CHAPTER III
Productivity Efficiency in
Tamilnad Mercantile Bank Ltd.,

3.1. Meaning: The term productivity is believed to have been used for the first time in 1776. For a long time, its meaning remained rather vague. It was only in the beginning of the twentieth century the term began to be used in more precise sense. In its modern sense, it refers to the relationship between the result and the means employed. Productivity can be considered to be higher if the same product is obtained with more limited means. It will be lower if the same product can be obtained by a large quantity of means. It will be maximum when the highest output is obtained with the minimum expense of resources. It will be the lowest when the resources are not used in most economical manner. Productivity refers to the physical relationship between the quantity produced (output) and the quantity of resources used in the course of production (input). It is the ratio between the output of goods and services and the input of resources consumed in the process of production.

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1 C.B. Gupta "Production, Productivity and Cost Effectiveness" (Sultan chand & Co. Delhi 1990) P.4.3.
The output may be measured in terms of the units of good produced or the value of goods and services produced. The input refers to the combination of materials, machine, time consumed power, efforts and imagination of the employer and so on. Hence, it is possible to calculate and measure the productivity of each one of the factor comprising the input or all the factors combined together.

Productivity implies development of attitude of mind and a constant urge to find better, cheaper, quicker, easier and safer ways of doing a job, manufacturing a product or providing a service. It aims at the optimum utilisation of available resources for yielding as many goods and services as possible at the lowest possible cost.

3.2. Productivity and Production: The term production should be clearly distinguished from productivity. Production refers to the volume, value or quantity of goods and services produced in a given period by a worker, plant, firm or economy. It is the sum total of

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1 Sanyasiah and Narasimha Murthy "Business Organisation" (Maruthi Book Depot, Guntur 1974) P.423.
the results achieved by various factors used together. Productivity is concerned with the total value or volume of output or production; it shows the efficiency of production. In other words, productivity is relative to the resources used in turning out a certain amount of physical output. The distinction between the two becomes clear when we find that all increases in production does not necessarily result in increased productivity. The volume of production may increase but productivity may decline due to inefficient use of resources.

3.3. Productivity and Banking: Productivity has become almost synonymous for progress. The standard of living of a society depends upon the progress to which the minimum needs of people are satisfied. In order to improve standard of living, more food and clothes must be produced. So higher productivity is essential for improving living standards and for the prosperity of a nation.
Higher productivity requires elimination of waste in all forms. It is necessary to spot and eliminate the wastage of materials, machinery, time, man power, space and other resources. Several techniques such as work study, value analysis operations research and inventory control are used for this purpose.

In a Bank, economy of time, smoothness in work, speedy methods and speed of every aspect of work are essential. Employees work is made easier and they will get increased salaries. Merit rating and job evaluation helps them as basis for promotion. Employees will enjoy higher efficiency. The management and investors get higher profits. Higher profits due to higher productivity enables the management to plough back the profits and give scope for opening of more branches or expand the existing branches. Additional employment opportunities are created.
Productivity analysis helps the government in many ways. It enables the Government in comparing individual banks with the Bank as a whole. It helps to compare the progress of the banks with other countries. It also enables the Government to evaluate the achievements made by the banks as a whole. The management besides getting higher profits, can evaluate the policies and schemes depending upon the productivity indices within the Bank.

3.4. Pre requisites: Even though there are a lot of advantages, a fear lies in its implementation. They must be removed and countered by all the sections of the society including the management employees' unions and the Government. Productivity has to be achieved through a co-operative effort of employees, management, Government and society.

Though often productivity means labour productivity, the main responsibility lies within the management because it is they who must plan, direct, co-ordinate, control and above all motivate their employees. It is only through persistent, consistent and just efforts on the part of the management that employees can be
convinced and won over the idea of higher productivity. For this, the management should recognise the necessity and urgency of increasing productivity for the development of the country. The management should reach an agreement with employees to share equitably the gains of productivity and implement the agreement. The increased profits should be reinvested and the employees should be guaranteed a reasonable salary. The management should see that there are good relations with employees and obtain employees' confidence in productivity drive by associating them in discussions and decisions about productivity. The management should follow modern techniques of management.

The employees' associations also have their responsibilities. The associations should realise that higher productivity is essential for rapid economic development of the country. They should not object to modernisation and technical changes. They should send their representatives for training in productivity. This knowledge of employees helps them to increase their efficiency.
The Government must take some steps to ensure balanced economic development, propagate the idea of higher productivity by all means, create and maintain more employment opportunities, control prices, enact and administer laws relating to industry, commerce and industrial relations and finally promote research and mass education.

In spite of various advantages, there are a large number of obstacles come in the way of higher productivity. They include bad design of a product, ineffective quality standards, lack of standardisation, poor process planning, bad lay out, poor maintenance of tools, inefficient working methods, lack of raw materials, frequent plant breakdown, idle labour absenteeism and labour turnover and bad working conditions. To remove the above obstacles, the management should install better machines. Facilities for better
maintenance have to be provided. Good quality of raw materials must be used. Proper process planning allocation of work and controlling of work must be taken up. There should be good relations with employees. It must take steps to improve methods of work. Only by taking the above steps, higher productivity can be achieved.

3.5. Factors affecting productivity: Productivity is measured in terms of output per man or per man hour is broadly determined by technological development and employees' job performance. Of these, employees' job performance depends primarily on the ability of individual employees, the motivation of employees and the physical conditions of work. Fig: 7 shows the factors affecting productivity.

Factors affecting productivity

Productivity

Technological Development
  a) Plant

b) Research and development
  ability
  motivation
  physical conditions

Employees' job performance

c) Job layout
  a. Skill
  a. formal organisation
  a) lighting

d) Power
  b. Knowledge
  b. informal organisation

e) Scientific management techniques
  c. leadership
  b) temperature

d. Satisfaction
  c) ventilation

e. Union
  d) Rest pauses

e) safety
Technical factors including the degree of mechanisation, technical know how, raw materials, lay out and the methods and techniques of work determine the level of technological development in any industry. The size of the plant and capacity utilisation will have a direct bearing on productivity. Investment in research and development may yield better methods of work and better design and quality of products. The arrangement of machine and positions in the plant will determine how economically and efficiently production will be carried out. The ability of the people will also determine the efficiency of production and level of productivity. Advanced production processes will also help in raising levels of productivity. Increased use of power and improvement in quality of raw materials have a favourable effect on productivity. Better planning of work, simplification of methods, work simplification, time and motion study are some of the contributions of the scientific management movement to the cause of higher productivity.

Employees include men at levels of organisation right from the rank and file workers upto the top level executives. The employees attitudes and performance have an
immense bearing on productivity. Job performance of employees is determined by the ability, motivation and physical conditions of work.

The ability of an individual employee to perform well on his job is of fundamental importance in productivity. Certain personal factors govern the prerequisite of higher productivity. These include knowledge and skill. Knowledge is acquired through training, education and interest on the part of the learner. Skill is affected by aptitude personality, as also by education, experience and training.

The willingness of the employee to work in the Bank is related to his productivity. The motivation of employee will depend upon the organisation structure, administration management and the influence of associations. Delegation and decentralisation of authority, participative management, organisational efficiency, proper personnel policies, incentives, merit rating, job evaluation, training and provision for two way communication are some of the features of the formal organisation which influence motivation.
The importance of a proper work environment and physical conditions on the job had been emphasised at length by industrial psychologists and human engineers. It is important that the work environment ensures the greatest ease at work through better ventilation, better lighting, improved safety devices and reduction in noises. Equally important is the need for making the work day reasonable in length and for introducing suitable rest pauses to enable the men to recoup their energy lost in continuous work.

3.6. Techniques/ tools of productivity

Scientific analysis and improvement of work in all aspects is a very useful technique of increasing productivity. Work study results in improvements in plant lay out, material handling system, process design and standardisation and working conditions. These in turn help to minimise defective work and waste.

Continuous research and development leads to the discovery of better techniques of production and improvement in existing machinery and equipments. The rate of technological progress is a direct determinant of productivity. Hence, companies spend huge sum of money on research and development activities.
Wage incentive schemes seek to motivate employees by paying extra remuneration. Profit sharing or bonus, labour welfare measures and good working conditions also help in this objective. All these schemes foster sense of bringing a closer human relationships. As a result, there is a reduction in idle time caused by absenteeism, labour turnover, accidents and disputes.

Work measurement or time study is considered an effective tool for improving productivity. Time study is of finding the time that should be taken to perform a job by an employee at an average speed by using best techniques. Time study is used to find out the loss of time due to various reasons. Time taken by fast or slow employee cannot be the standard time. The time taken by an employee at an average speed is to be taken into account. In addition, the time allowed for personal needs and rest should be taken into account. For example Canara Bank prescribes time taken by employees for various activities. For opening of accounts, ten minutes of time is allowed for employees.
Merit rating is the art of evaluating the performance of an individual employee in the bank. This assists the employee and guides him to improve his capacity to work better. It also forms a basis for promotion to higher and responsible posts. In merit rating, quantity of the work done, quality of the work, dependability, regularity, safety records, attitudes towards colleagues and superiors, educational and technical qualification, aptitude to learn work and initiative must be taken into account. Performance records give confidence to the employee and gives scope for improvement.

Employees participation in management is considered an effective tool for improving productivity. It helps in developing mutual understanding and co-operation between management and employees. Joint consultation, suggestion schemes, two way communication and grievance procedure are some of the main forms of employees participation in management.

Work education and training is very essential for full display of capacity of employees. For this, it is quite necessary to conduct classes for imparting training
and know how. The training programme has to be explained to the representative of the employees in their own language. Thereafter, classes should be conducted at departmental level through primary experiments in productivity regarding its objectives. An employee can display his talent, cleverness and efficiency only when he does his work willingly with enthusiasm.

Management by objectives is a process whereby the superior and subordinates jointly identify the specific measureable goals, define results expressed of each individual and jointly assess the contribution of every individual. It is an approach for integrating the individuals with the organisation. The focus of management by objectives is on participative goal setting, joint evaluation of performance and results to be achieved. It is also known as management by results goals and action plans and in reviewing performance provide a good measure of self control.

Job enrichment is a process of redesigning a job in order to enlarge its scope and to give the employee more
to do. Its purpose is to improve job satisfaction, motivation and morale of employees. When the job is engineered, the dehumanisation element is reduced so as to improve productivity and to reduce costs. It provides an opportunity for the satisfaction of higher level of needs. To achieve job enrichment, employees may be given new and more varied tasks to perform, freedom and self control in performing responsibility of job. It provide an opportunity to the employees to become an expert on a particular task.

Quality work life is a new technique for improving productivity and quality of work. A quality work life programme brings employees management co-operation. The management and employees must learn to work together and to mutually solve problems. Management must take the initiative unilaterally to develop mutual co-operation and constructive relationship on the counter. It must provide the conditions to motivate employees to increase
productivity. Employees must be permitted in the decision making process. The jointly made decisions should be whole heartedly implemented by both management and employees. Thus, quality work life requires fundamental change in attitudes and thinking. Once the management, employees and associations accept and realise the technique, it can be successful. It can result in greater job satisfaction of employees, higher productivity and improved product quality.

A quality circle is a small group of employees which regularly meets to discuss problems, investigate causes, recommend solutions and if authorised to take corrective action. The purpose of a quality circle programme is to improve motivation and productivity. It provides employees an opportunity to participate in decisions about their work. As a result, they take greater interest in jobs. It develops a sense of participation and contribution among employees. Thus quality circle identifies the problem, discuss the problem, analyse the causes, develop a solution and present the solution to the
management for necessary action. A quality cycle programme is based on the philosophy that quality and output can be improved through the participation of employees in the management.

3.8. Productivity and motivation: The productivity of a person depends upon his ability, motivation and the technology used. In modern industry, ability and technology are not serious constraints, thanks to technological progress and training programme. The main hurdle in improving labour productivity is the low level of motivation. Therefore, any programme that helps to improve motivation is a key element in a drive towards higher productivity. Motivated employees produce more and do the work speedily. High motivation results in a higher commitment which in turn leads to less absenteeism and labour turnover.

3.9 Productivity and Morale: In the long run, high morale is reflected in high productivity, but high morale does not necessarily lead to high productivity in all cases. This is so because morale is one of the factors influencing productivity. There can be four possible combinations between morale and productivity.
High Productivity

High Morale     Low Morale
High productivity     High Productivity

High morale usually results in high productivity. Similarly, low morale leads to low productivity. These are normal relationships. But in exceptional cases, productivity may be low despite high morale on account of outdated technology and low level of labour skill. Management may achieve a high labour productivity with low morale for a temporary period. But this situation cannot last for long as resistance and dissatisfaction on the part of employees will eventually lead to low productivity. High productivity is not possible without high morale but the reverse is not always true.

3.10. Productivity and profitability: It is often believed that productivity will increase the profits of the management. It is true that productivity increases the
efficiency of the whole organisation. It is the result of the efforts of both the management and employees. Management think that the increased productivity is the result of their efforts only. Of course, the management would have introduced various mechanical devices to improve efficiency of employees of the bank. Everybody concerned with productivity should realise that it is only the employees who deals with customers. Even though the customers are directly benefited by the bank, the whole economy is benefited through increase of productivity.

3.11. Productivity: Retrenchment and Unemployment

The productivity programme in any industry should not lead to retrenchment. Any changes in production techniques generally change employment opportunities. In these circumstances, the existing employees may not be found suitable to do new jobs and sometimes they become surplus thereby losing jobs. Higher productivity reduces cost of production. Goods can be sold at reduced prices. Reduction in prices means demand for goods. Increased demand induces investors to expand the existing units or to start new units resulting in more employment opportunities.
Apparently, this is a long term result. The retrenched employees may not be suitable for the employment in the new units. To tackle this problem, employees likely to be retrenched should be trained in new techniques of production, fresh recruitment should be reduced or stopped, preference should be given to retrenched people and vocational guidance should be provided. There is always a fear among employees of the bank that introduction of computers will lead to retrenchment. Hence the management must provide adequate training to deal with the computers to their employees.

3.12. Productivity and rationalisation: It is often misconceived that productivity and rationalisation are synonymous. Of course, both aim at increase in production. Productivity aims at maximum utilisation of men, materials, machinery and managerial resources where as rationalisation aims at reduction in wastage. These concepts are quite different. They are two separate means with the same goal.

3.13. Labour productivity: Labour productivity means the ratio between unit of output and units of labour put into production. Similarly capital productivity
may be used to mean the ratio between output and units of capital input. The choice of a factor input may depend upon the usefulness of the ratio selected as a basis for decision and the possibility of measurement with the definition chosen.

The labour productivity is a ratio of output to labour input for a specified time period, say a day, or a week or a month or a year. The input of labour may be taken as number of workers or man hours worked during the period. The ratio may be computed for one worker or groups of workers in a unit of work. The choice of the ratio to define labour productivity whether by output/labour ratio or labour/output ratio is a matter of convenience, but both will be used for same interpretation.

Labour productivity depends upon a complex set of factors all of which are not economic. It is not feasible to take into account all the factors. Productivity of labour depends upon the quality of labour force which in turn depends upon the native and extent of investment in

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1 R.R. Barthwal "Industrial Economics"

human capital in the form of provision for better standard of living, health and nutrition, better facilities for education and training and better opportunities for expressing one's talent and ability. Productivity efficiency of an enterprise depends to a great extent upon the quality of management.

3.14. Measurement of labour productivity:

Labour productivity implies the ratio of output of labour input or average production per unit of labour time. Its measurement requires a choice to be made regarding unit of measurement of labour input and unit of measurement of output. If the production is regular, stable and perennial and work hours are uniform in length throughout the year, average number of persons employed throughout the year may serve quite reliable indicator of labour input. In case even working day is not uniform throughout the period, man hour is the concept which should be used. Generally, labour productivity is expressed in terms of output per man hour. As for output, either the physical units of production may be taken or we take the monetary value of production.
3.15 Factoral productivity: Input is represented by different factors like material, labour and Capital equipment. When productivity is a measure for one separate factor of input, it is called factoral productivity. It can be determined provided both input and output expressed in terms of suitable units and it is possible to correlate each input factor with specific output. Labour is considered as an important factor in productivity and factoral productivity is measured in the form of output per man hour, labour hour per unit of production and added value method.

3.16 Managing Productivity by objectives

It involves following six steps which are dealt with in detail.

(i) **Identify potential areas for productivity improvement**

Productivity improvement starts with a deliberate and systematic examination of potential areas where improvement is needed for survival growth and budget justification. Operations, responsibilities, problems, traditions and opportunities are the five areas should be examined for this purpose.
(ii) **Quantify productivity levels desired**:

The identification of potential area provides the basis for measurement of productivity. It starts with the search for the performance level that prevail and the resources that are consumed in the process. A productivity ratio is established for the prevailing productivity. Based on this, new productivity ratio is developed depending on what the manager desires. The principle of ratio measurement is to be used as guide before and after productivity indexes are established in this stage.

(iii) **Specify a measurable productivity improvement**:

The determination of existing productivity level provides basis for adapting and setting a productive objective. This objective is stated and written as a formal commitment by an individual, a group, a department or the entire organisation. It is most effective when it is originated by those who execute the work involved. The immediate supervisor participates in the setting of the objective and agrees to it. The productivity objective is within the range of challenge consistent with available
resources. It is based on realistic schedules and it is designed to achieve the results needed by the firm. Accountability for the achievement of objectives is identified in this step and the immediate supervisor agrees to the level and scope of this accountability.

(iv) Develop plans for attaining the objective:

When a statement of productivity commitment has been made and agreed upon, plans are developed to implement completion of the commitment. These plans pull together the activities and tasks that are necessary to fulfil the commitment. Studies of viable alternatives assure that the best plan for reaching the objective is selected. The plan includes sufficient details of time required to reach the objectives. A special effort must be made in this step because planning for productivity improvement requires a high degree of competence with which committed people focus the exact amount of their resources of time, skill effort and money to reach the needed productivity levels.

(v) Control with milestones of progress towards objectives:

Progress can be measured only in terms of the objective than one is trying to achieve. This step sets up
all activities and tasks on a schedule to measure and report the states of progress made towards completing the objective. During the controlling and reporting process, deviations of actual progress from expected progress are detected and reported for collective action.

(vi) **Evaluative productivity reached**: The results of entire productivity efforts are evaluated to see how well objectives have been reached. The evaluating procedure involves rating for how well results have been achieved. Results of evaluation provide the basis of accountability. The data, thus available, becomes the basis for future planning and object setting.

3.17 **Productivity audit**: It should not be confused with traditional forms of auditing such as financial auditing, social audit, operational audit or management audit. Productivity audit is a process of monitoring and evaluating organisational practices to determine whether functions, programmes and organisation itself are utilising resources effectively and efficiently to accomplish the desired set of objectives. Productivity audit should concentrate on productivity actions, resource accountability, performance
standards, benefit allocation, productivity policies, policy and practice of resource allocation, equipment usage, productivity tradership, accountability reporting and personnel quality. These areas should be thoroughly probed for evaluating productivity process in a function, a programme or an organisation by practising productivity audit.

3.18. Productivity and valued added concept:

The concept of value added is widely used in corporate reports. It is the difference between sales and bought out items and services. It is the wealth that an organisation creates by its own efforts. Value added is brought about by alteration in the form, location or availability of value of product or service. Statement of value added is useful in explaining the results of the bank to the employees, shareholders, the Government and financial institutions. A high value added would indicate high productivity. To calculate productivity in terms of value added concept, a sales volume or price of the thing produced is needed. In other words, concept can be applied only where something is created which can be sold or have a price for it.
Added value concept cannot be applied to non profit making organisations or to the parts of an organisation where output cannot be measured in money terms. It is not possible to assess the value added to the dishwashers by the despatch department.

3.19. **Productivity drive in India**: Productivity is the only means of increasing production by maximising the use of existing factors of production. India suffers from lack of capital. Her vital natural resources are limited. In international market, India is facing stiff competition. India is losing for foreign market even for traditional goods. The supply of raw materials in agricultural industries is not steady. This affects the cost of production. The productivity drive should be extended to every sphere of work.

In the first Five Year Plan, it was proposed to carry out productive study under Indian conditions. The International Labour organisation conducted many demonstrations in engineering and textile industries. It found that retrenchment is not necessary and organisational improvements increase productivity. The Government of India
requested International Labour Organisation to provide technical assistance for the setting up of National productivity council. A productivity delegation was sent to Japan in 1956 which submitted its report in March 1957. It studied the functioning of Japan productivity and recommended the setting up of National Productivity Council as an autonomous organisation to carry out national productivity movement.

A seminar on productivity was conducted in November 1957 under the auspices of the Ministry of Commerce and Industry. The seminar discussed the ways of increasing production by effective utilisation of factors of production, increasing employment opportunities and to provide quality goods and services at low prices.

3.20. National Productivity Council: As a result of the recommendation of the delegation sent to Japan and the recommendation made in the seminar, the Government of India established in 1958 the National Productivity Council which is an autonomous body registered as a society. Its members are representatives of various employers' organisations, labour unions and related ministers of the Government of
India Labour Department. Other institutions and bodies connected with productivity are also represented. There is an Executive Director who looks the day to day administration. The Chairman and Executive Directors are nominated by the Government.

The work of the National Productivity Council is carried out through its Regional Directors at Bombay, Bangalore, Kanpur, Ludhiana and Madras. These directorates are equipped with staff who are experts in industrial relations and industrial management. These directorates are provided with well equipped libraries. The directors are entrusted with the publication of a journal on productivity, organisation of seminars, conduct of training courses, sending of delegations, on various subjects, organisation of study teams to go abroad for studies on specified subjects and sending delegates for training in subjects of industrial relations and industrial management.

The programme of the National Productivity Council is implemented through forty five local productivity councils spread over the entire country at various industrial centres. They are assisting the local industrial
units. The membership of local productivity councils is open to organisation of employers, employees and individuals. The National Productivity Council provided films, projectors and library books. It has become the platform for co-operative effort and constructive programmes for increasing productivity and thereby increasing national wealth by joining hands of employers, employees, Government and community.

3.21. Productivity in Banks in India: There is tremendous expansion of banking in terms of number of branches, deposits, advances, number of accounts and also persons employed. Banks are now catering to the needs of vast small borrowers engaged in agriculture, small industry, professional and other small productive endeavours. The banks have undertaken a massive branch expansion programme particularly in unbanked areas. Some banks have adopted villages with a view to meet the total credit needs of the inhabitants in an integrated manner.

In recent years, the operational costs of banks have increased considerably. Because of mass recruitment, there is considerable deterioration in the quality of
service and productivity of the staff. So, the banks have
to take steps to improve efficiency and profitability. Only
then they can undertake more and more promotional
responsibilities. The Reserve Bank of India appointed a
working group to provide guidelines on the pricing policy of
banks in relation to the services rendered to the customers
and suggest internal systems and procedures to control
banking costs, improve operational efficiency, productivity
and profitability of banks. To improve productivity, it is
essential to bring down establishment expenses. It is
within the control of the bank to restrict the number of
employees and to increase their productivity. It is
difficult to measure productivity in a service industry like
banking. According to the Chairman of the State Bank of
India, productivity may be measured and compared in terms of
per employee deposits, advances, and profits.
Productivity must also be observed and evaluated in
qualitative terms having regard to improvement in customer
service, the quality of lending and recovery of loans, the
state of internal house-keeping, management information
system and the morale and motivation of employees.
3.22. **Productivity in foreign banks**: At the end of 1987, there were twenty one foreign banks operating in India with 136 branches, with deposits of Rs. 4344 crores and advances of Rs. 2,819 crores, income of Rs. 783 crores and staff numbering 11744. Many economists and bankers have suggested various indicators to measure productivity of employees in banks. Some of these productivity indicators are: (1) deposit per employee (ii) advances per employee and (iii) income per employee. Table V shows Productivity in foreign banks.

Table V: Productivity in Foreign Banks:

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<th>1985</th>
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<tbody>
<tr>
<td>Deposit per employee</td>
<td>26.7</td>
<td>33.5</td>
<td>36.9</td>
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<tr>
<td>Advances per employee</td>
<td>19.5</td>
<td>23.8</td>
<td>24.0</td>
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<tr>
<td>Income per employee</td>
<td>0.04</td>
<td>0.05</td>
<td>0.06</td>
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The number of employees increased from 10,891 in 1985 to 11,744 in 1987. In spite of rise in number of staff, the ratio of establishment expenses to total expenses
declined from 14.2% in 1985 to 11.3% in 1987 which is a considerable achievement. It is concluded that the location of branch of branches is an important factor which can influence the performance of banks in terms of productivity indicator.

3.22. **Productivity in the Bank**: On 31.3.1991, there were one hundred and seventeen branches and the number of the employees were 1599. Per employee business has also increased considerably to the level of Rs. 21.92 lakhs in the current year as against Rs. 18.50 lakhs in the previous year. Table VI denotes the productivity in the Bank for the last three years.

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<td></td>
<td>(Rs.in Lakhs)</td>
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<tr>
<td>Deposit per employee</td>
<td>11.18</td>
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<tr>
<td>Advances per employee</td>
<td>5.20</td>
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<td>Income per employee</td>
<td>0.10</td>
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It is clear from the above table that the deposit per employee increased from Rs. 1.46 lakhs in 1971 to Rs. 14.15 lakhs in March 1990. The advance per employee raised from Rs. 1.01 lakhs in 1971 to Rs. 7.77 lakhs in March 1990. Income per employee is also moved from 0.04 in 1971 to 0.14 in March 1990. Hence it is concluded that the Bank is concentrating attention to improve productivity efficiency so that it is in a position of maximisation of profits by which it is paying twenty percent bonus to the employees of the Bank. It is also declaring a rich dividend to its shareholders.