and behavior.

It is also important to note that more information about the profile and background of Barclays bank was sought from the banks website. This gave a clear understanding of the banks operations and the actual values, vision, mission, culture and the organizational behavior that the bank stand for, to be used gage the level of compliance by the employees.

## **Results and Findings**

According to the online questionnaire survey that was filled by 25 randomly selected Barclays bank employees from across the socio-economic class and age bracket, most respondents especially the non-management staff who responded to the questions as indicated in the appendix section of this paper disapproved the organizations culture and behavior, while most of those in

management positions approved the organization behavior. One of the reasons for disapproval is that management was authoritative in decision instead of being consultative and felt that their views are not accommodated in the running of the system.

The interview that involved 15 customers sought to know their view on Barclays banks organizational behavior. The analysis found that 90% or the customers interviewed were satisfied by the arrangement of counters and service points inside the banking hall. Similarly, an overwhelming majority of 14 customers were of the opinion that the official dressing as part of their behavior was commendable and should continue, while only 1 felt the type of dress was not concern.

The observations made also confirmed the values of the bank as they are in the mission statement. The declaration that customer comes first in their list of priority was evident, especially in relation to how customers were ushered in and allowed to sit while awaiting to be served.

### **Are Organizations Behavior principles applied in Barclays Bank?**

The principle of effective reward management is partially applied in the bank based on the findings. Most junior staff complained that the difference in salary bracket between the management, the clerks, and other staff members such as cleaners was very big. It showed that management teams are paid much higher than the rest, thus the feeling that effective reward system be adopted. One area reward that if fully implemented is on earning of bonuses at the end of the year and the yearly increments according to the

collective bargain agreement. This is however dependent on individual performance as indicated by the balance score card assessment sheet. Employee recognition based on particular achievements is done within the banks, both formally and informally. As indicated in the principle above, reward is a tool that reinforces good behavior. According to the management, several staff members are given recognition cards for being best communication agents, best time managers, and best in minimizing the wastage of papers. This reward system needs to continue since it encourages other to work harder to earn bonuses at the end of the year after meeting their yearly targets and receiving nomination cards that improve profile for future promotions. One the standard sustainable reward behavior is adopted; all sectors are covered without discrimination.

This research found out that measuring job satisfaction has been a challenging process to most managers. Based on the determinants of job satisfaction such as amount of pay, promotion opportunities, the work itself, supervision, conducive work environment, and relationship with co-workers, several employees, several employees are not satisfied with their jobs, either because of the perception of inequality in the pay structure, the management being too authoritative and the generally routine nature of the jobs that offer little opportunity for personal growth.

Customer responsiveness is a principle that is fully applied in the entire Barclays bank. Based on their value that makes customer first, it was evident through the observation that customers were well received, advised, and served within the shortest time possible. Whenever a customer walks into the bank they are advised by the customer care representative on which

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counter to go to for the desired service. This was also confirmed by the customers themselves who said that they are satisfied with the manner they are handled by the bank staff. Customer responsiveness is also proved by the diversified products offered by the bank that are meant to meet the demands of all customers in all socio-economic groups. The most outstanding product line is the Barclaycard that covers all needs from low interest to low interest cards, as well as those meant for students.

Barclays bank personnel composition is composed of top level management that involve the CEO and the Board of directors at the local level, middle management including the branch managers and operation and departmental managers and the lower level staff including clerks and sales representatives. Leadership in this case is well structured with very clear chain of command from the strategic level to the regional directors and to local subsidiary branches (Business. barclays. co. uk, 2012). This has clearly assisted in separation of responsibilities and entrenched accountability systems within the management. In the recent economic recession, the bank recently adopted restructuring that saw several employees lose their jobs and adoption of the system where junior staffs like the clerks, cashiers are employed on a contract basis in most subsidiaries. This is a human resource policy, accompanied by lower remuneration structures led to mass exodus of staff.

## **Conclusion and Recommendations**

This research paper looked at the organizational behavior adopted by Barclays PLC, which is a British multinational banking and financial services company with it's headquarter in London, United Kingdom. Barclays PLC

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operations in over 50 countries across Europe, Asia, South America, North America and Africa including Kenya, with a total number of customers exceeding 48 million globally and the fourth-largest bank worldwide by asset (Business. barclays. co. uk, 2012). Organizational behavior is concerned with how individuals, employees, and management behave and interact within the organization in a workplace setting. It is an interdisciplinary field that comprises communication, sociology, psychology, and management. The key issues that influence organizational behavior include organizational change, corporate culture within the industry, organizational development, and customer expectations that usually shape the organizational values. Organizational Behavior Principles are also very important since they guide companies in setting their organizational behavior standards. This paper has discussed customer responsiveness, personality and organization, work motivation, job satisfaction and reward management, communication, change management and leadership as major principles of OB.

The methodologies employed in this study are online questionnaire filled in by employees, face to face interview of customers and observation methods. The observation methods were instrumental in monitoring how the staff receive, address, and serve customers if within the organizational behavior standards. These methods were selected based on their objectivity, reliability and sustainability of the method based on the environment and nature of the industry. To clearly meet the purpose, the three methods were used alternatively to determine the employees' feelings concerning the organizations culture and the customers' feelings on whether the organizations behavior is suitable in the service industry. The study found

that most of respondents especially the non-management staff who responded to the questions as indicated in the appendix section of this paper disapproved the organizations culture and behavior, while most of those in management positions approved the organization behavior.

## **Recommendations**

The success of organizations is dependent upon the organizational behavior principles adopted and applied in the respective subsidiaries. The OB principles that are relevant and should be adopted by organizations include customer responsiveness, personality and organization, work motivation, job satisfaction and reward management, communication, change management and leadership.

In order to develop a good organizational behavior, the management needs to understand personality of employees in order to develop a workable interaction model within the organization. Personality involves characteristics, qualities, skills, and competencies of employees, combined with other traits such as grooming and attitude. Personality in most cases is influence by the environment and the social settings. However, there are particular universal characteristics which always emerge in individuals that are acceptable across the board. For example, customer service staff members are expected to be aggressive, humble and respectful, have a listening ability, assertive and welcoming

Every organization should therefore create a standard organizational behavior that includes employee promotion on merit, professional

supervision, and standard remuneration of employees based on productivity and job group