Between 1956 and 1970, the bank pursued IR strategies with a clear objective of promoting the bank's growth and image. The strategies included a paternalistic attitude towards employees, informal recognition of the federation and the officers association and nurturing federation leadership on the basis of mutual support and favourable attitudes. The climate of IR was characterized by informality and personal equations.

In this background, the bank experienced a long spell of industrial peace. However, an unintended consequence of management's strategy was the reinforcement of power of the federation and the officers association. Both these organizations started interfering in recruitment, promotions, postings etc. The two key leaders of these organizations put pressures on management to consult them in matters of transfer and promotions of employees, including senior officers. In a bid to develop consensus, management in the past had informally consulted these organizations on promotions and placement of senior executives. Both federation as well as the association were now demanding that they should be consulted as a matter of right. Management's authority to promote and post senior executives was increasingly questioned by them.
The CE who took over the reins in 1971 was an insider. The management decided to formalize the relations with the federation to minimize the ambiguities in the roles of management and unions regarding their respective rights. These efforts and their effects should be understood in the larger context of management and union behaviour.

As stated earlier, the bank was obliged to undertake a major and quick expansion programme in the early seventies under the lead bank scheme. The new rural branches were set up mainly in Uttar Pradesh, Rajasthan, Gujarat, Maharashtra and Karnataka. AIBEA had a majority in union membership in most of the banks in Uttar Pradesh and Rajasthan. As a consequence, the new employees in Uttar Pradesh and Rajasthan were loyal to AIBEA. In 1972-73, the coordination committee, an affiliate of AIBEA, started an agitation in Uttar Pradesh and Rajasthan against posting of officers from surplus areas of Maharashtra and Gujarat in the branches in their region. They wanted local staff to be promoted to man these branches.

Although the bank took a firm stand and forced coordination committee to call off the agitation unconditionally, the management realized that the coordination committee could no more be ignored. The bank also needed to review its
relations with the federation. As one senior executive explained: "We learnt a lesson that we cannot run the bank only with the cooperation of the federation. If we wanted smooth development of our lead bank areas, we had to restructure our IR policies."

Another significant development after the nationalization was the increasing control of government in the functioning of public sector banks. As an appointee of the government, the CE no longer enjoyed the freedom to grant benefits to employees beyond the industry level bipartite agreements. Nor could he extend favours to union leaders as before. The IR policy would now be guided by institutional arrangements rather than personal trust.

An important consequence of nationalization was the statutory provision for worker directors. Two directors one each representing workmen and officers were to be appointed on the board. In the environment of inter-union rivalry, the management had to restructure its relations with the majority and minority unions.

The CE's views about management of IR in the bank also appear to have played an important role in initiating changes in IR. Recounting the experiences of heading the personnel function for a few months just before his appointment as CE, he observed:
Even-though we have had no formal strikes or work stoppages in the bank, the IR scenario was far from satisfactory. IR were conducted in an ad-hoc manner with little guidance to operating managers. The managers and officers were scared of leaders. On the slightest exercise of supervisory authority, an officer or the manager had to face the wrath of the leaders, if a decision was not acceptable to them. The union leaders constantly interfered in all aspects of personnel management. They wanted all kinds of concessions and personal favours.

It can thus be seen that a combination of factors as described above contributed to management thinking to bring about strategic change in its strategies in IR during this period. In order to understand these changes, it is necessary to first understand the top management structure and the positions of some top executives concerned with IR.

Just before the CE took over, the top management structure was as under:

CE

--------------------------------------

Jt. General Manager I  Jt. General Manager II
(JGM I)               (JGM II)
JGM I (in charge of personnel) and JGM II (in charge of operations) were strong rivals for the CE's position. When the previous CE reached the age of superannuation and his tenure became uncertain, both executives lost no time in strongly lobbying with the government for the top slot. Government's choice was JGM I. Immediately, after his appointment as CE, he totally sidelined the JGM II who was assigned planning and development portfolio as against the more important portfolios of credit and operations. According to many senior executives, JGM II was not involved in any important managerial decision making. He was not invited to participate in the annual budget meetings in which regional managers finalized the business plan of the bank. A senior executive explained the reasons for sidelining JGM II as under:

It was essentially because of a sense of insecurity of the CE who thought that if JGM II was given any important portfolio, he could come in contact with government officials and create problems for the present CE. JGM II was, thus, made a non-entity.

Apart from sidelining JGM II, another significant change was the demotion of the personnel specialist who had headed the personnel department since 1958. For the first time since
1956, an executive from operations was posted as head of the personnel department and was designated as chief manager (personnel).

Over the years, the personnel specialist had enjoyed the confidence of top management and earned appreciation from CEs for contribution to the spirit of cordiality between management and the unions. Apparently in recognition of his contributions, the bank had sent him abroad in 1965 which during those days was considered a rare reward reserved for the confidants of top management. He was also given additional increments in recognition of his services. The decision of the new CE to sideline him was ascribed to his close contact with JGM II. It was feared that JGM II might influence the personnel department through this specialist and create problems for the new CE. A note submitted by this personnel specialist to CE confirms this version. In this note, the personnel specialist explained the relationship with the JGM II and clarified the basis of certain decisions that were taken at the behest of JGM II.

The change in the roles of JGM II and the personnel specialist, who were close to the federation had important consequences for IR. The federation strongly protested the CE's action and considered it as an attempt to disrupt cordial relations between the federation and the management.
Structural Changes: An Impediment to Formalization Efforts

In the next move in reorganization, the personnel department was placed directly under the CE. A personnel officer was posted in CE's secretariat to assist him on personnel matters. Negotiations with unions were directly conducted by the CE and even circulars on critical personnel matters which were earlier issued under the signature of JGM were now issued in CE's name. A new group of advisers emerged within management. The new advisers to CE in pioneering IR policies included a deputy general manager, an ambitious and extrovert banker known for his strong views against union power: the secretary to CE, a bright young officer, known for his typical British mannerisms and a junior but aggressive and action-oriented personnel officer in the CE's secretariat who was known in the union circles as the muscleman of the management. The structure of the personnel department before and after these changes is given below:

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<th>Structure of the personnel department</th>
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<tr>
<td><strong>Before reorganization</strong></td>
</tr>
<tr>
<td>Jt. General Manager</td>
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<tr>
<td>Manager(Personnel)</td>
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<tr>
<td>Asstt. Manager(Personnel)</td>
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The CE and his new advisers at the corporate level exercised close control over all aspects of the personnel function. While earlier the personnel specialist handled all IR matters, especially negotiations with the unions, these were now handled directly by the CE and his close aides. Training and management development were handled by the secretary to CE.

Inspite of these changes, there were initially no indications about a change in IR strategy. In fact, an internal note circulated by the CE acknowledged the cooperation of the federation in maintaining good IR in the past and favoured continuance of support to the federation. During 1971-72, management followed the past policies of extending concessions to the federation and ideas and proposals for formalization were discussed occasionally in an informal manner. The association and federation leaders were accorded all the attention they had received earlier.

For example, when the bank introduced an innovative scheme called 'Multi Service Centre' for granting loans to self-employed persons, the association and federation leaders were involved in the process of selection of 'cash collectors' who played an important role in implementation of the new scheme.

The union leaders were also invited as principal speakers in various functions of the bank. The bank also continued to consult the federation and the association leaders in matters
of executives transfers, promotions and postings. Such behaviour reinforced the power of the general secretary of the federation who demanded more and more attention and concessions from management. According to some senior executives, the federation leader used to interfere in all aspects of administration whether it was a decision regarding purchase of a property or appointments of senior executives. Many senior executives resented the tendency on the part of federation leader to brow beat them through his circulars amounting to character assassination, if they acted independently.

During 1971-72, the bank's expansion programme was at its peak. Many of the functionaries found it difficult to implement various policies on business development in view of the federation leader's continuous interference. An executive who was in-charge of the priority sector department at the corporate office said:

We had appointed agriculture clerks in branches having large agriculture accounts. In our circular to branches we had listed their duties. On this issue, the federation leader created havoc by issuing nasty circulars against the concerned executive on the plea that he (the leader) was not consulted about the duties of the agriculture clerks.
The duties were mentioned as per the existing awards and settlements but the federation leader made it an issue to demonstrate his power. Later under pressure from the federation leader, the top management instructed branch managers to keep the circular in abeyance.

There were differences within management about the policies adopted towards the federation. The key advisers of the CE favoured a more business-like approach with the federation and did not quite agree with the soft attitude of the CE. One of the advisers remarked: "Although the CE wanted to formalize the relations with the federation, he soft-pedalled the issue because he did not want the federation leader to make a common cause with the sidelined JGM.

**Failure of Formalization Efforts**

Along with this approach, management also pursued the agenda for formalizing relations with the federation. An IR consultant was hired to draft proposals which included a grievance redressal procedure, areas of sole discretion of management and union control, a check-off system and providing facilities like office space, use of telephone and telex for union work as well as the freedom for doing union work during working hours. A number of meetings were
organized in which the CE, his advisers, the IR consultant and the federation leader participated. A number of proposals and counter-proposals were put forward. However, there were some issues on which differences persisted between management and the federation. On the grievance redressal procedure scheme, the federation insisted on arbitration as the last step which was not acceptable to the management. It also did not agree to the federation's proposal to permit its regional level leaders to undertake union work during working hours.

One of the obstacles in the formalization proposal was the lack of rapport between the federation leader and the key aides of the CE. As the leader commented:

CE is sincere and understands the tradition of the bank but his advisers do not understand the bank's fine tradition in IR. The advisers were obsessed with the idea of 'management prerogative.' They were basically anti-union and their strategy was to neutralize the influence of unions.

A key aide of the CE said: the federation leader dill-i-dalied over the formalization proposal for fear of losing his control over employees. He did not want even a formal grievance procedure lest his authority as a 'sole grievance manager' was diluted.
While the formalization proposals were under discussions, the management as a gesture of goodwill recognized the federation in May 1973, after verification of its membership by government for the purpose of nominating workmen-director.

The recognition proved to be a shot in the arm for the federation which became more and more demanding in the matters of executive transfers and promotions. Many senior executives including key advisers of CE put increasing pressure on him to control the federation. Under pressure from his key advisers, the CE confronted the federation on an issue of promotion of a senior officer. This incident as narrated by a close aide of the CE and confirmed by official record is as follows.

The management had promoted a personnel officer working in CE's secretariat and posted him as an officer-in-charge of central office administration. Federation took objection to this on the ground that the federation was not consulted despite an understanding with the CE that the federation would be consulted on such issues. The federation in their letter of protest quoted several instances when it was consulted in the matters of executive promotions and transfers. The management in its reply questioned the propriety of the federation raising an issue relating to a non-workmen cadre. The federation was informed that such
matters were beyond the competence of the workmen union and that informal consultations did not mean veto or acquiescence.

This episode marked the beginning of tension ridden relations between the bank and the federation.

Gestation of Conflict with Federation

Subsequent to management's firm stand against the federation's interference in matters relating to transfers and postings of officers, the federation's attitude became non-cooperative and at times hostile. This is evident from the many circulars issued by the federation during that time criticizing management's policy in various personnel matters. It objected to many day-to-day decisions about transfers and promotions as well as other matters like payment of allowances etc. The federation also raised a dispute about the payment of bonus for the year 1973 and issued a number of circulars attacking the attitude of the CE. According to a representative of the top management, the federation's strategy at that time was to find faults with the various administrative measures. The workman director in the board, nominated by the federation, also raised a number of issues about the functioning of the bank with the intention of, as a top aide of the CE put it "embarrassing the CE before the board members."
The increasing interference of the federation and its obstructive approach to administrative matters heightened the awareness of the senior management that "something needed to be done about the federation." At the same time, management felt constrained to initiate any strong action against federation owing to its strong influence over the officers' association. The bank could not have fought a united front of workmen staff and officers. The main hurdle for the bank in chastening the federation was the close personal and institutional relations between the general secretary of the federation and the general secretary of the officers' association. Thus, the solidarity between the two organizations supported and nurtured by the bank, now posed a challenge for the management in times of strained relations.

**Management Strategy : 'Divide and Rule'**

Hence, the bank's strategy focused on weakening the influence of the federation leader by creating a rift between the two key leaders of the federation and the association. Members of management described the two leaders as "two sides of the same coin." Between them, the federation leader was considered to be a force to reckon with because of the time he had spent in the trade union movement and his clout with the top management in the past. The federation leader's caliber and his negotiating and communication skills, gave him an edge over the association leader who, as his deputy, was groomed to head the officers' association. Describing the
difference in the two leaders, a senior union leader who had worked with both, said that while the federation leader enjoyed the role of a king maker, the association leader wanted to become the king.

The subservient position of the association leader was exploited by management to create a rift between the two leaders. A factor that helped in this process was the association leader's nomination on the board as 'officer director' which brought him in close touch with top management.

The management began to "give increasing attention to the association leader and simultaneously ignore the federation leader" as observed by a top executive at that time. Cases taken up by the association leader were promptly resolved, and special increments were given to officers recommended by the association leader. According to a senior functionary of the personnel department: "In those days, no formal meetings took place with the association for discussing officers' grievances. The association leader personally took up the cases with the CE and got them resolved."

The management also extended personal favours to the association leader and his colleagues. For example, the general secretary of the association was promoted from a branch manager's position to senior executive's cadre. According to many senior executives, the management laboured
hard to prepare a case for promoting the general secretary by diverting the business of other branches to the branch headed by him and giving him credit for business development. It was well known in the bank that the association leader spent most of his time on the association's work and neglected his responsibilities for branch development. His promotion as a senior executive, therefore, symbolized the growing affinity between the bank and the association. He was also given a car and a flat when posted in Bombay, perquisites that were not given to officers of his cadre at that time. The growing power of the association leader cast him in a new image against his past reputation of being a protege of the federation leader.

The management strategy in bolstering the power of the association had an impact on the association-federation relationship as well. The association now began to act on its own and stopped consulting the federation. The tilt in the association's attitude was seen when some general managers were to be promoted as chief general managers in 1974. There was a keen tussle between two general managers, one a close confidant of the CE and the other who was sidelined. The federation through the workman director espoused the case of the sidelined general manager at the board level. The officers' association, however, supported the management's choice. For the first time, the association and the federation took different stands. This marked the beginning of strained relations between them.
Reorganization and Escalation of Conflict

The growing tension between the association and the federation on one hand and between management and the federation on the other culminated in bitter conflict when the bank sought to implement a scheme for reorganization. The need for reorganization had been felt by the management for quite some time with the widening geographical coverage of the bank's operations and need for decentralizing authority at lower level for speedier decision making.

In early 1974 a team of consultants submitted a proposal for reorganization. The regional set up was considerably expanded and dovetailed to a new sub system comprising zonal offices for specific geographical areas. A number of new positions were created to shoulder the burden of administrative chores. Several new positions of area managers, assistant area managers and development managers were created at the zonal level. Similarly, a number of new positions were created at the corporate level. The reorganization programme provided major promotion opportunities to the senior officers. The officers' association and the federation also saw the reorganization as an opportunity to push the claims of their supporters and maintain control over officers.

While the officers' association accepted the management's proposals, the federation raised a number of issues and wanted more time for studying the proposals through their own
management consultants. The management rejected this demand. As one top management executive observed: "We did not want to make reorganization a subject matter of collective bargaining."

From the point of view of the officers' association, the reorganization provided an opportunity for development and growth of officers and any disruption would have harmed the officers as well as the bank. The federation, however, claimed that reorganization "was a ploy used by management as an opportunity to break the solidarity between officers and workmen."

The various steps taken by the management during reorganization suggest that they wanted to neutralize the influence of the federation on matters regarding officers by openly favouring the association. The management started offering promotions to office bearers and activists of the association. Among 31 office bearers of the association, 24 were promoted to the executive cadre. Many of these activists were posted in important places as regional managers and area managers. The general secretary of the association was promoted as an executive in-charge of a large office in Bombay.

Soon after this, he came in conflict with the federation leaders. In his administrative role, the association leader took several measures to enhance 'productivity. His attempt
to control overtime invited the ire of the employees, most of whom were federation members. Most of the employees in this office including some activists of federation had in the past claimed hefty overtime without actually doing in extra work. The sudden monitoring and control in overtime was now resented by the employees. Many activists of the federation challenged the action of the association leader who, not long ago was one of them.

The federation leader challenged the association leader on the issue of overtime. After this confrontation, the conflict between the federation and the association became much more pronounced and open. According to the federation leader, the attitude of the association leader in suddenly acting tough was the result of his desire to prove himself and impress upon management that he could play the managerial role effectively.

Federation Launches a New Officers' Association

In consequence of reorganization, many officers complained about being neglected and nurtured a feeling that the association had extracted maximum number of promotions for its activists and office bearers. An executive who was an officer at that time complained that he was not promoted despite the fact that for three years successively he had received awards for deposit mobilization. He felt that he was
deprived of promotion because he had no contacts with the association leader. Many other officers held a similar grievance.

Some senior executives were apprehensive about the growing power of the association leader and his arrogant attitude. One of the senior executives who resigned in protest, said: "It was humiliating to take orders from the association and suffer the dictates of its leader who behaved as a de-facto chairman. Top management did nothing to control him."

A majority of the officers in the branches across the country also felt alienated from the association as their long pending grievances were not resolved. Many also complained about the attitude of the general secretary of the association in not meeting visiting officers without prior appointment. When he met them, he was very curt and rude. A common joke amongst officers was that it was easier to meet chairman of the bank than to meet the general secretary." Most members of the association found it hard to represent their grievances before the office bearers.

The alienation amongst the officers provided an opportunity to the federation to undermine the officers' association. The federation leader launched a new officers' association which promptly received a positive response from officers. The new association also received support from some senior executives.
The emergence of the new association symbolized the failure of management strategy in eliminating the control of the federation leader over the officers. The members of the new association appointed the federation leader as chairman of the new association and an ex-federation activist, was appointed as general secretary.

Destabilization of Federation : Suspension of Federation Leader

The new association was seen by the existing association as a "a direct challenge to their existence". It became a common adversary for both management and the association. Over a period the conflict turned into a personality clash between the key actors in management, the associations and the federation, with each one denying the legitimacy of the other and attempting to destroy each others' power base.

For example, the federation raised the question of association leader's legitimacy in simultaneously holding positions as regional manager, member of the board director and general secretary of the association. The association, on its part, launched criticism of the acts of omission and commission by the federation leader. Amidst the warfare conducted through circulars issued by both federation and association, the atmosphere was further charged by the CE's issuing a set of circulars titled "union-management
relations." The tenor of these circulars, as illustrated below, demonstrates mistrust between the management and the federation. Examples quoted below prove this point:


It was believed that the CE had issued these circulars to branches under the influence of the officers' association to discredit the federation. Whatever be the motive, these circulars symbolized a break-down of the relations between the management and the federation. The management also extended certain facilities to the association like permitting regional offices to enter into written communication with the association. Management appeared to be under strong influence of the association leader and was dragged into a situation of fighting a war with the
federation on behalf of the association. The management also undertook a number of transfers at the behest of the association leader to give him an edge over the federation leader.

Many senior executives acknowledged that a number of executives who were considered close to the federation leader were transferred by the CE at the behest of the association leader. They quoted the transfer of the top personnel specialist from the corporate office to Calcutta. Management also appeared to help the association create a schism in the federation by encouraging coordination committee. The management supported the association's efforts in enticing some federation members in Bombay to join coordination committee. Management also considerably softened its attitude towards coordination committee. This was a major departure from its earlier policy of discouraging coordination committee. The coordination committee during this period was able to resolve some of its long pending issues. For example, the bank entered into a settlement with coordination committee with regard to cases of employees facing departmental enquiry for acts of gross misconduct including manhandling of managers during the coordination committee sponsored strike in UP and Rajasthan in 1972. The settlement provided only minor punishment of warning to these employees.
Echoing the grievances of some executives, one senior executive who had handled the agitation as a regional manager observed:

We had a very tough time at the hands of coordination committee. Many of us were physically assaulted by the staff members. We were assured, by the management and the officers association that strict disciplinary action against guilty employees would be taken and the honour of the officers will not be compromised. We are surprised, that both management and the association subsequently backed out.

The conflict between the management and federation reached its climax when the federation leader was suspended on an incident of misbehaviour which was reported by a coordination committee member, who had recently left the federation. The federation leader was suspended with support from the officers association which nursed grievances against him for launching a new officers' association. It is relevant to mention here that the coordination committee member who complained had left the federation on the persuasion of the association leader.
Several members of management including some key advisers to the CE did not approve of this decision and described it as an unwise act of the CE. Although there were only symbolic protests from the federation members which did not affect the functioning of the branches, the suspension had some serious consequences as evident from later events.

Aftermath of Suspension: Pre-mature Departure of the CE

After he was suspended, the federation leader charged the CE with corruption which included granting of loan of Rs. 60 lakhs to a firm headed by his close relatives. The federation alleged that its leader was victimized for exposing the said corruption, though the records show that the loan proposal was approved by the board and all procedural formalities were observed by the CE. By mobilizing the support of 40 members of Parliament, the federation managed to put pressure on government for revoking suspension of its leader. Subsequently, the government did not extend the term of the CE although he still had two years to go before reaching the retirement age.

This conflict had immediate impact on the bank's development and growth. As against the target of opening 90 branches in 1974, the bank could open only 39 branches. Similarly, against a 15% growth in deposits at industry level, the bank's growth rate of deposits was only 5 per cent. The poor
performance could be attributed in part to the conflict as CE was for most of the time preoccupied with it. The branch managers and officer could not concentrate on business development owing to their involvement in the association's activities. One manager explained:

In 1974, the association's activities were at their peak. After the emergence of a new association, there were problems of inter-association rivalry. We had now to face problems from two associations, in addition to inter-union rivalry, at the branch level. The officers behaved like workmen staff refusing to undertake additional jobs and to shoulder responsibility. They questioned managerial authority on the basis of their affiliation to one or the other association.

A regional manager who supervised the bank's operations in the lead areas observed:

Our expansion programme during this period suffered. We could not open more branches as there was intense inter-association rivalry resulting in officers refusing to go to rural areas.
Motives were attributed to management on each posting in the background of the proximity of management with the association.

Another manager said:

Apart from the trouble from the officers' association, top management did nothing about the troublesome workmen staff. Even in matters involving gross defiance of authority by workmen, the management soft-pedaled and often privately counselled officers at the operating level against raising any problem at that time.

It is thus evident that IR environment at the operating level was highly charged with unions' power immensely heightened and general demoralization prevailing among officers.

Conclusion

During the period under discussion, the pressure on the bank from the government to implement the lead bank scheme increased considerably. This period was, therefore, marked by rapid expansion of operations in the rural areas of the lead districts allotted to the bank. Such expansion inevitably
involved a number of problems in the matter of recruitment, promotions and transfers. This was accompanied by increasing interference from unions in various areas of personnel management, especially transfers and promotions. The bank, however, had to maintain discipline of industry level agreements and it was no more possible for the management to extend any concession or favours either to the employees or to unions over and above such agreements. In addition, the government tightened its control over the bank on all personnel matters making it increasingly difficult for the bank to enter into any local understanding with the unions on policy issues. The growing influence of the militant AIBEA in the lead districts added another dimension to the IR scenario in the bank.

In response to these conflicting pressures from government and unions, the management felt the need for formalization of relations with the unions with a view to achieving clarity on the rights and duties of both the parties for effective management of IR. In this endeavour the bank took a number of decisions that aimed at moving away from the prevailing culture of leniency towards employees and unions to a more formal and professional pattern in IR. Accordingly, some key executives and personnel specialists who were perceived as pro-union were sidelined. The bank also hired the services of an IR consultant to make a proposal for formalization of IR and help the management to implement the relevant plan in consultation with the federation.
While this action for formalisation of IR was in progress, the CE continued to soft pedal the federation. The management also continued to give special attention to the federation by involving its leaders in various activities and consulting them on various personnel matters.

The federation continued to interfere in the matters of transfer and promotion of senior executives. Since the federation had an overwhelming influence on the officers' association, the federation strengthened its power and the management found it difficult to prevent it from interfering in various administrative matters. In this background, the management adopted the strategy of 'divide and rule' by extending favours to the officers' association in matters of promotions and special increments. This resulted in a rift between the federation and the association. In the process, the association got the upper hand and dictated its own terms to the management in matters of transfers and promotions of officers and executives.

In this complex scenario, the conflict between the management and the federation on one side and between the association and the federation on the other side culminated in suspension of the general secretary of the federation. With this, the IR conflict in the bank reached its crescendo. The subsequent reinstatement of the federation leader under government pressure and non-renewal of the CE's term of office re-established the balance of power in the federation's favour.
This was followed by a split in the officers' association, adding a new dimension in the form of inter-association rivalry. These events created turbulence in the IR climate at the operating level with inter-union and inter-association rivalries which considerably affected the business development during 1971-74. In the vortex of claims and counter claims by rival unions and associations, the managerial authority at the grass root level eroded causing serious negative effects on business operations at the branch and regional levels.

The IR situation during this period resembles what Fox has characterized as 'continuous challenge pattern':

Here the union refuses to legitimatise management's claim to assert and pursue objectives....... The union may be forced to submit but it continues to withhold the legitimacy,, fighting guerrilla skirmishes wherever possible, seeking ways to undermine management's position and aspiring to mobilise enough power for an effective challenge. .... No equilibrium relationship develops only periods of uneasy truce as each side licks its wounds and watches the enemy for signs of a weak spot in its defence (1974 : 310-11).