

STATE BANK OF INDIA OFFICERS' ASSOCIATION

(BENGAL CIRCLE)

(Registered under Trade Unions Act 1921-Regd. No. 6908)

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IP No. 500077

Circular No. 08/2017

Date : 17.01.2017

To All Members (Please Circulate)

We reproduce hereunder the Circular No. 07 dated 17.01.2017 issued by General Secretary, All India State Bank Officers' Federation, the contents of which are self-explicit.

With revolutionary greetings,

Soumya Datta
(General Secretary)

To all our Affiliates / Members:

STAFF ACCOUNTABILITY: INVESTIGATIONS

We have today sent a communication to the Management on the above subject. A copy is enclosed. We note to keep our members advised of further developments in due course.

With greetings,

(Y.SUDARSHAN)
GENERAL SECRETARY

No.6180/06/17

DATE: 17.01.2017

To,
The Deputy Managing Director & CDO,
State Bank of India,
Corporate Centre,
Madame Cama Road,
MUMBAI - 400 021.

Dear Sir,

STAFF ACCOUNTABILITY: INVESTIGATIONS

It has been observed that there is a sudden rise in explanations on the basis of examination of staff accountability, many a times without crystallizing their role and lapses attributable to them. We agree that the accountability goes hand in glove with the responsibility, and higher the responsibility the more the accountability. The examination of accountability on large scale has created a feeling among officers that there should be no room for error in one's work and that any decision-making may bounce back with a tag of accountability, if the decision goes wrong and results in a financial loss to the bank. This fear of the democles sword of accountability is spreading vertically and laterally and is bound to affect business development as if leads to indecisiveness. For the development of a financial organization, the examination of accountability should send the right signals to the employees and not vice versa.

2. We are submitting our suggestions/ observations/ feedback on the captioned subject for your kind consideration:

a) The Bank is a commercial organization and not a regulatory body. An advance which is by and large, a fair Banking risk, can go bad due to a number of factors. External factors like change in Government policy, market conditions, economic situation in other countries with whom the business is carried, out inefficient management of the borrowing concern, willful default by borrower etc., can be a cause of an account becoming NPA. To a great extent, all these factors are beyond the control of the bank or the officials. While examining staff accountability, these factors are required to be commented upon with suggestions for remedial measures.

Soumya Datta
General Secretary
Mobile : 9830044737

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b) It has been observed that inconsequential procedural lapses are being highlighted in Inspection Reports and accountability is being fixed for the same. In some cases RFIA auditors have made incorrect observations and inflated risk perception. The very exercise of staff accountability is to safeguard the larger interest of the Bank and hence steps should be taken to identify areas where rules and procedures are difficult to follow and necessary corrective steps may be taken by way of strengthening any knowledge gap or by way of augmenting the resources or any other action to create an environment which should be conducive for better observances of rules and procedures. In many cases (fixing), trapping of an officer has been noticed as primary objective of the accountability process, overriding the need to take corrective steps.

c) Bank branches/offices and its business are subject to various audits throughout the year, like Revenue Audit, Concurrent Audit, Annual inspection, RBI Annual Inspection, RBI inspection for Government Business & Pension, Statutory Audit, System Audit (IT) and Senior Officials Visits etc. All activities as well as business parameters are monitored on daily real time basis by various authorities. There is enough accountability detection mechanism available from where accountability can be identified

d) There is an acute staff shortage in all cadres and officers are finding it difficult to complete the desired jobs despite working hard day in and day out. While examining staff accountability, the factors like position of staff, leave, deputation etc. are required to be commented upon. However much one may deny, it is an irrefutable fact that the acute shortage of staff has had a disastrous effect on the quality and recovery of advances.

e) It has been observed many times that investigations have been conducted very casually without clarity of role. Many times, officer sent to investigate into the matter does not possess required knowledge and experience in that particular field. Due to lack of knowledge and experience in basic branch functioning, KYC norms, laid down instructions, inter-branch/bank settlements, credit, forex, technology etc., a report full of half-truths, assumptions and surmises is submitted.

f) Investigations/Staff Accountability conducted by retired officers is detrimental to the organization in many ways and bound to create a lot of frustration and demotivation in the serving staff. Whenever a retired official is assigned to submit an investigation report on staff accountability, his very appointment suggests that he should find someone accountable as he has been given a special assignment and he needs to justify it. Some kind of bias and prejudices creep into the minds of these officers either voluntarily or involuntarily or due to the wrong inputs/feedback given by somebody which affect the objectivity and reliability of the report. On many occasions, the investigating officer is given an advance briefing by his higher officials resulting in indoctrination. If the employees/officers concerned did not enjoy the goodwill and support of the retired officials/superiors, their fate is sealed by making the language of the report very strong, duly pin pointing their omissions and commissions.

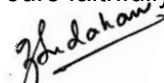
Sir, there is an urgent need to evolve a structured questionnaire for the Investigating officers to eliminate subjectivity, bias and prejudice.

g) Examination of staff accountability in cases relating to retiring employees just before their retirement makes it difficult for them to retire peacefully. It has been observed that old cases are dug up after many years and disciplinary proceeding are initiated just before retirement putting a big question mark on their ability, sincerity and credibility after serving the Institution for many years and with full devotion. Therefore, guidelines have to be issued in this respect to ensure that old cases should not be revoked when there are six months left for retirement.

3. Formulation of a proper accountability policy, as exists in many Banks will help in dealing such issues objectively and dispassionately. We request you to look into the above observations and feedback which are relevant and will definitely improve the dispensation of justice in the staff accountability area. We have immense confidence that given a fair treatment, the same set of officers who are responsible for taking our bank to greater heights shall deliver much better results. We are willing to discuss all the above issues in detail along with the further simplification of the disciplinary procedure/punishment etc. Hence we request you to please call us for a detailed discussion on a fair 'staff accountability policy' and in the area of disciplinary proceedings.

Thanking you,

Yours faithfully,


(Y.SUDARSHAN)

GENERAL SECRETARY

Soumya Datta
General Secretary
Mobile : 9830044737