

# **BUSINESS DEVELOPMENT OF THE LEBANESE BANKS – THROUGH SEAM METHODOLOGY: THE CASE OF BANK X**

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## **ABSTRACT:**

Our review depends on intervention research methodology directed in a private bank in Lebanon, as a major aspect of the planning of our doctoral proposal. To respect the anonymity of the proving ground, we will assign them by the letter X. The intervention inquire about approach we receive is a transformative approach that empowers us to accomplish a think change in associations and along these lines, it adds to the formation of logical information from the immediate perception of the field. The procedure utilized is SEAM. It is our point in like manner to give the most profitable arrangement accessible and to upgrade the administration of data frameworks. As specialized frameworks are ending up being more mind boggling and meanwhile continuously fundamental to society, there is a rising attention to keep up a feasible situation notwithstanding all the speedy changes in development. Subsequently, we built up our center theory:

**Improving performance throw upgrading efficiency, effectiveness and enhancing profitability with sustainable growth.** The research will exhibit that through the execution of SEAM and the synchronization of the three axes, the three strengths of progress, we will achieve our ultimate objective to enhance the bank management.

**Keywords:** Organizational Development, Intervention Research, SEAM, transformative approach, agile.

## **1: INTRODUCTION AND PROBLEM IDENTIFICATION**

### **1.1. General Background**

Lebanon has a competitive and free market regime and as strong laissez-faire commercial tradition .The Lebanese economy is service oriented; main growth sectors include banking and tourism. There are no restriction on foreign exchange or capital movement and bank secrecy is strictly enforced.

Banking is the key and largest sector of the Lebanese economy, accounting for 35% of GDP growth, contributing more to employment than any other sector .It is also the sector most representative of the history, culture and

talents of the Lebanese people. The banks are managed more conservatively and with a careful approach and this has protected them from the most recent global financial crisis.

The Lebanese banking industry is financially sound and stable. It plays roles in the Lebanese economy where banks continue to dominate the financial system of the country and are major providers of credit to individuals and businesses.

Banks and other financial institution in Lebanon fall under the jurisdiction of the bank of Lebanon (BDL), the country's central bank, which is the bank in regulatory authority. The BDL controls entry into the banking industry, define the scope of banking activities and sets prudential regulations and codes of practice for banks.

## 1.2 Problem Statement

Banks today are facing rapid and irreversible changes across technology, customer behavior and regulation. The net effect is that the industry's current shape and operating models are no longer sustainable into the future.

The combined power of these three drivers of industry change-technology, customers and regulation-is increased by the fact that they are often closely interwoven. Technological change creates new categories of customer utility, while regulatory changes prompt both service and structural innovations, which together change the nature of the activities or entities that need regulating. Therefore, shifting role and expectations are redefining the reality and perceptions of the industry's role and purpose in society.

Lebanese bank are adopting classical mode types of management which lead to decrease performance in both social and economic. Old theories of management slow down banking growth.

To be part of the future, banks need to invest heavily, rediscover and reassert their core role in society, and secure the ongoing support of policymakers.

Even a conservative extrapolation of the trends we've described could mean that, by as soon as 2025-2030, a market economy could readily exist without banks of the traditional kind. However, banks retain some substantial advantages to help them prevent this from happening. Although much-maligned and tarnished recently by the financial crisis, banks brands and reputations remain hugely recognizable and potentially powerful, shored up by familiarity, experience and regulation. Trust and brand matter in financial transactions; some of the resistance to alternative banking provider's results from a lack of trust in their security.

"Traditional banks need to sharpen their strategic focus to remain relevant".

Today's banks must press ahead on four fronts, or risk slipping into irrelevance; they must continue to adapt to regulatory change; work through the legacy of underperforming assets; change their organization's culture and behaviors and demonstrate to society that they deserve a renewal of trust and invest in customer service and operational innovation. Managing a transformation program of this scale will be a challenge, but it is one the banks cannot afford the shirk.

Mirroring the banks, regulators also need to change their mindset and approach, all of this adds up to a call to arms for banks and regulators to accept the inevitability of change and develop a new vision into reality will not be quick or easy. But unless both banks and regulators embrace and embark on this journey, they face a very real risk of being left behind on the roadside.

## 1.2. Purpose (Aims)

The purpose of this qualimetrics study is to help clarify the extent to which business development banks could influence positively and/or negatively both employers and employees and the society as a whole. I set out to investigate whether business development banks could invite detectable benefit into the Lebanese business in general on the level of cost reduction where applicable and whether employees' productivity and satisfaction could be affected positively by this managerial style. The proposed research will focus on change management in general and the adoption of the socio-economic approach to management (SEAM) in particular as a tool for organizational development. The research will be part of an intervention program aiming at business development in Bank X. The purpose of the research responds directly to the identified needs, expressed by the noted bank, that are directly associated with organizational development. The expressed need emphasizes the timeliness of this research as well as its utmost importance to promote and upgrade the productivity of the employees within the bank. The research is substantial within the current period in view of the sizeable challenges that Lebanese banks face. It is true that deposits continue to increase and have so far reached 130 billion \$. This is equal to three times the local gross domestic product or twice the level of public debt. It is also true; however, that the pace of deposit growth has slowed in the past two years as a result of the current political and security situations, as has the pace of growth of other bank assets, which today total \$160 billion. There is no doubt that this decline negatively impacted bank balance sheets and, consequently, their special financing ability in light of the rise in the fiscal deficit and the rise of public debt.

The other challenge faced by Lebanese banks is the intense regional competition.

The widest gap, on the other hand, lies in the scale efficiency or the optimal size of a bank. Here, we must point out that the de-concentration of Lebanon's banking sector hinders its growth and competitiveness on the regional scene. It is true that the largest 10 banks control 80% of the Lebanese bank assets. It is also true, however, that the existence of 71 different banks dilutes the abilities of the Lebanese banking sector and restricts its competitiveness. That is why the coming period might witness beneficial mergers and acquisitions between banks, particularly the smaller ones.

Another challenge entails limiting the sector's exposure to Lebanese treasury bonds, while diversifying its investment portfolio. The recent reclassification of some Lebanese banks, despite their outstanding performance on a managerial and service level, was due to the weight of these treasury bonds on their balance sheets. Current circumstances complicate matters, not because of a lack of funding sources, but, on the contrary, because of a surplus in deposits. Investment opportunities are scarce in light of the bad security situation. Foreign investments have markedly decreased, while loans to the

private sector have reached \$47 billion despite the fact that the sector's capitalization is dwindling and its debts are increasing. Housing loans, on the other hand, which dramatically grew- from 44.000 loans in 1993 to 700.000 loans this year.

There is no doubt that the need and opportunity now revolve around diversifying bank services by expanding business banking services and developing Lebanon's financial market. This would help grow the economy and distribute risks.

Hence, the improvement of the effectiveness and efficiency of the services of this sector are timely and greatly needed.

It is important to note that in the public sector, the strategic planning part of management in general and the change management process within its context in particular are usually conducted and emphasized; whereas the operationalization of the strategic plan through the definition and implementation of clear activities with well-defined results is frequently delayed or even missed (Nartisa, Putans, & Muravska, 2012). Thus, understanding the underlying main factors leading to the un-operationalization of set change plans is also needed. Moreover, the adoption of the SEAM as an approach for organizational change and development, within the public as well as private sectors, is not yet obvious and properly understood within the Lebanese context.

This research will be undertaken to fill the stated knowledge gaps within the private sector in general and Bank X in particular, mainly in what relates to the adoption of SEAM as a tool of inducing change and enhancing performance and productivity. The acquired know-how and techniques through this research can be applied in other public and even private sectors while taking into consideration their context specificity and sensitivity. The findings will be shared with concerned management professionals and academicians through direct exchanges and the publication of related learned experiences.

#### 1.4 Importance of the study

This study is highly needed since in Lebanon, we suffer from a lack of research on staffing practices and their direct contribution to both the employee and employer and the environment. Most researchers investigated the practices and their benefits strictly on business or on the investors or the success of the company...etc. With this explorative study, business development was not investigated trying to raise productivity and stop at the end. It is rather a deep look into whether we could ever have a less stressful lifestyle with higher level of productivity in the light of enjoying some economic and social benefit.

## **2. RESEARCH AIMS AND QUESTIONS**

The main objective of the research is to identify the root causes of the hidden dysfunctions within the Bank and identify and develop change projects to address the identified gaps with an ultimate aim to develop and upgrade the work of the noted bank.

Outlining the broad concept of business development and then leading into the focus of the research problems highlighted previously. Constructivism paradigm guided the methodology used in this research work which was that of

qualitative, quantitative and financial method. It collected details from secondary sources such as published articles, researchers, and seminars....

The specific objectives of the research include:

- Assessment of the hidden costs and dysfunctions: absenteeism; occupational injuries and diseases; staff turnover; non-quality; direct productivity gaps...
- Analyzing the consequences of dysfunctions: excess salary; overtime; overconsumption; non-production; risks....
- Assessment of the division context of operation: division structure and related functions; strategic planning and implementation; working conditions; accountability system; code of conduct and ethics; communication-coordination-cooperation; time management; integrated training....
- Designing innovative methods to reconcile quality-safety and environmental standards with budget constraints.
- Developing approaches to address the poor performance.
- Enhancing the actors soft skills in communication internally to smooth the internal work flow and communication with clients to standardize the approach.
- Introducing change the corporate culture and nurture the sense of initiative belonging and engagement (loyalty).
- Analyzing the corporate governance structure and impact on the overall performance.
- Accountability on all levels derives mainly from cyclical or reporting evaluation.
- How to retain and satisfy current customers and how to appeal to new ones?
- How SEAM will help in developing business in Bank X?
- Can SEAM methodology lead to keep Bank X stand out from the crowd while facing all those challenges and therefore improve its positioning?
- How to increase performance in both social and economic?

### **3. PRELIMINARY LITERATURE REVIEW**

#### **a. Bank X – A Brief Overview**

Field examine must address the issues and requests of the scientist searching for space research, trade, and experience. It is a position of experience facilitating for a variable period, accomplishing a characterized or arranged venture. Space is intended to grow, gather and advance research ventures. It is a zone that would have a base, a supply of works and documentation.

Our research concentrates on a private bank in Lebanon. We will depend on the databases of this bank utilizing the methodology of socio-economic approach. To better comprehend the dysfunctions coming about because of the data frameworks and their use in these associations it is basic to speak with all the bank staff: Administrative and board staff; the retail department and branches staff; Technical and innovative work force.

So our trial premise comprises of a private bank. We will dissect, evaluating, and changing management procedures that help us naming the bland factors that can fill in as a root for the change of a model for management of data and correspondence frameworks.

Bank X was established in Lebanon in 1981 and it is one of Lebanon's fastest growing banks. Recording an average annual growth rate of some 20% for 7 years running, the bank's total deposits in 2013 surpassed the \$2 billion benchmark for which it was awarded **Lebanon's prestigious Alpha Bank status.**[1] **Bank X in 2013 also boasted** Lebanon's highest loans-to-deposits ratio at nearly 57%, while total assets by the end of the same year amounted to \$2.6 billion.

Bank X's experience and expertise span across all traditional and emerging banking activities, varying from Retail, Corporate and SME Banking to Specialized Finance, Investment and Private Banking. Always at the forefront of innovation in order to find the latest banking solutions, Bank X continues to diversify and improve its range of products and services.

- 1060 staff in Lebanon, and abroad.
- 23 branches in Lebanon
- 17 branches abroad
- Ranking 14 alpha group bank

Banks have to take steps to improve their performance measurement capabilities in light of changed economic and market conditions and new management needs. Revenue growth continues to be difficult to achieve due to weak economic conditions, low interest rates and regulatory restrictions. Banks are trying to manage costs better, deepen relationships with customers and enhance product mix and pricing decisions. These and other factors are causing banks to re-examine and improve the ways in which they measure and report business performance.

Some major areas of emphasis and trends are emerging across the industry:

- Reviewing and enhancing organizational management profitability-reporting methodologies;
- Emphasizing the use of business-unit key performance indicators (KPIs);
- Refining customer and channel-profitability measurement and analytics;
- Improving alignment of the components of the performance management process;
- Improving systems support and automation of the performance management process;
- Improving data quality and consistency.

Organizational needs are still present and necessitate specialized and focused management interventions aiming at introducing a management change that would promote the effectiveness and efficiency of the services and align its performance to the international standards within the context of the prevailing socio-economic and political conditions at the banking sector.

#### b. Change Management – An Overview

Organizational change within public as well as private institutions is becoming an increasing priority within the existing climate of socio-economic and political pressures. This is more evident in socio-politically unsettled countries like Lebanon.

The working world has experienced significant changes driven by globalization a shifts in the expectations of today's workforce.

Change management is a systematic approach to dealing with change both from the perspective of an organization and the individual. It goes to be impacting one or more of the following:

- Processes
- Systems
- Organizational structure
- Job roles

While there are numerous approaches and tools that can be used to improve the organization, all of them ultimately prescribe adjustments to one or more of the four parts of the organization listed above. Change typically results as a reaction to specific problems or opportunities the organization is facing based on internal and external stimuli. While the notion of becoming more competitive or closer to the customer or more efficient can be the motivation to change, at some point these goals .Change management objectives are to improve the organization in some fashion such as reducing the costs, improving revenues, solving problems, seizing opportunities, aligning work and strategy or streamlining information flow within the organization.

The challenges and dilemmas posed by the parallel changes in technology, customers and revolution are not confined to the incumbent banks or even the non-bank pretenders. The banking policy and regulatory community will face its own challenges and struggle for relevance. The scope of the regulatory challenge widens and becomes more complex, and the core focus becomes the resilience of the network rather than of a set of institutions within it. Some observers have commented that without significant change banks could shrink to a much narrower core of activities.

As revealed in the literature, the Kurt Lewin model demonstrates that to move an organization from point A to point B first we should create compelling and motivating reasons to change (unfreeze). Then implement and install the necessary changes (transition) to the way we wish for things to be. Then aim to stabilize the operation (freeze) at a better and/or higher level of performance. This model works whether the changes are strategic and incremental or reactive or anticipatory change.

But despite its wide adoption as a model of change for many years, Lewin's theory has been noted to be based on the assumption that organizations operate under unchanging situations that can be accounted for. In response to that, the `emergent approach' was developed.

Within this holistic approach perspective, change is directly associated with organizational development (OD) theory and practice of planned, systematic change in the attitudes, beliefs and values of the employees through creation and reinforcement of long-term training programs. OD is action oriented. It starts with a careful organization-wide analysis of a current situation and of the future requirements and employs techniques of behavioral sciences such as behavior modeling, sensitivity training, and transactional analysis. Its objective is to enable the organization in adopting-better to the fast-changing external environment of new markets, regulations, and technologies. OD is a field of research, theory and practice dedicated to expanding the knowledge and effectiveness of people to accomplish more successful organizational change and

performance through planned interventions in the organizations "processes", using behavioral-science knowledge.

One could wonder what kind of benefit was out there for the employers who would have to face a new reality at work: "Out of sight, out of mind" drawback effect. This was not necessarily true because the management strategies had to alter their procedures a little by setting time sheets, ongoing performance reports on an employee's productivity and punctuality in delivering tasks, and any method that enabled supervisors to monitor work quality, and deadlines. (McCloskey & Igbaria, 2003).

Governments of developed countries usually attempt to place on their agendas, socio-economical plans to foster economic growth and development to certain areas of the country in order to improve their social fabric and financial balance.

The literature also highlights that in order to achieve an effective and efficient change, strategies associated with communication, training, reinforcement, and others should be considered coupled with the adoption of a flexible approach that will react to changes as they occur. While planning these strategies, the type of the personal contract the organization has with its employees and how the introduced changes could change it should be also considered. This is essential to avoid resistance that could weaken the process. To also emphasize that there are multiple internal and external factors that should be taken into account to sustain the induced changes (Barnard & Stoll, 2010).

#### c. Socio-Economic Approach to Management (SEAM) – As a Tool of Change

Socio-economic circumstances and innovative technologies have always led to major changes in the various facets of staffing policies at work across time. Elton Mayor, An American Social scientist ran a study to test what would increase workers' productivity:

"Productivity rose when more attention was paid to the workers...This phenomenon came to be known as the Hawthorne effect". (Kranzberg, 2010)

Needs and wants during a certain era under specific constraints have helped shape the evolution of work conditions according to their own special parameters. "The advent of industrialization drew workers from the farms to the cities, and the increase in mechanization required fewer farm laborers on a year-round basis". (Kranzberg, 2010). When the Industrial Revolution in the 19th century, a great turning point in the history of business, kicked in with all its heavy machinery and economic growth, society had to follow the new trend back then; consequently, relocation of residency or even internal migrations had to become the expected fad at that time. "The Industrial Revolution changed the work situation for both men and women" (Kranzberg, 2010). Whenever innovation struck a progress, a social and economic overall change may have logically occurred. It usually altered things from top to bottom; in other words, from the higher rung to the lower rung. Likewise, when the latest technological innovations in the late seventies conquered the world and advanced until internet became the world's universal and sole connection hub, the workplace in several industries from agriculture to construction to trade and services had to witness the change that affected the job policies, strategies, as well as staffing.

SEAM is a quite recent innovative approach in management. SEAM is the basic intervention model created by Henri Savall, in 1974, in France, and disseminated by his team of associates and their international doctoral students (Boje & Rosile, 2002). Since its creation, SEAM was tested and evaluated through long-term experimentation.

SEAM shares many of the concepts and practices of different Organizational Development (OD) American schools of thoughts, but includes some applications that make this approach quite different and particular (Conbere & Heorhiadi, 2011). It relates the social aspect of the enterprise with its economic performance. It also considers human development as the main factor for organizational effectiveness in the short, medium and long-term aspects.

SEAM demonstrates that there is always a difference between the situation expected by the actors (employees, managers, customers, shareholders) and the actual situation. SEAM examines dysfunctions in an organization which are defined by: working conditions, working organization, communication-coordination-cooperation, time management (managers and supervisors spent more time on routine tasks than on development activities), integrating training and strategic implementation. These dysfunctions resulted in the identification of five main categories of hidden cost: absenteeism, occupational injuries and diseases, staff turnover (some highly qualified employees left the enterprise because they had been offered better wages by competitors), non-quality, (through lack of knowledge of procedures and inadequate training), direct productivity direct productivity gaps. For each of these, qualitative and quantitative assessments are used to identify the estimated hidden costs. The hidden cost were evaluated through the assessment of cost components such as overtime to cover absenteeism, or non-production hours due to delays in launching products, and waste of resources due to quality defects. An in-depth analysis showed that the main reasons for all these dysfunctions were a combination of unsuitable structure and inappropriate behavior within the enterprise. Hidden cost and hidden performance considered as an inseparable duo. There is a trade-off between immediate results and the creation of potential gains. The components of the financial consequences of the indicators of dysfunctions are: excess salary, overtime, overconsumption (squandering due to errors...), non-productivity, non-creation of potential (false savings, loss of market share, loss of know-how...) and risks. Dysfunctions usually affect the enterprise either by increasing resource consumption or by limiting sales in the short term and slowing the creation of potential gains in the long run. Hidden costs increase due to dysfunctions linked to loss of know-how, disorganization and a decrease in confidence, lay-offs are not sufficient by themselves to reorient the enterprise towards implementing new high value-added tasks. Autocratic styles of management may improve productivity in the short run, but this is offset by an increase in dysfunctional costs in the medium and long term. Dysfunctional costs take the form of low quality, absenteeism, customer dissatisfaction, and increased resistance to innovation and change. The SEAM approach investigates organizational practice and observes it over time in order to follow the natural evolution of the practice and to evaluate the effects of the changes which are introduced. The process of intervention research is based on induction and deduction alternating phases in the field with the phases of

withdrawal and analysis. SEAM three traits are: generic contingency (ongoing data from practice allows researchers to make generalization to theory), cognitive interactivity (intervener-researchers collect and analyze data, learn from actors and share learning with actors) and contradictory inter-subjectivity. SEAM intervention approach aims to improve an organization's socio-economic performance. Sustainable performance is only possible by reconciling social performance.

In addition, it is important to note that the Socio-economic management tools are the following (Savall, 2010):

- Internal/external strategic action plan consists of listing and classifying the strategic breakthroughs in the medium term (3 to 5 years) sort of master plan, this serves as the basis for planning actions to achieve the strategic objectives of the enterprise.

- Priority action plan (half-yearly), the PAP consists of planning all the development actions to be implemented in the enterprise and each of its departments. These development actions are targeted at implementing the strategic objectives and at preventing dysfunctions.

- Competency grid, consist to train employees and to enable them to gain efficiency in their new activities.

- Time management considers to eliminate time spent on low value added tasks and to devote more time to development actions.

- Strategic Piloting Indicators (or strategic piloting logbook) assess to measure the results in terms of the value created through management changes.

New management skills required to implement strategy in a competitive environment:

- Define the new objectives and specific tasks to be achieved.

- Pinpoint tasks which have to be eliminated.

- Train teams to use new machines and adopt new methods and procedures.

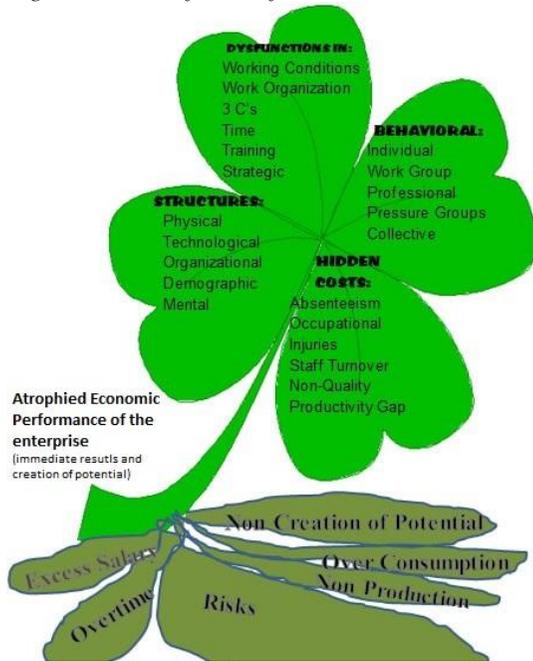
- Demonstrate the advantages of the new organization of work which means involving themselves in different tasks.

- Negotiate the effort needed to learn more complex procedures in the production process.

- Reorient the enterprise towards new activities.

Managers have to become more open to the environment and spend more time outside the enterprise, especially with customers .The expected results of the socio-economic intervention are to double the profit margin and to improve the strategic position of the enterprise. It also indicates that employers and managers should develop three main skills: first the ability to define strategy and implement it, second the ability to improve the efficiency of current high value added tasks and third the ability to identify low value added tasks and to overcome resistance and fear of change through greater worker involvement and sound employment relations.

Figure 1: SEAM four leaf clover



The structure should include all the resources available for the activity:

- Physical (facilities)
- Technological (know-how, equipment)
- Demographic (breakdown by age-groups, seniority, qualifications, gender)
- Organizational (organizational figures, procedures, hierarchy, project team, working group)
- Mental (intellectual capital, values, skills).

Behaviors should take account of different factors:

- Individual targets
- Work group professional categories
- Pressure groups
- Collective habits.

Consequently, while adopting the traditional management approach, organizations make decisions without taking into consideration essential factors that influence their financial status (Savall, 2003). As also highlighted by Savall within this context, the socio-economic interventions to convert hidden costs into value-added creation and improve economic performance consists of four major phases: diagnostic, project, implementation of the project and evaluation of the results.

- Socio-economic diagnostic consists of an inventory of dysfunctions and an evaluation of their financial consequences. The financial impacts of the dysfunction is related first to the avoidable costs due to the low value added tasks such as rectifying quality defects and second to the non-products and the inadequate creation of potential due to a poor implementation strategy. This is

called Mirror Effect because it clearly reflects the dysfunctions and highlights the improvements that the enterprise needs to make.

- Socio-economic project based on the diagnostic and aims to prevent dysfunctions.

- Implementation of the socio-economic project through planning and implementing the different improvement actions, help managers obtain a better balance between day-to-day activities and development actions, requires monthly feedback meetings in order to ensure that there is no delay in the improvement schedule which requires some coaching.

- Evaluation of the socio-economic results which compares the inventory of dysfunction costs found in the diagnostic phase and those measured after one year period must be assessed on the basis of qualitative, quantitative and financial data.

The socio-economic interventions included within SEAM can be looked at as a mechanism for examining innovative solutions, while aiming ultimately to reduce the dysfunctions experienced by the organization (Savall, 2007).

SEAM also emphasizes that the effectiveness and efficiency of organizations are directly influenced by their ability to associate classic management methods with the human and social aspect of their overall operation and sustainable performance (Savall, Bonnet, & Moore, 2002).

Compounded to the above is the fact that the tools proposed to be used through SEAM will respond directly to the expressed needs of the noted bank.

#### **4. RESEARCH METHODOLOGY**

An action research will be adopted. Action Research targets at producing an alteration in individual organisms. Action Research embodies a distinct type of communications between researchers and participants by being clear, democratic, and unbiased (Bargal, 2008). Action Research is an approach aimed at individuals; it highlights the augmented capability of its members in addition to being systematic (Boog, 2003; Peters & Robinson, 1984).

“[Action Research] seeks to bring together action and reflection, theory and practice, in participation with others, in the pursuit of practical solutions to issues of pressing concern to people and more generally the flourishing of individual persons and their communities” (p. 1). Lewin is interested in auto-education’s role in allowing people to enable themselves to develop their situation. Add to that, Lewin was the first to announce that the Action Research process is cyclic. Such process includes different stages consisting of (a) ‘fact-finding’, (b) planning, (c) acting, (d) reflecting/evaluating, and (e) addressing the problem (Somekh & Zeichner, 2009). Action Research stresses on the concept of groups having an improved ability to prompt alterations in contrast to individuals.

Marrow (1969) and Adelman (1993) declared that Lewin along with his co-researchers distinguished four diverse Action Research approaches (a) ‘diagnostic Action Research’; creating the action plan, (b) ‘participant Action Research’; containing the participants of action research through the steps; (c) ‘empirical Action Research’; consisting of upholding archives and collecting daily processes for the objective group; and (d) ‘experimental Action Research’;

it requires a 'control' study group to see the methods used in social situations that are alike (Jefferson, 2014).

Action Research is different from the 'positivist research approaches' because it tries to 'bridge the gap' existent amid researchers and practitioners. Lewin mainly developed the action research cycle in the mid-1940s. It is made of principally three steps:

1. Action planning
2. Action taking
3. Action evaluation

The four most fundamental principles of Action Research:

1. Participants' development of ability
2. Cooperation by participating
3. Acquiring information
4. Making a change at the social level (Ferrance, 2000).

The development sector uses Action Research methods for several purposes.

Some of which are:

- (a) Opting for structural and individual learning
- (b) Observing and evaluating
- (c) Constructing the theory.

Contrasted to other approaches, Action Research includes:

- (a) More participation
- (b) Larger areas for learning
- (c) More comprehension and understanding
- (d) 'Downward accountability'
- (e) Management in complicated situations

Among the various approaches to Action Research Qualimetrics Research takes place. Qualimetrics research aimed to change process and the transformation of organizational patterns through the integrative mix of qualitative, quantitative and financial data. The importance of using qualitative data to validate quantitative depictions of organizational performance in understanding the construction of financial statement. Qualimetrics approach presents a different and challenging way of thinking about analyzing organizations. Qualimetrics is based on scientific observation. The belief that there is a double loop interaction between social and economic factors in organizations, between behaviors and structures, and between the quality of life in organizations and their economic performance. Qualimetrics approach presents a different and challenging way of thinking about analyzing organizations, one that draws together quantitative information, financial analysis and qualitative insights into organizational dynamics. It keeps to a three-fold triangulation approach:

- An interaction between qualitative, quantitative and financial data.
- Checking against each other the results of interviews, documents study and direct observation.
- Sorting out convergence and specific aspects of statements expressed by top management, executives and employees. Qualimetrics research insists on the

description of transformation phenomena interaction between research team and company actors throughout organization. Observation is based on interactive and transformative process. The outcome of Qualimetrics research is both context specific and productive of generic knowledge.

Qualimetrics intervention research aimed to:

- Discuss project conditions with top management
- The project purpose is to improve working conditions
- The project is about switching and shifting the “culture of silence”
- Joint learning lead to cooperation between experts and actors
- All workers regardless their positions give their comments on the dysfunctions seeing from their own situation.
- The project is a mixed learning process, a mixed reflection and a mixed action.
- Re-designing the work-organization, through job enrichment and the method draws on critical approaches to Taylorism and traditional division of labor. It is a bottom-up, a top down and a cross-divisional participative process.

1. Assessment Phase:

Approach to management through a socio-economic intervention to implement the improvement process: the horizontal and vertical method (HORIVERT). The horizontal action aimed management team and the executives of the firm, it helps to change the organization and improve cooperation between the different departments. While the Vertical action aimed to workers, employees, technicians and supervisory teams in order to enhance empowerment at all levels, it focuses on integrated training to improve the skills of the personnel.

| <b>Qualitative diagnosis</b>           |                             |                         |                           |
|--|-----------------------------|-------------------------|---------------------------|
| <b>Horizontal Diagnosis</b>            |                             |                         |                           |
| <b>Subpopulation</b>                   | <b>Number of interviews</b> | <b>Number of person</b> | <b>Type of Interviews</b> |
| <b>CEO</b>                             | 2                           | 1                       | Individual                |
| <b>Executives</b>                      | 3                           | 3                       | Individual                |
| <b>Head of departments</b>             | 6                           | 6                       | Individual                |
| <b>Vertical Diagnosis</b>              |                             |                         |                           |
| <b>Subpopulation</b>                   | <b>Number of interviews</b> | <b>Number of person</b> | <b>Type of Interviews</b> |
| <b>Manager and Head of departments</b> | 9                           | 9                       | Individual                |
| <b>Staffs</b>                          | 7                           | 28                      | Group Interviews          |

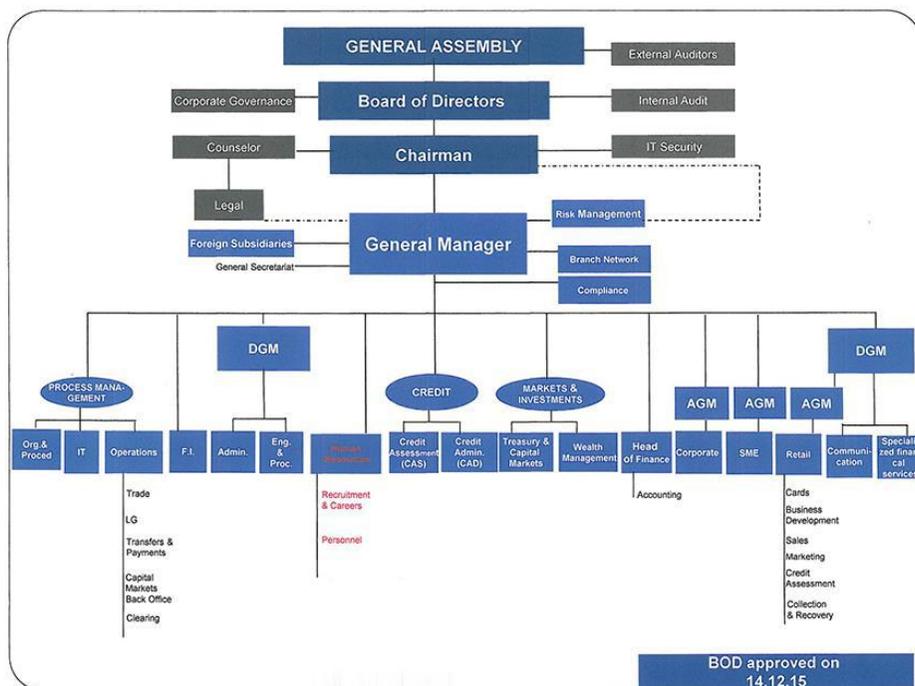
1. Data Analysis

The main tools used in this study are the constructed and research-based questions to be answered as pre-test and post-test for the case studies, another research-based set of questions targeting the interviewee perspectives and attitudes. These last instruments used are the theoretical articles and empirical

study for business development. All these tools are assembled carefully to be interpreted according to sub categories or themes. A comparison between the pre-test and post-test of the case study is done at first. Then, a cross-comparison by sub-topic between case studies is also conducted to see similarities and differences while taking into consideration the characters involved. The same approach is used with the interviewees: a comparison for each participant's answers with the other would help establish a deeper understanding on dealing with business developer from a managerial viewpoint. Lastly, a wide array of articles is consulted to find possible and realistic down to earth solutions. A current investigation on banking sector status regarding this issue is also searched from reliable sources. Then, developed countries strategic planning and organizations that applied SEAM is also researched in order to rely on studied and tested data providing actual solutions for hidden cost reduction. Based on the findings, all details are categorized in their conceptual dimensions, and then analysis is refined and channeled to build a theory rather than test a theory.

### Work Progress

### Organization Chart



After the face to face interviews with the steering committee, a conducted horizontal interviews with the management team and executives and also vertical ones that has been chosen in a branch and was aimed at workers, employees and supervisory team, the purpose of this structure is to integrate all organizational members. As a result, many dysfunctions occurs regarding the six

domains (work condition, work organization, 3 C's , time management, integrated training and strategic implementation.

In the wake of completing the information accumulation, we began the information treatment stage that incorporates the ascription of witness sentences by classification of dysfunctions, notwithstanding the count of their frequencies. At that point the outcomes were introduced as the mirror effect, which was gotten from the information interviewees and sustained back namelessly to the members or included performing artists. Mirror effect summarizes the main dysfunctions in the six domains that the actors are not aware of. After the mirror effect, we gave our expert advice and implicit thoughts that are coordinated by the intervener from the response of the players amid the oral introduction and the Taboos by giving our point of view on the effect of these dysfunctions. The point of the expert opinion is to help the customer see the main drivers of the hidden costs they had revealed.

## The result

### 1. Working conditions

#### 1.1 Layout and arrangement of the premises.

There is not enough space for staffing all head quarter employees, that's why the head quarter is divided into several location in different areas .Looking for building a head quarter that will hosts all the head office organization close to the perfect conditions ,smart building and green smart room ...Current situation is so missy, even with the renovation (led lighting, floor ...) because of building's dysfunctions such as it is tight , not accommodate, marketing place(each department is far from another one), it is shattered not boded in same place .Concerning the branches premises, some are perfect while others need renovation.

#### 1.2 Equipment and supplies

Trying to adopt the latest technology. IT system very slow and not advanced, they are working hardly to apply a new system that will be on process in July. The conference room is very bad; each projector's situation is from history. Internet not found for all employees.

#### 1.3 Physical conditions of work

Old building, lift not working, climbing stairs.

#### 1.4 Physical workload

There is no proportionality between the employee experience, the academic level and the required obligations. A clear job description is not existing.

#### 1.5 Work hours

Work hours must be the same as the banking sector in order to be competed and not to lose out existing or potential clients. But some positions have responsibilities and they must fulfill their obligations with any delay regardless their work hours, it depends on duties and it is irrelevant regarding hours.

Missing to manage people by smart specific objectives, measurable achievable realistic and time bound. Performance indicators must be tied to reward and benefits which is not the case in the organization.

#### 1.6 Work atmosphere

Lots of gossip. Grapevine environment as Lebanon. Not clear objectives and system. Informal way of communication. Competition between employees. No team work. No integrity neither confidentiality.

### 2. Work Organization

2.1 Distribution of tasks, missions and functions is very weak, it is not described nor written in a clear straight forward language in order to avoid misunderstanding. Business is a chain of value delivery, like a bracelet, if any single chain is broken it will destroy all of it. The re-engineering need to be more smoother. This se of process is called system that flows over departments.

2.2 Doesn't have a formal process regarding regulation of absenteeism .Existing of informal process that is not documented nor written .Succession planning comes with talent planning which is missing.

2.3 Interest of work ranges a lot. Philanthropy and tender policies create a culture of love but the dysfunctions here are as retention strategy, market competitive , fairness and equitable ,have to give people hope, to show them path, function distribution, supervisor relation, coaching, monitoring...Conflict of interest takes place between organization and subordinates interest. Subordinates are not working under the umbrella of organization's interest.

2.4 Organization units are not autonomous. Micro management. A management style of upper management. It ranges from area to area, should be one common culture.

2.5 Workload is related to how work is distributed, fascinated about efficiency. The capacity of planning optimal formation of work is an art, a big dysfunction in workload exist, they need to restructure departments in an efficient way. Maybe departments must be covered by ten and we find fifteen ,no clear job description...(20% of employees are overloaded and have a good performance while 80%...are unproductive)

2.6 Rules and regulations not very clear, not explained to all bank staff and no written policies found .They are building now organization liaising all organization, trying to write mega work regard

### 3. Communication-Coordination-Cooperation(3C)

3.1 The communication part does not exist, just only on personal basis. There is no system of communication. Only human resource department create a communication system which includes: latest video, employees events, business application, important links, HR phone, best deals, weekly banking articles...No synergy between departments. It is based on organization structure which is divided vertically, front office versus back office.

3.2 Relationship to neighboring services is acceptable, should be perfectly managed because it will affect positively the business in ameliorating and improving the deals and facilities conditions.

- 3.3 The 3C between the network and the home office, this process is not perfected; no workflow tested and no clear set of process.
- 3.4 Lots of coherence regarding the 3C at the board of director. But there is ups and down depending on each situation and case by case. The chairman is the dominant; things are going as he likes it to be.
- 3.5 The 3C framework is weak, need willingness from the top management.
- 3.6 Transmission of information acceptable only in internal memos basis.
- 3.7 All 3C are broken. Team work is missing.

#### 4. Time management

- 4.1 There is no respect for deadline because there is no accountability. Respecting deadline just externally with central bank and correspondent banks to mitigate the reputation risk and to avoid penalties.
- 4.2 Lack of planning environment. It is a very serious problem since most of capable employees are overloaded with works and this will lead to loose such capable persons and the majority of subordinates don't find out how to prioritize and schedule their time for maximum impact in achieving extraordinary things.
- 4.3 Lots of poorly competency, knowhow, how to break big tasks up into smaller chunks.
- 4.4 Employees' culture is disturbing time management (no cause, no mission, no strategy, no engagement, ...). The vast majority of problems come from people who are being distracted, often by websites, social media, whatsapp, telephones and any electronic devices, this distraction will interfere with daily routine.

#### 5. Integrated training

Erratic training activities. They are trying to organize it. It needs vision, budget approved by the board, training schedule and program... Priorities are fairly allocated between departments; depend on favoritism and not on needs. They use outsource training which is very expensive.

#### 6. Strategic implementation

This part doesn't exist, is not communicated neither seen from anybody. If there is, it should be involved and be part of it. They are working ad hoc. Sometimes they go through external company to help in building a new strategy; this affects the results negatively because of the additional high cost, lack of knowledge in operation system and suffering at all level with no efficiency. Vision not well transmitted from upper management.

### **Core Hypotheses**

The branch has for some time been the establishment for saving money, and the channel of decision for bank clients. However fast headways in computerized advancements and an expanding number of channel alternatives are changing how clients see and use conventional branch areas. As more individuals exploit web based keeping money benefits, the importance of the conventional branch office has blurred, leaving branch directors saddled with

rising operational expenses and less staff. To meet the desires of clients and stay gainful, they should concentrate on supporting and supplementing advanced channels and benefits, and increasing the value of the branch and its center business. Many banks have as of now embraced such activities.

This white paper talks about the means required in changing the branch into a high-esteem, advanced operation that uses the energy of computerized inside the setting of customary branch situations. Accomplishing this objective requires a conclusion-to-end approach that considers all parts of advanced change – from clients and workers, to advances, information and procedures. We detail our core hypotheses: **Improving performance through upgrading efficiency, effectiveness and enhancing profitability with sustainable growth.** From the central hypothesis we can find out the following **Descriptive Hypothesis:** Damaged performance indicator, disgraceful detailing, customers' dissatisfaction, training inadequacies and absence of space are the fundamental givers confronting the bank today. Delays develop exponentially as a result of lack of successful communication. Organizational members are not working as a team, the communication is not effective horizontally nor vertically. The flowing process of information is so weak. All these leads to delay of outgrowth and development. The root causes of our diagnosis can be explained by the **Explicative Hypothesis:** The Lack of procedure in embracing an effective communication is creating delays and influencing all departments in reacting the clients' needs. The bank's culture is not organized to react quickly to the customers' services. The lack of synchronization of actions. The lack of actions has a cost, a social cost resulting from the sources of dissatisfaction of personnel as well as of client and an economic cost that results from resource consumption. Lack of deliberate delegation of empowerment. Top down decision making, autocratic leadership, bureaucratic culture, bloated corporate headquarter, rigid policies and procedures. From the above, we come out with the **Prescriptive Hypotheses:** New organization Paradigm versus the old one, change in mindset. From traditional psychological contract to Paradox of employability. From autocratic paternalism (the policy or practice on the part of people in positions of authority of restricting the freedom and responsibilities of those subordinate to them in the subordinates' supposed best interest) to new form of leadership. Accordingly we have a preliminary body of hypotheses as shown in (Appendix 1).

The thematic periphery was gotten from the theories and appropriately we have manufactured our bibliographic cards. We will be supporting every speculation by no less than maybe a couple supposition of various creators. The development of our examination was finished by a cadenced variation between bibliographic research and survey of the writing on one hand, and logical perception of the field of our exploration. Moreover, we have constructed our exploration utilizing the "heuristic process" that enables specialists to distinguish logical guidelines and to find how to continue to procure new information which is done through a procedure of amassing, settling and organizing. (Appendix 2)

Based on the above, a set of baskets must be adopted to reduce dysfunctions and improve performance through SEAM methodology.

### **1<sup>st</sup>: Process**

Inventory for all processes (business or operation)

Mapping in each process the risk & the degree of risk, the administrative complication from time to delivery to added value in time and in cost as well-Respecting the criteria : risk, profit, time-Family of process team-Macro study.

Organizational change which lead to increase the profitability which is classified by: direct incidence which is related to customer satisfaction and the indirect incidence which is related to increase the number of the clients.

Policies & Procedures-Rules & Regulations- Collective Intelligence- Collective Work- Re-engineering.

The service is the main item. The end result by optimizing the process through respecting policies, create better product that is easy to sell and increase the profit margin.

This process needs a dual support by choosing the right people to achieve it and by providing a flexible and advanced information technology that present the second and third basket.

### **2<sup>nd</sup>: Human Capital**

Recruitment (inside or outside)- Empowerment- Interdependence- Accountability- Team work- Career path-Delegation- Training- Rotation- Employee engagement- Organizational learning- Competency.

### **3<sup>rd</sup>: Technology**

Automated workflow system- Innovation- New service- Operational processes- Diversity.

Banks should take up automation that would be a combination of centralized network, operations and a core banking applications that included Business Intelligence, Business Process, Re-engineering and customer relationship that catered to operational and analytical business needs.

Mobile banking, call center enhancements and automated teller machines .Adaptable framework to serve well the clients through enhanced operational effectiveness. Combination in the banking industry followed by innovative up-graduation considered as a key variable to support the competitiveness of the Lebanese bank.

Bititci, Carrie, Mcdevitt (1997) define the performance management system as “The performance management system is the information system which is at the heart of the performance management process, and it is of critical importance to the effective and efficient functioning of the performance management” (p 522). Performance management system defined by Artelly (2001) as “the performance management system is the heart and soul of the performance-based management process. Flowing from the organizational mission and the strategic planning process, it provides the data that will be collected, analyzed, reported, and, ultimately used to make sound business decisions”. (p1)

### **4<sup>th</sup>: Proper implementation**

Strategic planning and thinking- Strategic implementation- Structure to be changed. Who is going to do it?, how to do it ?and how to communicate it?

Management the implementation is the crucial job to do. It takes between six months to one year. After that we have to measure the implementation (any problem, better product, customer satisfaction).

Self-evaluation internally and externally to avoid subjectivity.

Many corrective measures have to be taken and adjusted, minor (on the field) or major (validation).

Re-measuring the implementation.

Performance measurement.

BSC and the Deming Wheel (plan, do, act, check)

The challenge of mobilizing us more in the execution of our transformation projects:

The establishment of new organizations for marketing, the good range and professional channels,

The transformation of the network which bears its first fruits and which continues,

The launch of new services including intelligent ATM

The aeration of renovations' agencies to make them more welcoming and modern.

The transformation of human resources with a new organization and the start of a project of new computer system intended to simplify our daily life and to improve the efficiency of HR.

And finally, an even stronger mobilization of the whole bank, for training in particular, and the launch of the digital platform project with the Backbase solution. Our goals are financial, commercial and transformation.

These new systems that we are going to adopt do not represent for us a simple change of computer tool. No, they will lead us to deeply change our habits, our working methods and our way of acting with customers. These new tools will represent a tremendous opportunity for the bank to improve our operational efficiency and to develop and strengthen our relationship with our clients.

The next few years will be the culmination of years of intense work and the realization of a major investment for the bank. Given its importance, given its impact on banking and its business, this investment in these new tools calls for a new strategy that sets our ambition and sets the main objectives for the next three years.

This new strategy that we will implement for the next three years will allow us to redefine the bank's mission so that it is adapted to the evolution of our market, much more competitive, much more restrictive in terms of regulation and the evolution of the behavior of our clients, much more demanding on the quality of service. We will therefore focus our strategy on two main axes:

Improving customer experience

Adapting our resources to new tools and digital...

Finally, we will keep innovation as the driving force behind our development by adopting an organization that is dedicated to technological monitoring, the dissemination of a culture of innovation and the implementation of relationships with players in new technologies such as start-ups.

This strategy, this ambition, is a strategy of conquest, entirely turned towards the customer and the innovation, which does not renounce our culture and our identity but on the contrary, which relies fully on what constitutes today



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**(Appendix 1)**

| Descriptive Hyp.  | Explicative   | Perspective   |
|---|---|---|
| <p>DH01: *No proportionality between the employee experience, the academic level &amp; the required obligations.</p> <p>*Lots of poorly competency, knowhow, the way to break big tasks up into smaller chunks.</p>   | <p>EH01: Lack of sensitization towards the venture that the bank faces in loosing such capable persons &amp; competencies.</p>  | <p>PH01: Finding out an appropriate planning environment.</p>   |
| <p>DH02: *Weaknesses in distribution of tasks, missions &amp; functions .It is not described nor written in a clear straight forward language.</p> <p>*No clear job description exist.</p> <p>*Performance indicator is not tied to rewards &amp; benefits. Missing to manage people by smart specific objectives measurable achievable realistic &amp; time bound.</p> <p>*Departments Head are not empowered.</p> <p>*Micro management. Management style of upper management.</p> | <p>EH02: Adopting a management style of upper management &amp; centralized structure with micromanagement leads to a lack of delegation of power which creates hidden cost.</p>   | <p>PH02: Adopting a synchronized decentralization structure &amp; empowerment culture which improve quality, employee engagement &amp; job satisfaction as resulting of employee motivation, quality control &amp; reduced costs.</p> <p>*Creating a culture of love using Philanthropy &amp; tender policies.</p> <p>*Have to give people hope, to show them path.</p> <p>*Development of human potential, personnel can experience an Exceptional quality of life filled with satisfaction, creativity &amp; achievement.</p> |
| <p>DH03: Information technology system is very slow, not advanced &amp; does not meet the needs in addition to overall weaknesses in technology.</p> <p>*Delay in applying requested changes &amp; developing new requirements.</p> <p>*Managerial culture is not well developed &amp; technically centered.</p>  | <p>EH03: Lack of sensibility towards the usage of an appropriate &amp; flexible IT system through favorable technology which impacts negatively &amp; creates hidden cost &amp; lost potential.</p> <p>*Lack of investment &amp; the fear of change</p> <p>*Lack of investment &amp; the fear of change which lead to prohibit the technological progress &amp; affect work negatively.</p> | <p>PH03: Enhancing &amp; improving IT system that reinforce common work methodology, flow information fast, improve the monitoring system, enhancing control, reducing risk, service deliver a faster decision making.</p> <p>*There is a need to change the organizational culture in terms of investing more in technology &amp; innovation in order to reduce hidden cost and increase the profitability.</p>  |

|   |   |  |
|---|---|--|
| <p>DH04: Erratic training activities.</p>   | <p>EH04: Lack of sensitization of an effective training system that lead to a delay of the work process and enhancement and generate hidden cost &amp; lost potential.</p>  | <p>PH04: Training must be reassessed, need vision, budget approved by the board for training schedule and program which improve the quality of work, customer service, knowledge, technics, communication skills &amp; competencies development. Practice integrated training action</p> |
| <p>DH05: No synergy between departments. Priorities are fairly allocated between departments, depend on favoritism &amp; not on needs.</p> <p>*Communication between departments is not effective. The lack of 3C's is affecting the quality of service&amp; hindering to target the bank strategic objectives. No workflow tested &amp; no clear set of process.</p> | <p>EH05: Lack of synchronization &amp; of actions between departments resulting from an autocratic style of management.</p>   | <p>PH05: Develop concrete practices&amp; devices of 3C's to improve synchronization.</p>   |
| <p>DH06:*Rigidity of rules &amp; regulations which discourages initiative&amp; creativity, no written policies found. Existing of informal process which is not documented nor written.</p> <p>*Strategic vision not well transmitted, not communicated neither seen from upper management</p>  | <p>EH06:*Lack of steering towards avoiding the bureaucratic culture&amp; lack of sensitization towards an autocratic leadership consequences resulting from the usage of a centralized strategic planning and the top down decision making.</p> | <p>PH06: A participative strategic planning which increase the stake of employees &amp; increase the productivity. New form of leadership with less hierarchy. Delegation and assuming responsibility to employees leads to increase productivity.</p>                                   |
| <p>DH07: Unsecure&amp; ineffective internal control function.</p>   | <p>EH07: Lack of standardization of internal control creates hidden cost &amp; lost potential.</p>  | <p>PH07: Establishing a control environment that sets and harmony for the whole bank and expands control mindfulness within its members.</p>   |

**(Appendix 2)**

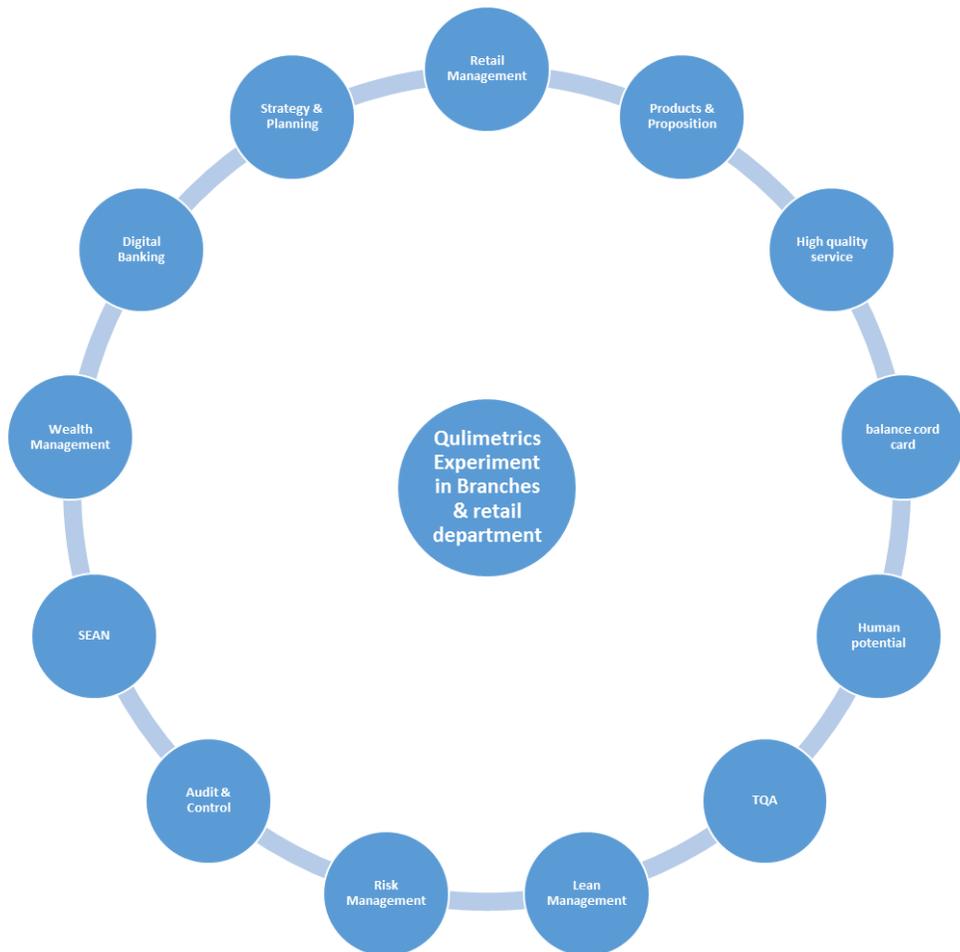


Table 2: Hourly contribution to value added on variable cost of the hospital  
(©ISEOR)

| <b>VARIABLES</b>  | <b>AMOUNTS</b>  |
|---|-----------------|
| Revenue   | \$ 64, 936, 000 |
| Variable costs  | \$ 11, 447, 000 |
| Margin on Variable Costs  | \$53,489, 000   |
| Working hours (352 employees and 45 Equivalent full time M.D.s)                                 | 2,226,000       |
| Hourly Contribution to Value Added on Variable Costs<br>(Margin on variable cost/working hours) | \$ 24,03        |

Table 3: Example of a given hidden cost in the operating room (©ISEOR)

| Dysfunctions                                | Reasons that were put forward during the interviews   | Hidden costs per year  |
|---|---|--|
| Wasting time in delivering a personal loan. | <p>-Pursuing a long process. It needs several approvals from different departments.<br/> <math>1(h)*300(d)*24*4(files)</math><br/>                     -Not well trained Customer service employees lead to waste 30 minutes per file daily to call both the concerned departments asking for information to fulfill the application.<br/> <math>30(mins)*300*24*4(files)*6(employees)</math><br/>                     -Unnecessary time spent by superiors correcting subordinates errors.<br/>                     -Customer unsatisfied due to the lag service which lead sometimes to lose the file and even the client.<br/> <math>100\$(file\ fee)*12(months)*2(files)*5000(interest)</math><br/>                     -Over-consumption of energy &amp; tell call &amp; over-consumption due to errors.<br/>                     -Slow down of the production flow (weak online system), old equipment was not working well lead to a stoppage of the production process.</p> | <p>-Excess time: \$28800<br/><br/>                     -Excess time: \$86400<br/><br/>                     -Excess salary:\$10800<br/><br/>                     -Non creation of potential:: \$12000000<br/><br/>                     -Over-consumption: \$135000<br/><br/>                     -Non production:\$108000</p> |

Table 4: clustering hidden costs of the operating rooms

| Overall evaluation of hidden costs in the branch USD |               |             |                  |                 |                           |                  |                 |
|--|---------------|-------------|------------------|-----------------|---------------------------|------------------|-----------------|
|  | Excess-Salary | Excess time | Over-consumption | Non-product ion | Non-creation of potential | Risks            | Overall amounts |
| Absenteeism  | -             | 71760       | -                | -               | -                         | -                | 71760           |
| Work injuries and occupational diseases              | -             | -           | -                | -               | -                         | Risk of burn-out | -               |
| Staff turnover                                       | 48000         | 51840       | -                | -               | -                         | -                | 99840           |
| Non-quality  | 57600         | 90000       | 43200            | 18000           | -                         | -                | 208800          |
| Productivity gaps                                    | 10800         | 115200      | 135000           | 108000          | 12000000                  | -                | 12369000        |
| Overall amount                                       | 116400        | 328800      | 178200           | 126000          | 12000000                  | -                | 12749400        |



