

Understanding the Relationship Between Departmentalization and Management Performance: First Bank's Exemplary Model

John Nkeobuna Nnah Ugoani*

Department of Management Sciences, College of Management and Social Sciences, Rhema University, Aba, Nigeria

Abstract

Contextual factors, external and internal requirements make the business case for departmentalization as a technique for management performance. This is important because customers and employees expect better performance from bank management. They recognize high quality credit risk policies and profitability as basic measures of management performance. Departmentalization is vital in today's banking environment where corporate policies, government regulations, customer requirements, as well as competition demand improvement in performance. This makes it essential that each organizational department has a clear definition of what it is expected to achieve. Departmentalization therefore helps to define the result for which each department is responsible. Beyond defining responsibilities for results, organizational architecture requires defining several other dimensions of basic functions that will make each department make meaningful contribution to effective management performance. 185 respondents participated in the study conducted through the empirical research design and the result showed positive association between departmentalization and management performance. The study was not entirely exhaustive, and further study could examine the relationship between organizational performance and centralization as a measure for effective management performance. Functional departmentalization is often typical at the top management level; it is therefore, a recommendation that it should be properly applied to improve management performance.

Keywords

Organizational Architecture, Top Management Level, Functional Skills, Differentiation, Operations Design, Corporate Strategy, Human Resource Management, Environmental Arrangements and Planning

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1. Introduction

The modern approach to management recognizes differentiation and departmentalization as fundamental towards management performance. Even though the two terms are often inevitably confusedly used interchangeably to mean the same thing, but they differ. Differentiation is the segmentation of the organization's system into subsystems each of which tends to develop particular attributes in relation to the requirements posed by its relevant external environment. It involves breaking the total organizational

task into small units. It is therefore, related to departmentalization which is the combination of related tasks into groups known as *departments*. Departmentalization has to do with the aggregation of units to get a bigger unit. Organizational design basically relates to environmental arrangements and planning involving the process of constructing and adjusting an organization's structure so as to achieve its goals. On the other hand, structure involves the linking of departments, and jobs within an organization. For

* Corresponding author

E-mail address: John_ugoani@rhemauniversity.edu.ng, drjohnugoani@yahoo.com

many years, managers and researchers have traditionally examined organizational design and structure within the framework of best design dimensions and contextual variables. And along these ways, it is recognized that one of the several forces for reshaping organizations' and to make them more responsive to the needs of organizational members and other stakeholders is departmentalization [1]. Departmentalization is recognized because it has the potential of enhancing management performance. Performance means the actual results against the desired results. A performance problem arises if there is any gap between desired results and actual results. In this case remedial measures in terms of performance improvement involving any effort targeted at closing such gaps becomes imperative [2]. In management practice, goal setting is designed to improve work performance, which is an important organizational outcome directly related to the production of goods or the delivery of services. Performance is most frequently thought of as task accomplishment. Performance in most areas of management is multidimensional. For example, management performance may require administrative, leadership and financial skills along with interpersonal skills needed to motivate the workforce towards the achievement of positive results. Defining performance, therefore, is a prerequisite for measuring or evaluating management performance [3]. The operation of any business, including the banking business, is affected by both external and internal environmental factors. The external factors often include international, economic, competition as well as labour and suppliers. On the other hand, the internal factors usually include marketing, finance, production, human resource, information and communication technology (ICT), general management, and organizational structure, among others. To gain competitive advantage in a delicate business of banking, most banks like First Bank of Nigeria Limited focuses on robust departmentalization, along the lines of credit risk management, corporate banking, commercial banking, retail banking, ICT operations, among other departments. First Bank that is identified with departmentalization has performed successfully over the last 125 years, based on such fine organizational structure. Organizational structure is a pattern of interacting and coordinating which links technology, task and human components of an organization to ensure that the organization accomplishes its objectives. In management theory, organization involves grouping of activities in such ways and manners that corporate objectives can be achieved effectively. According to Muo [4] when a good organizational structure is in place, it brings important benefits including, guaranting effective management performance, classifying authority and responsibility relationships, improving management decision making, and

creating a conducive operational environment for synergistic effects. A sound organizational structure is fundamental to management performance because it ensures groups' composition, diversity or conformity, and group cohesiveness, leading to clarity of goals and receiving necessary support from top organizational leadership. It is envisaged that to navigate successfully in an increasingly complex banking environment, top organizational leadership needs to apply the power of business psychology to individuals, teams, groups, managers, and organizations [5]. This is almost of universal application in management practice because in contemporary organizational structure, various formal relationships exist, between those holding positions at different levels or at the same level. These involve direct relationships, functional relationships, and lateral relationships. Direct relationships involve the relationships which exist between a top manager and his subordinate at any level in the organization, while functional relationships are the relationships existing between those holding functional positions and those with direct executive responsibilities, such as the relationships between the human resource manager and the general manager. Also, lateral relationships are the relationships between managers and supervisors operating at the same lower management level. In this case, neither is superior to nor the subordinate of the other. In the circumstance, they must cooperate and coordinate their efforts as directed by the manager above to whom they are all equally and directly responsible [6]. Understanding the key dimensions of organizational structure helps *top management* to organize along departmentalization so as to achieve results. Departmentalization as an important management technique for performance excellence is the horizontal basis for organizing jobs into units and creating a work environment to make most valuable contributions. The three basic approaches to departmentalization are functional, divisional, and matrix. The First Bank's example is obviously instructive as the bank's financial, operational, strategic orientations, and performance have been standing *tall* in many years.

1.1. Research Problem

Management performance can be eroded in a large organization without adequate departmentalization that would guarantee effective coordination of operations. Increasing levels of work specialization and customer values, and tastes make a business case for departmentalization as a framework for management performance. A banking business can suffer the pains of poor management performance in the absence of departmentalizing critical functions as credit risk management, marketing, asset and liability management, ICT, inspection and audit, treasury, training and development, among others. Lack of departmentalization or poor

departmentalization in a banking environment would *crystallize* in outdated bureaucratic management processes focusing largely on procedures and record-keeping, rather than on efficient, effective, profitable, customer-oriented activities necessary for management productivity. Despite the importance of departmentalization in management performance, this author is not aware of recent reports trying to promote it. It is therefore, envisaged that this new work would encourage other researchers to explore more in these areas to improve knowledge and appreciation.

1.2. Research Objective

The study was designed to explore the relationship between departmentalization and management performance in a banking enterprise.

1.3. Research Significance

The result of this study will help students, researchers, managers, policymakers and the general public to appreciate the relevance of departmentalization for management effectiveness in a banking enterprise.

1.4. Research Questions

i. Can product departmentalization promote bank profitability?

- ii. Is it true that customer departmentalization is not necessary to enhance management performance in a banking enterprise?
- iii. Do you think that the departmentalization of credit risk management in a bank is essential for management performance?
- iv. Is treasury department important in a banking enterprise?
- v. Can asset and liability management play any crucial role towards management performance?
- vi. Is ICT an important department of a bank?
- vii. Can you say that departmentalization helps to improve bank management performance?

1.5. Conceptual Framework

Conceptual framework is a structure of the research idea or concept and how it is designed which elaborates the research problem in relation to relevant literature. It is often summarized in a schematic diagram which presents the major variables and their hypothesized relationships. It helps to explain issues that would otherwise be buried in an excess of words and leads to theory building. The conceptual framework for this study is shown in figure 1 [7-8].

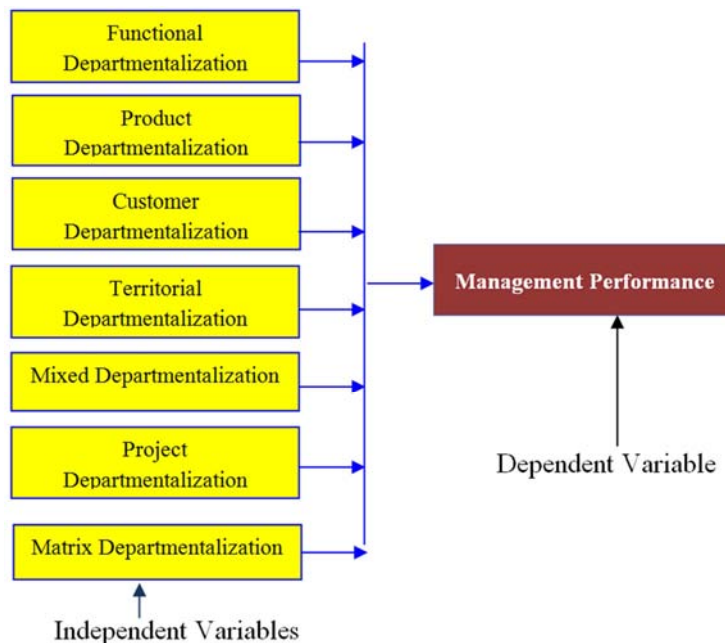


Figure 1. Departmentalization and Management Performance Model.

Organizational structure which involves reporting relationships that determine how resources are used to achieve organizational goals is closely related to the organizational architecture. Management is often concerned with improving performance through different techniques and how it can organize and control human and other

resources, to create high-performing organizations. Departmentalization is central to the organizing process, and to enhance performance, management must design an organizational system that makes the best use of resources to produce the goods and services customers want. Organizational architecture is the combination of

organizational structure, control systems, culture, and human resource management systems that together determine how efficiently and effectively organizational resources are used by management to improve performance [9].

2. Literature Review

At the most natural level, and even without the knowledge of organizational theory, top management believes that a way to design an organizational structure is to group sections together to form a department such as treasury department, to arrange departmental management, and to group departments together to form divisions, under the managing director/chief executive officer (MD/CEO) as the case may be. Such groupings are often reflected in an organizational chart or model. Nelson and Quick [10] opine that in trying to reshape organizations for better performance, the organizational structure must help to define, at least to some degree, roles for managers who hope to successfully address the conflicting demands of dynamic stability. They explain that organizations are shifting to organizing around processes. This orientation coming from applied organization design does not only include the traditional vertical and horizontal organization designs, but also the circular organizational chart. A good example of a vertical organizational chart was shown in figure 2, while an example of a horizontal organizational chart was shown in figure 3. Also an example of a circular organizational chart was shown in figure 4. The vertical chart shown in figure 2 illustrates a basically line organization meaning that there exists, line relationships between the board of directors (BODs) and MD/CEO, and the executive directors, as well as the departmental managers and the company secretary. The horizontal chart as shown in figure 3 is to all intents and purposes, the same as vertical charts, except that the pyramid lies horizontally instead of standing in its usual vertical position. The lines of command will therefore, proceed horizontally, usually from left to right. An example of a circular chart was shown in figure 4. Circular charts are used comparatively rarely. However, they can be used to show the respective spheres of responsibility, more clearly, than would be possible in either vertical or horizontal charts. Hall [11] emphasizes that all types of organizational charts aim to (i) define relationships in the organization (ii) ensure that responsibility is clearly defined, and (iii) that a complete picture of the organization is provided in a way that is simple to understand, thus, it provides vital information for everybody within the organization, from the top management down to the least person in the organization. Circular design rarely used in the past by organizations is now gaining attention because it has the features of a more open system, and organic structure for customer orientation and responsiveness [12-14] does not

only suggest that the operation of a banking enterprise should be departmentalized along functional, geographical, product, customer, and service lines, but he also posits that its operations must be strengthened toward performance excellence. As shown in figure 5, he emphasizes that to increase efficiency, and to improve corporate governance, the bank requires strengthening the functional areas involving establishing (i) a strategy and business plan, addressing qualitative and quantitative performance targets, (ii) a corporate structure, revised to better delineate accountabilities and responsibilities (iii) policies and procedures for the major functional areas such as credit-risk management, financial management, and human resource management (iv) efficient operating procedures for improved customer service, greater efficiency, and internal control, (v) a commercial orientation toward customers and financial management with profit and asset quality as explicit objectives, and (vi) ICT to support the delivery of bank products and services, as well as financial management and reporting. These strategies and techniques are among essential approaches toward improving management performance in a banking enterprise, and to buttress the need for departmentalization [15-22].

2.1. Conceptual Review

The conceptual model for this study is based on First Bank's [23] organizational chart. A sound organizational structure involves dividing activities into departments, divisions, units and subunits and defining relationships between the heads and members that make up the departments. It identifies the operating departments, such as sales department, production department, and finance department, among others. Accordingly, it isolates the services department, such as human resource management department and research department, and also places emphasis on balancing the structure, by showing the roles of different departments in the organization. On the other hand, an organizational chart is a visual device that shows the various departments and how they relate to one another. The organizational chart helps the employees, the BODs, and stakeholders to see at a glance, the division of responsibilities and line of authority in the organization. The main advantage of an organizational chart is that it shows the organization's structure at a glance. The presence of a chart in an organization provides evidence of the fact that a thoughtfully planned structure exists in the organization to enhance management performance [24]. The First Bank model is exemplary in terms of departmentalization and management performance because it possesses the conceptual possibility of bringing a better understanding of the implications of departmentalization. Organizations can operate *tall* or *flat* structures, depending on the characteristics of the organization. *Tall* structures are

those with narrow spans of management, and tend to be characterized by closer supervision and higher management controls. In this instance, directives and information must be passed through more layers. Evidence in the management literature shows that the banking industry often has *tall* structures. Flat structures are those with wider spans of management, but there is no agreement that flatter or taller organizations are better. Organizational size, type of jobs, skills, personal characteristics of employees, competence of management, and degree of freedom must all be considered in determining organizational effectiveness. In the banking enterprise, the more specialized the jobs are within the organization, the more departments are differentiated within the bank. Departmentalization can be by function, product or service, customer, geography, process or the combination of these. A large banking enterprise like First Bank may departmentalize its structure using all or more of these methods at different levels of the organization. The conceptual model of this study shows that it runs from the upper echelons through the bottom, and a typical example of a *tall* structure. It also embraces all methods of departmentalization including, functional, product, service, customer, geography, process, ICT, domestic operations, foreign operations, among others. Top management executive teams are usually known as *upper echelons*. Management performance is often a direct reflection of these upper echelons. Upper echelon theory argues that the background characteristics of the top management team can predict organizational characteristics and possible management performance. This perspective may not be successfully challenged because the top management team is usually fundamental in defining the organizational values, culture, competence, ethics, and potential performance. Like in the large banking enterprise, the taller the organization, the more vertical integration mechanisms are needed. This *welcomes* departmentalization because the chains of command and communication are longer. Additional length requires more linkages to minimize the challenge for misunderstandings and miscommunications and to enhance integration. Integration is the process of coordinating the different parts of an organization. Integration mechanisms are designed to achieve unity among individuals and groups in various tasks, departments and divisions in the accomplishment of organizational goals or objectives, and ultimately, enhancing management performance. At all levels, integration vis-à-vis departmentalization helps to keep the organization in a state of dynamic equilibrium, and a condition in which all the parts of the organization are interrelated, cohesive, and balanced [25-32].

2.2. Functional Departmentalization

Functional departmentalization is characterized by the

arrangement of a bank's activities along functional lines such as accounting, marketing, human resource management, training and development, research and development, among others. At the early stages of organizational design or structure, functional departmentalization was based on the organic functions, involving those functions that were indispensable to the existence of an organization. Functional departmentalization varies from one organization to another, and it is the predominant model among many organizations. Despite any criticisms against functional departmentalization, it promotes greater efficiency of operations arising from functional specialization. Functional departmentalization also ensures that functional managers maintain their power, authority and prestige [33-37].

2.3. Product Departmentalization

This mode of departmentalization is often adopted by multi-product organizations, like the banks. Due mainly to technical and marketing specializations which may make the co-ordination of two products difficult, a multi-product organization may grant some measure of autonomy in the areas of production and marketing of a particular product to a manager. In effect, the production, marketing, and often accounting activities relating to one product are grouped together under one department with a product manager as the head. Product departmentalization, therefore, demands the replication of many functional activities in an organization. Effective co-ordination in product departmentalization is often difficult, and it creates inter-divisional competition and conflict over corporate level resources. Also, to be effective, it requires more people with general management abilities. However, the experience of successful banks shows that product departmentalization ensures that full attention is given to a particular product or product line. It may engender the adoption of the concept of profit-centre which guarantees the product manager some measure of managerial autonomy. Product departmentalization serves as a good training ground for future general managers [38-40].

2.4. Customer Departmentalization

Recognition of the unique needs of individuals, groups, or customers, coupled with management commitment to reflect this uniqueness in both product and service delivery may warrant structuring an organization on the basis of the different types of customers. This entails segmenting an organization's customers' into sub-groups and delegating authority to a manager to effectively manage all the activities relating to the satisfaction of a particular group of customers. Some of the criteria usually adopted in categorizing customers' include: sex-male and female, age-children and

adults, occupation-professionals and nonprofessionals, nationality-indigenes and foreigners, and social class-upper-upper to lower-lower. This mode by service organizations like banks ensures that primary attention is given to the peculiar needs of groups or customers. It promotes the adoption of the *marketing concept* which sees effective marketing as beginning and ending with customers. However, customer departmentalization may lead to the duplication of many organizational sub-activities such as advertising, purchasing, among others. Related to the above fact is that customer departmentalization requires a fairly large administrative employees for marketing and other related activities [41-42].

2.5. Territorial Departmentalization

The tendency towards territorial departmentalization increases as a bank becomes more structurally decentralized. A structurally decentralized bank is a bank that has its offices or subsidiaries in different geographical zones. The subsidiaries managers' may or may not be given decision-making authority. But territorial departmentalization involves placing all the activities of a particular subsidiary with the requisite authority under one person, the regional or territorial manager. Inherent in the adoption of territorial departmentalization include; (i) the need to harness the economies of local conditions, such as the availability of raw materials and labour which may not easily be tapped from a distance, (ii) the need to minimize cost in terms of geographical markets, and (iii) to reduce communication problems. Territorial departmentalization ensures that the enterprise takes full advantage of economies of local conditions and operations. It also ensures that the particular needs of the geographical areas are taken care of. In spite of these advantages, territorial departmentalization increases the problems of top management in terms of co-ordination, because its effectiveness depends on the availability of competent management [43].

2.6. Mixed Departmentalization

It is very rare to find an organization adopting only one form of departmentalization. Rather organizations adopt mixed departmentalization which involves the adoption of two or more forms of departmentalization. It is appropriate to observe that mixed departmentalization may be intra-organization oriented when it is precipitated by the adoption of different forms of departmentalization in structuring departments. For example, the accounting department may be functionally structured while human resource management department adopts customer orientation [44].

2.7. Project Departmentalization

This is mainly adopted by organizations engaged in contract jobs and other time-specific projects. However, banks often undertake the development of their branches, divisional and head offices, and usually create a project department. In effect, a project manager is appointed to integrate the different activities that contribute to the realization of the goals of the project. One of the advantages of project departmentalization is that it serves as an effective vehicle for mobilizing organizational resources towards realizing critical objectives and projects. Conversely, it often results in conflicts between *project managers* and *functional managers* over the use of organizational resources [45].

2.8. Matrix Departmentalization

The matrix structure or departmentalization reflects both a functional and project orientation. It is essentially a superimposition of the project structure on the functional structure. It therefore, provides for dual channels of authority, performance, responsibility, evaluation and control. This mode accommodates wide-ranging project oriented business activities, and serves as a good training ground for strategic managers. But to some extent, the dual accountability inherent in the matrix structure can create conflict and confusion. Another shortcoming of the project departmentalization is that it involves tremendous horizontal and vertical co-ordination [46-47].

However, an organization determines the best structural configuration for its unique purpose with regard to the various types of departmentalization. To this extent, the organization must design and redesign itself to meet immediate, new and future demands for overall management performance. Departmentalization supports the concept of span of management that an optimum control rests on the recognition that there are mental, physical and psychological constraints that limit the number of subordinates and activities which a manager can effectively manage in organizations.

3. Research Methodology

The empirical research design was adopted for this study. Empirical research is research that involves identifying the factors to be studied, gathering the relevant data, analyzing them, and drawing conclusions from the results of data analysis. It could involve simple qualitative analysis of the data. In qualitative analysis, responses to open-ended questions are obtained, and meaningfully classified, and certain conclusions are drawn from the results. The population of the study composed of all the banks in Nigeria. The sample was selected through the judgmental method, while the sample size was determined by the sample ratio

concept. Data were collected from primary and secondary sources, including: books, bank annual reports, journal articles, personal interviews, questionnaire copies, observations, among others. Data were supplemented and complemented through each other, coded and classified

inreadiness for analysis, using the descriptive statistical method, and result presented in figures and tables. The cut-off point for accepting or rejecting the responses to research questions was set at 3.00 [48-49].

First Bank Nigeria Plc Organizational Chart

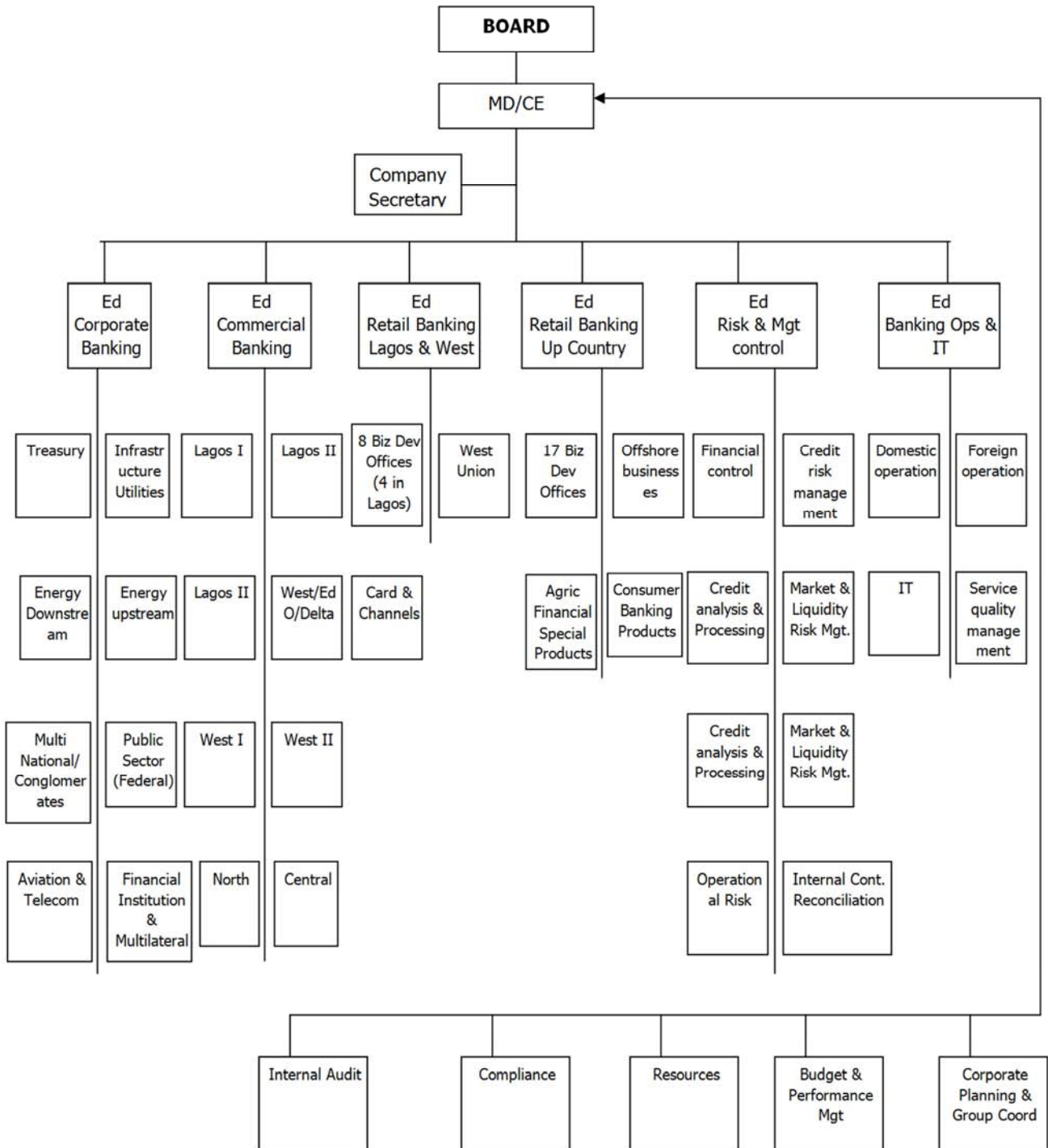


Figure 2. Adapted from First Bank Employee Handbook [23].

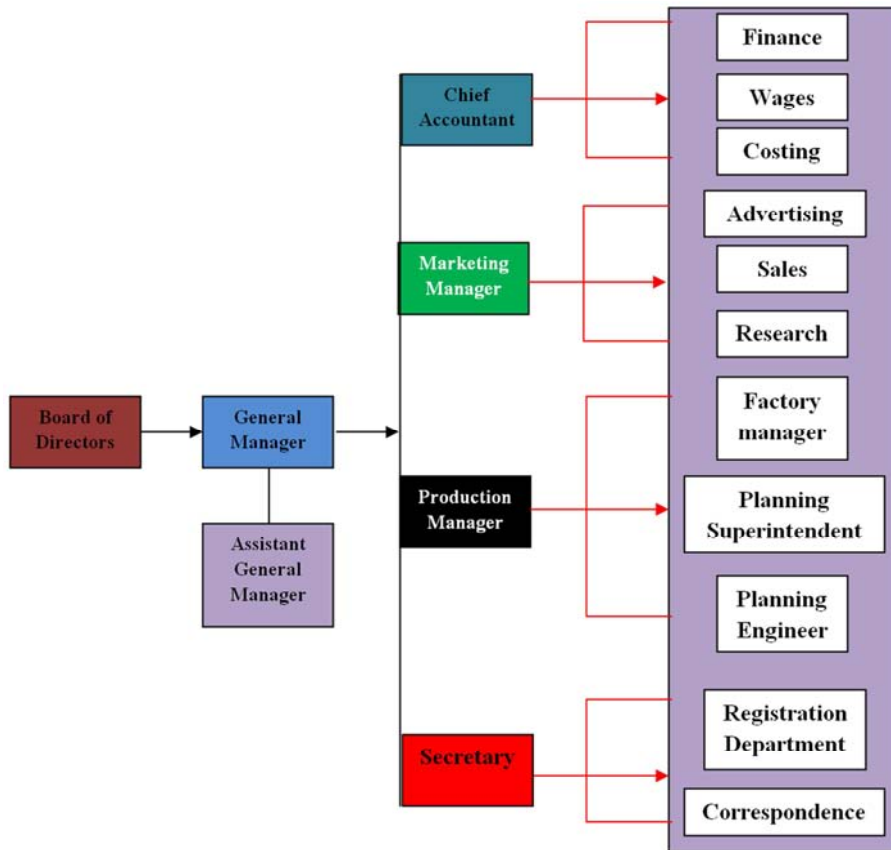


Figure 3. Horizontal Organizational Chart. Adapted from Hall [11].

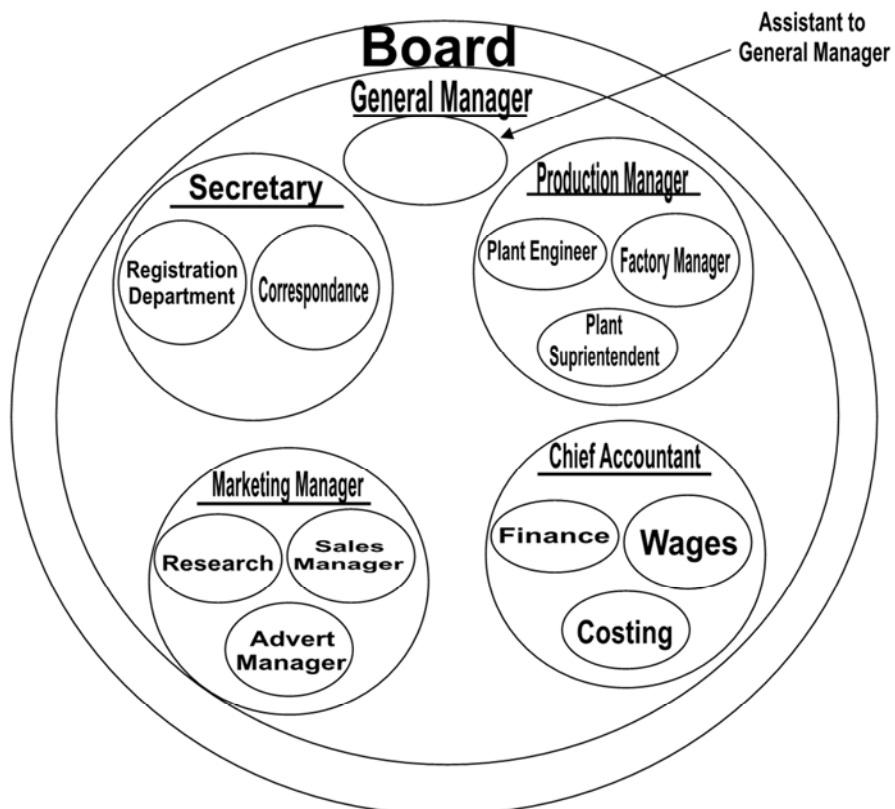


Figure 4. Circular Organizational Chart. Adapted from Hall [11].

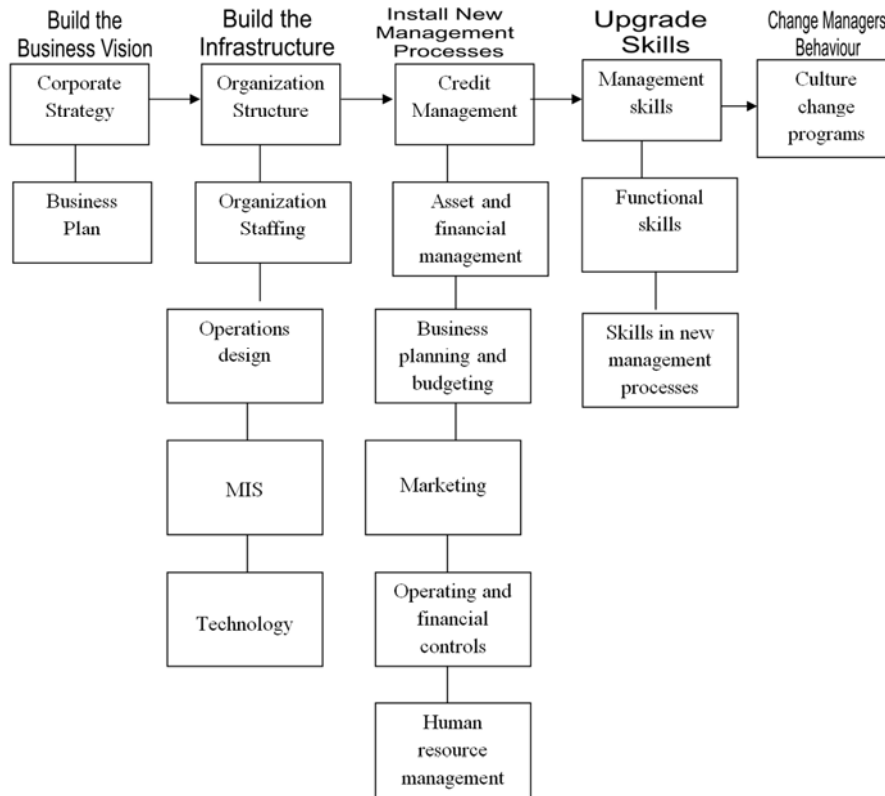


Figure 5. Framework for Phasing an Institutional Development Program for Banks. Adapted from McNaughton [14].

Table 1. Characteristics of Respondents (n=185).

	Description	Category	Total	Percentage
I	Gender	a) Female	75	40.54
		b) Male	110	59.46
ii	Education	a) Certificates	35	18.92
		b) Diplomas	50	27.03
		c) Degrees	100	54.05
iii	Age	a) 18 – 35 years	40	21.62
		b) 36 – 60 years	60	32.43
		c) 61 – 75 years	85	45.95
iv	Experience	a) Below 10 years	45	24.32
		b) 10 – 20 years	65	35.14
		c) 21 – 35 years	75	40.54
V	Status	a) Low	25	13.51
		b) Middle	70	37.84
		c) High	90	48.65

Source: Fieldwork (2021)

Table 2. Analysis of Responses by Frequency and Mean (n = 185).

S/N	Restatement of Research Questions	Scores					Row scores	Sample size	Mean	Decision mean @ 3 points	Grand mean
		SA	A	N	D	SD					
i	Product departmentalization can promote bank profitability	90	50	1	2	42	699	185	3.78	True	
ii	Customer departmentalization cannot enhance bank management performance	10	20	5	2	148	297	185	1.61	False	
iii	Credit risk management departmentalization is important for bank management performance	85	75	1	3	21	755	185	4.08	True	
iv	Treasury department is important in a banking enterprise	95	80	2	4	4	813	185	4.30	True	3.33
V	Asset and liability management plays a crucial role in bank management performance	80	90	3	1	11	782	185	4.23	True	
vi	ICT is not an important department of a bank	20	15	1	2	147	314	185	1.70	False	
vii	Departmentalization helps in improving bank management performance	101	25	2	1	56	669	185	3.62	True	

4. Presentation of Results

4.1. Discussion

The conceptual model in figure 1 showed the relationships between the variables of the study vis-à-vis the study problem. A model is a representative of reality, and necessary to clarify issues in management research. The exemplary First Bank [23] model in figure 2 was used to state the fact that banks with tall organizational structure are traditionally married to unique departmentalization as a crucial measure of improving management performance. In addition to a vertical organizational chart as shown in figure 2, organizations also use horizontal and circular organizational charts as shown in figures 3 and 4 respectively to meet operational demands and for the purpose of productivity improvement. As shown in figure 5, successful banks build on their business vision and mission and create necessary infrastructure, then install unique management processes such as departmentalization, upgrade employee and management skills through training and development, with the aim of changing managers' behavior and cultivating the appropriate organizational culture for management performance excellence. The business of banking is often the engine of economic growth in many countries of the world, therefore, competent respondents as shown in table 1, were carefully selected for this study. From the analysis as in table 2, they agreed in (i) that product departmentalization promotes management performance. But they disagreed in (ii) that customer departmentalization does not enhance bank management performance. This supports the views of Alugbuo [50] that customer departmentalization is designed to meet the needs of specific groups of customers. It provides primary attention to the needs of customers in a business like banking where customer satisfaction is frequently the dominant issue. In (iii) the knowledgeable respondents confirmed that credit risk management departmentalization is important for bank management performance. This response is highly acceptable and tallies with the assessment of McNaughton [14] that credit risk management lies at the heart of commercial banking. He explains that credit risk management is a process, a comprehensive system. The process begins with identifying the lending markets, often referred to as *target markets*, and proceeds through a series of stages to loan repayment. As in (iv) they agreed that treasury department is important in a banking enterprise. This agreement cannot be overstated because as the financial management function in a bank becomes more sophisticated, a clearly defined treasury function becomes imperative and a critical tool for controlling liquidity, interest rate and the execution of asset

and liability management functions. In (v) it was supported that asset and liability management plays a crucial role in bank management performance. This response cannot be challenged because asset and liability management helps in designing the balance sheet of successful banks. Such management is necessary to produce stable net interest margins, optimize earnings, maintain adequate liquidity, and control the level of interest rate and maturity risks. However, in (vi) the respondents were of the view that ICT is not an important department of a bank. This view is contrary to the one held by Ikramullah [51] that ICT is increasingly being recognized as an imperative if the banking enterprise is to remain competitive and offer a wide range a financial products and timely services. ICT helps to provide improved customer service, achieve accurate accounting as well as improved accountability and transparency necessary for improved management performance. As in (vii) the respondents agreed that departmentalization helps in improving bank management performance. This agrees with the views of Jones and George [9] that departmentalization is crucial in improving management performance. At a grand mean of 3.33 over the decision mean of 3.00 the study found positive association between departmentalization and management performance. This is the interest of the study.

4.2. Scope for Further Study

Management applies different techniques to enhance performance. Therefore, further study could examine the relationship between organizational performance and centralization in organizations.

4.3. Recommendations

- i. Functional departmentalization is often typical at the top management level, and this should be properly applied to enhance management performance.
- ii. Service organizations like the banks should embrace customer departmentalization to improve customer satisfaction which is frequently a dominant issue in the banking industry.
- iii. Banks should always ensure to upgrade the skills of managers to meet new challenges with a view to improving bottomline result.
- iv. Business plan must be aligned with the corporate strategy of a bank to guarantee effective management.
- v. Banks generate their highest interest income from loans, advances and discounts. To enhance profitability therefore, they should install and sustain credible credit appraisal processes (CAPs)

5. Conclusion

Organizations design and redesign themselves as a matter of corporate strategy to meet the demands of customers for satisfaction which is frequently a dominant issue. Management performance is a multidimensional challenge that may require administrative, leadership, and functional skills along with interpersonal skills needed to motivate the workforce and significant others towards the achievement of bottomline result. Adopting an organizational architecture requires different management techniques including departmentalization to enhance *concentration* necessary for improving performance. 185 respondents participated in the study conducted through the empirical research design and the result showed positive association between departmentalization and management performance.

Conflict of Interest

This author declares no conflict of interest in respect of the authorship and/or the publication of this paper.

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Author Contribution

John Nkeobunna Nnah Ugoani, collected, analyzed and interpreted data in respect of this paper. The paper is the intellectual property of the sole author who is therefore, solely, responsible for any omissions or liabilities arising there from.

Originality

Management adopts different strategies for achieving management excellence. And Departmentalization is a design which provides concentration for management to meet customer demands. This work relates to an area to increase knowledge on techniques for improving organizational productivity. Despite its importance this is one of the few new reports in Nigeria.

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Biography



John Nkeobuna Nnah Ugoani is Associate Professor of Management at Rhema University, Nigeria. His research interest focuses on business, management, governance, leadership, and emotional intelligence. John is recognized for presenting

the first best PhD Thesis in Management at the Faculty of Business Administration, Imo State University, Owerri, Nigeria. He has over 130 scholarly publications with full paper readership downloads and abstract views of over 8000 and 30000 respectively and ranked among Top Ten Authors by SSRN. Before entering academia, he was a senior manager at First Bank of Nigeria Plc.