

STATE BANK OF INDIA OFFICERS' ASSOCIATION



(BENGAL CIRCLE)

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

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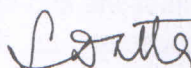
Circular No. 04/2016

Date : 04.01.2016

To All Members (Please Circulate)

We reproduce hereunder the Letter No. 6514/03/16 dated 02.01.2016 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 :

No.6514/03/16

Date: 02.01.2016

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

Dear Sir,

PRESS REPORTS ON THE PROPOSED APPOINTMENT OF HR CONSULTANTS

We have been referring to the Corporate Center from time to time in regard to the appointment of consultants on various assignments in the Bank. You may recollect that the Bank took the services of the Indian Institute of Management, Ahmedabad when it decided to go for restructuring in the 1970's. Thereafter in the 1980's the restructuring exercise was done by the in-house team and the subsequent changes were implemented through in-house study at periodical intervals. However, when the Government initiated a series of reforms in the financial sector in the name of opening up of the financial sector, the Board decided to take the services of M/s. McKinsey & Co., a US Consultant firm. The Federation protested against this move and suggested for the appointment of a team of consultants from within. But the Bank persisted with M/s. McKinsey & Co., but provided forum to the Federation for discussions with them. A series of meetings were held between the Federation representatives and the Management on the recommendations of the consultants. In the concluding meeting an understanding was reached with the Federation, seeking smooth implementation of the recommendations of the Committee. In retrospect, we may infer that the recommendations of McKinsey & Co., were not very effective and the Bank had to reverse many of them.

2. It may be recollected that when there was issue of acute shortage of staff, the Bank took the services of the NIBM, Pune; who helped the bank in assessing the strength of the workforce and in arriving at the correct position. The Federation held meeting with the representatives of the NIBM and finally it was concluded that there is acute shortage of staff in the bank in comparison with the other Public Sector Banks. However, the Bank implemented their recommendations as regards the reduction of workforce in the Administrative Offices, but as regards the overall shortage, it did not agree with the observations of the consultant.

Soumya Datta
General Secretary
Mobile : 9830044737

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3. During all these exercises the Federation was taken into confidence and an opportunity was given to it to present their view based on grass root level experience and knowledge of the functioning of the Bank. In the recent past our observations as regards to the study conducted by the Boston Company Group in regard to the HR areas is already known to the Bank. They came out with their recommendations which are basically flawed in many aspects. For example, they have calculated the number of minutes of work for Officers as 480 instead of 330 and projected surplus Officers, whereas we have acute shortage. This has affected the functioning of the branches very badly. We have already pointed out that the Career Development System proposed by BCG will affect the morale of the Officers and consequently affect the Bank as a whole, if implemented as such. This company made several studies on the functioning of the employees and officers and also indicated the staffing pattern on the basis of its own study. The Federation gave their observations on several presumptions and wanted that there has to be review of their observations and fresh assessment of the staff requirement on the basis of the present and future expansion, technological innovation and diversification of our business etc.

4. We are now given to understand that there are moves on the part of the Bank to go for the services of yet another consultant in HR related areas. There is tremendous acumen and expertise available in-house. The Federation also is in a position to give concrete suggestions wherever required. We are of the view that, instead of going for yet another recruitment of consultant at huge cost, time and the energy, the Bank may utilize the available in-house talent which will be available free of cost. The Federation also suggested for comprehensive discussions exclusively on all matters related to HR areas on the basis of the earlier conventions, that were held in the past, before considering the appointment of the outsiders for their study and views in the matter. We are also of the view that the Bank could not take full advantage of the study of the earlier recommendations by the various consultants and even where it wanted to make use of their recommendations it was modified according to the assessment of the in-house team and implemented.

5. We therefore request you to kindly look into the matter in detail avoid using international consultants who do not understand the Indian work ethos and utilize in-house experience and talent. We request you to hold discussions with the Federation as HR matters and bilateral understandings are involved.

Please treat the matter as urgent.

Thanking you,

Yours faithfully,

Sd/-

(Y. SUDARSHAN)
GENERAL SECRETARY