CHAPTER VI

SUMMARY OF FINDINGS AND CONCLUSIONS
In every country the all round development of it's economy and growth is correlated to the development and the performance of the banking industry, as it provides both short-term and long-term assistance for the development. The success of banking industry rests on the relationship between union and management that exists in the industry. The trade unions gained real strength in banking industry after nationalisation of banks in 1969. The emergence of collective bargaining system in banking speaks about the importance of the pressure of trade unions in the industry. In SBI and Vysya Bank, management of human resources has been recognised as a major function, in view of their place in their respective sectors. The union-management relations in the banks not only reflect the industrial relations but also explains their impact on banks' growth and performances. In view of their importance, managements in both Banks have recognised unions as major partners in their day-to-day activities.

Trade unions have become an integral and powerful factor in the contemporary economic systems. All organisations in any economy are experiencing their influence. A trade union is considered to be "a continuing long-term association of employees, formed and maintained for the specific purpose of advancing and protecting the interests of members in their working relationships".

Over the years, different theories of trade unionism
based on different ideologies are propounded by different authors. According to Marx, Engels and Webbs conflicts which existed between the working class and the industrialists were responsible for the social revolution and class struggle. Trade unionism owes its birth to the competition under capitalism. The inherent differences between the interests of capitalists and workers in a capitalistic society led to the growth of trade unionism. On the other hand, Neo-classicalists felt that the unions have come into existence in response to industrialisation and not because of capitalism as expressed by Marx, Webbs. They felt that unions differ in their functions, structure, leadership and ideology because of the elite that lead these unions. They argue that peaceful methods should displace strikes for achieving union's objectives. The crux of Consumptionist Vs. Productionist model is that unions should cease to be the advocate purely of sectional interest, and be responsible for the larger interests of the society. The theory pleads that the workers and their unions should strive to increase productivity and sacrifice immediate consumption. According to Pluralist Theory, the work-place sets the limits for union goals and methods. Its main goal is 'wage welfare' of its members.

Bargaining Theory of wages states that the union's view and policy rest heavily on a bargaining theory of wages. It holds that the levels of wages in each labour market are set by the opposing economic strength of employers and workers. This theory holds that wage rates are established by the bargaining strength
of parties within a flexible limit that creates the relationship between the employer and employee. According to this theory unions exert their pressure to secure high rates of wages and the success depends on the strength of the union bargaining power. Productivity Theory simply holds that wages are determined by the productivity of workers, higher productivity justifies higher wages. Most of these theories are based on those conditions prevailing in the days of the propounders who belonged to different institutions (times) and trade unionism is concerned with the existence and activity of employees' associations.

A white-collar employee is defined as "such employee who does not work........in purely manual jobs. The intellectual efforts are more important than manual efforts on the part of white-collar employees in attending to their day-to-day work. White-collar employees include clerks, salesmen, technicians, supervisors, executives, administrators, doctors, teachers, parliamentarians, etc.,. They are at an increase due to the growth of industrialisation all over the world. The structure of white-collar employees consists of lower, intermediate and higher levels. They differ in their culture, status and salaries. The higher level strata devotes more time for office-work and they are nearer to management. Their standard of living is very high. Their nature of work is routine. They entertain ownership mentality in their professions; they prefer to stay for a longer time on their jobs when compared to other groups.
The major characteristic feature of white-collar employee is that this job is higher in status and more dignified which is nearer to his boss. He fears to join a union because he feels that he may lose his job or promotion by joining a union. To him unions are hostile towards the management. He cares more for status and prestige. He prefers to join a union whenever his interests are at stake in view of management policies. He expects that union should recognise individual merit and that the union should strive to protect the individual merit. Militancy is another glaring character of white-collar trade unionism. White-collar employee does not compare himself with his industrial situation with that of labourer while assessing his satisfaction. He prefers to compare himself with similar economic and social opportunities prevailing in different occupations. This important feature of white-collar employee is posing a threat to the management. Unionisation amongst white-collar employees is very high and this is more so in the case of banking industry. This high density is based on unions' commitment towards their members. He prefers to join only in recognised unions. For example, in India in banking industry more than 90 per cent of employees prefer to join only in those unions which are recognised by the managements. In addition to this, white-collar unions are predatory and parasitic. This is more so in the case of bank employees' unions. In banks managements provide more facilities for union leaders to enable them to work under free atmosphere. White-collar unions oppose to join hands with other unions.
whenever their interests are not involved. They prefer to retain their individuality and status. This is a common feature in the case of American white-collar unions. White-collar unions generally refuse to affiliate their unions with any political parties. But in banking industry in India except NCBE other unions are affiliated to one or other political parties. Another interesting characteristic feature is that women are apathetic towards unionisation. It is due to the social conditions prevailing in those countries. But, in India, in banking industry more than 90 per cent of woman employees are unionised and prefer to set aside the social customs and obligations in order to safeguard their interests. Inspite of the foregoing observations it is noticed that the dreams of white-collar employees are not shattered and that their unions still maintained their own character.

The white-collar trade union movement started with Railways in 1897 in India. At the end of 1924 there were 15 white-collar unions out of 157 unions in India. The Second World War gave further impetus for the growth of the movement. Various white-collar unions such as Insurance Employees' Federation, Teachers' Association, Confederation of Central Government Employees etc., were started in the Country. There were 960 white-collar unions submitting returns at the end of 1981. The total membership was 14,66,000. White-collar unions have conducted gheraos, strikes and threats for achieving their demands. The strike launched by Jammu and Kashmir State Government employees for 73 days i.e., from
In banking, white-collar movement came into light during the late 1920's. The Imperial Bank of India Indian Staff Association, in 1929 took the lead by promoting an union in Bengal Circle. The real beginning was witnessed only after 1947. The AIBEA was started at this time. By the end of 1980 there were 247 unions in the banking industry which were submitting returns. On 31st March, 1951 there were 15,418 members in eight selected bank unions of which 12 were women members. There were 12 unions in the Industry during 1952. AIBEA was the sole agent at that time. There were three unions in Imperial Bank of India. At the same time two bank unions were affiliated to INTUC. In 1960, SBI employees went on strike for 26 days during the month of March which resulted in the appointment of Desai Committee. In the year 1869 14 major commercial banks were nationalised. At the same time this led to rivalry between AIBEA and AISBISF. NUBE was promoted to protect the interests of public sector bank employees. The membership of this union stood at 1,34,000. Due to emergency in 1975 the trade union movement in the industry came to a standstill. In the year 1982 another Federation called BEFI was promoted. At present there are 4 federations in the Industry with AIBEA dominating the membership which stood at 2,36,500 followed by NCBE with 2,09,00. The remaining two minor federations are BEFI and NOBW. This explains the pattern of unionisation of 4 federations in the Industry. A striking feature of unionism in banking industry is that it's jurisdictional independence from major trade union
organisations. The bank unions are federated into one or the other like AIBEA, NCBE etc,. In the early stages of unionisation there was a strong resistance from employers and fear and apathy on the part of employees. Subsequently, unionisation gained strength due to changed environment. This led to five bipartite settlements between the unions and IBA.

Officers' Staff Associations followed the suit in this respect. In most of the banks independent associations are promoted. In 1975 AICOBOO was formed with a membership of 60,000. In 1978 rival unions were promoted by the bank officers. At present there are five officers associations in the Industry. AIBOC is the recognised union with a membership of 2,00,000 followed by INBOC (with a membership of 16,675), AICOBOO, AIBOA and NOBO. These Associations are affiliated to one or the other political parties except the major association, AIBOC.

Trade unionism took place in RRB's also from 1975 onwards. There are two All-India organisations in RRB's which attend to the problems relating to working conditions of the employees. One significant structural feature of RRB's unionism is that while AIRRBBEA is not affiliated to any central trade union, whereas AIRRBBWO is affiliated to BMS. In addition to this both clerical and officers' staff are members of the same union, wherein the key union posts are held by officers. The year 1985 witnessed non-cooperation programme launched by AIRRBBEA. The industrial relations in RRB's were dampened because of trade union
In the industry unions are formed at unit, module, circle/zonal and national levels. They are affiliated to either one or the other federation/confederation at the national level. The minor unions at branch levels create more hurdles to management in its day-to-day work, with a view to gaining status. Inter-union rivalry is a major issue in the industry. This is to a certain extent, helped the management to follow a divide-and-rule policy. The Schedule Castes and Schedule Tribes with 22.25 per cent in recruitment, have promoted their welfare associations to protect their interests. The militant character of the union is a by-product of trade union rivalries in the industry.

In 1921, Imperial Bank was promoted by amalgamating three presidency banks of Bombay, Calcutta and Madras. The banking activities were conducted as per the 1920 Imperial Bank of India Act. The Bank was attending to some of the Central Bank functions. In 1955 June, SBI was promoted based on the recommendations of All India Rural Credit Survey with 497 branches and at present there are 7,577 branches in SBI. The main object was to strengthen banking system in the country by extending the facilities to rural population and to implement national policies for the speedy economic growth. The management of SBI was vested in the hands of a Central Board. This is responsible for making policies at the apex levels, Chief General Managers and Regional Managers attend to day-to-day administration. At the unit level branch managers
supervise day-to-day business. At the time of inception of SBI there were three local boards located at Calcutta, Bombay and Madras. In view of rapid expansion of branches and increase in Bank's operations, 13 circles are functioning in the Country. The philosophy behind this was to improve good relations with unions and to have effective controls.

The Vysya Bank was promoted in the year 1930 with a single office at Bangalore. With the passage of time its activities began to multiply and at present there are 283 branches spread over various states in the Country. More than 45 per cent of branches are located in Andhra Pradesh State. At the apex level the Bank is managed by a group of executives. At divisional levels the divisional managers attending to banking activities. They are assisted by deputy general managers for planning and credit. At bottom the Bank is managed by branch managers. The structure resembles bureaucratic in nature. In both Banks division of labour and specialisation are found in abundance.

Both banks are pioneers in their respective sectors. The SBI is a major Bank in the public sector, entrusted with more responsibilities. The Vysya Bank is a leading bank in private sector. The deposits hold by both banks are Rs. 43,515 crores and Rs. 711.95 crores at the end of 1989 respectively. There has been constant increase in the area of branch expansion, credit provisions to different sectors over a period of 35 years. The average annual growth in paid-up capital was Rs. 28.94 crores and
Rs. 0.33 crores in the case of SBI and Vysya Bank respectively. The credit/deposit ratio declined from 1:2.1 to 1:1.3 in SBI and from 1:2.2 to 1:1.9 with regard to Vysya Bank over a period of 35 years (1955-1989). This decline is due to more increase in advances than that of deposits.

In SBI trade unions play a very important role in its administration. The efficiency and discipline in the Bank are based on proper usage of man-power. In this direction trade unions in the Bank are expected to play an effective role. Most of the working conditions in the Bank are decided through bilateral agreements between the Federation and the Bank Management. Earlier to this, most of the Tribunals were appointed due to trade unions' pressure in the Bank. Except during the National emergency between 1975 and 1978, the trade union movement has been very effective and successful in improving working conditions.

The first union in SBI was promoted by Bengal Circle employees during 1920's. The actual movement came into light in the middle of 1946 when IBISF was promoted at Madras. During this year a 46-day strike was led by the Federation which saw the appointment of the Gupta and other Tribunals. With the establishment of SBI, the trade union movement in the Bank took a new turn. A separate Federation called AISBISF was mooted by new leadership in order to relieve the movement from political influence. The year 1969, after the nationalisation of 14 major commercial banks, led to the formation of NUBE by public sector
bank employees (award staff). The emergency forced NUBE to join INTUC for its survival with a membership of 2,50,000. In 1978 NUBE was reorganised under new title 'NCBE'. In 1978 a two-day strike was conducted by SBI employees in order to improve their wage structures. A second bipartite settlement was arrived at between IBA and NCBE, AIBEA. Later on three other bipartite settlements were followed; last being on 10th April, 1989. A major development in the history of NCBE after 1885 is signing an agreement in January, 1987 in respect of use of computers in the Bank. The chief aim of NCBE is to spread the message of independent and non-political unionism in the Bank and Industry.

The organisational set-up of unions in SBI is of federal in nature. At Bank level AISBISF is an apex body to which unions at circle levels in the Bank are affiliated. The Federation is affiliated to NCBE at Industry level. At module, regional and unit levels the unions are affiliated to the circle unions in the Bank. The recognised unions are encouraged to enter into agreements with the respective banks at different levels. The Federation is managed by an executive council, elected by different representative unions on democratic principles. The same tendency is noticed in the working of unions at different levels. Each union is an independent unit in its jurisdiction and the Federation does not interfere with the union activities at various stages. Federation is concerned with the settlement of wages DA, HRA etc., whereas at local, module and unit levels the unions bestow their resources in attending to local issues. Further, it
is noticed that other associations/organisations in the Bank also exist side by side viz., AIBEA, NOBW, INBEC and BEFI. The respective unions at different levels are affiliated to the above associations/organisations.

The union membership in the Bank has been on the increase since 1959. AISBISF accounts for 90 per cent of membership and other unions are minor in their strength. Over a period of 21 years (1969-1989) the membership of the Federation increased from 45,000 to 1,50,825. In terms of percentage it rose from 86.51 to 90.18. While it came down from 8.17 to 4.03 in the case of AIBEA. Our results indicate that the relationship between increase in award staff and increase in membership of Federation is highly positive and statistically significant. Whereas in the case of AIBEA the relationship is positive, but statistically insignificant. Hence the hypothesis that 'there is no significant relationship between increase in award staff and increase in membership of Federation/Association is rejected in the case of AISBISF while it is accepted in respect of AIBEA.

In Vysya Bank the union for clerical staff was formed in the year 1949, known as 'All India Vysya Bank Employees' Union' which is unitary in nature. This union was registered in January, 1958 which became a sole bargaining agent in the Bank. The union was recognised by the Bank Management during the year 1970.

The AIVBEU is affiliated to AIBEA at Industry level. ABIEA has represented this union in all bilateral agreements. At
the Bank level the union enters into agreements with the management in respect of promotions, transfers and other working conditions. The union made agreements during 1984, 1986 and 1988 with the Bank Management. At zonal, divisional and unit levels the same union represents the award staff in the Bank.

The membership of AIVBEU which was 96 in 1955, increased to 3,534 by the end of 1989. The female membership to the total membership was 12 per cent at the end of 1989. In terms of percentage the union membership raised from 58.47 to 95.51 to the total award staff over a period of 21 years (1969-1989). The results indicated that there is a significant relationship between increase in award staff and increase in membership of AIVBEU. Hence the hypothesis that 'there is no significant relationship between the two variables under consideration' is rejected.

The Hyderabad circle of SBI was formed on 1st February 1965, with 103 offices, deposits worth Rs.21 crore and loans of Rs. 12 crore, having Local Head office at Hyderabad. At the end of 1989, the circle had 757 branches, deposits to a tune of Rs. 1,842 crore and loans of Rs. 2,315 crores. Whereas the Vysya Bank Ltd., has it's origin in the State of Karnataka. The first branch of the Bank in Andhra Pradesh was opened at Hindupur in 1935 nearly 55 years ago. The 100th branch in the State saw the light during February, 1982. At the end of 1989 there were 128 branches in the State out of 288 branches of the Bank all over the country. It's percentage being 44.44. In view of the fact that it has more than
100 branches in the state, Andhra Pradesh Government directed its agencies that the Bank can be utilised for its policies. The Bank has effectively utilised the resources mobilised in the state and has contributed its share for the progress and development of the state on its forward march. In terms of comparative analysis between both the banks, the maximum deposits of Vysya Bank in the year 1989, stood at Rs. 321.03 crore which were much less than that of SBI. The maximum deposits of SBI was six times more than that of Vysya Bank. The minimum deposits of SBI in the year 1980, which stood at Rs. 449 crore, were higher than that of Vysya Bank, whose deposits were Rs. 321.03 crore in the year 1989. In the beginning the deposit ratio between the two banks was 8:1, but it came down to 6:1 by the end of 1989. A larger increase in deposits in the case of SBI in terms of rupees was due to a larger number of branches which have been functioning in the state. The number of branches in SBI increased from 461 to 757 whereas in the case of Vysya Bank it increased from 97 to 128 during the period 1980 to 1989. In addition to this the former being a public sector bank, took the lead in promoting more branches in rural areas.

With regard to advances there is no uniformity in annual growth in both banks. It began to fall for two successive years 1987 and 1988 in the case of SBI. Over a period 10 years (1980-1989) the advances raised by Rs.1,618 crores and Rs.112.24 crores in SBI and Vysya Bank respectively. In terms of percentage the advances rose by 457.94 in the former and 454.60 in the latter over the base year 1980 during the study period. The average
growth in advances of SBI and Vysya Bank was Rs. 18.18 crores and Rs.1.12 crores respectively. The step-up in advances of both banks in comparision, exhibits that it was more than 16 times in the case of SBI to that of Vysya Bank. The minimum amount of advances made by SBI is nearly 3 times more than that of the maximum of Vysya Bank. The banks have been systematically extending their lending activites for promoting agricultural development and have built up expertise and machinery to do so over the years. It is observed that the advances provided to agriculture by SBI was 33 times more than that of Vysya Bank in 1980 and it has gone down to 24 times by the end of 1989. The average annual growth rate is Rs.4.68 crores in the SBI and Rs.0.21 crores in the Vysya Bank. The amounts increased from 53.50 per cent to 467.73 per cent in SBI and 2.4 per cent to 20.81 per cent in Vysya Bank, during the period 1980-1989.

The banking industry in India has been playing a developmental role towards the small scale industries, offering technical and financial consultancy to the units of it’s banks to enable them to overcome problems of technological obsolescence, marketing, management etc.,. The annual growth-rate in small scale industries is Rs. 2.42 crores in SBI and Rs.0.23 crores in Vysya Bank over a period of 10 years (1980-1989). The total growth in SBI is 10 times more than that of Vysya Bank. The growth rate is higher in Vysya Bank in comparision to SBI with regard to small business finance, which decreased later on in the case of Vysya Bank. This decrease is not in uniform whereas in the case of SBI,
the amounts constantly increased during the period 1980-1989. The annual growth is 10 times more in SBI than that of Vysya Bank.

Gramodaya project aims at providing complete package of services and facilities to bring about all round development in the various facts of rural life. With regard to Gramodaya project the total amount extended by SBI was Rs.12.98 crores and it was Rs.0.07 crores in the case of Vysya Bank for a period of six years (1983-84 to 1988-89). The average number of beneficiary families selected under this project was 4,223 in SBI and 130 in Vysya Bank over a period of six years. The DIR scheme, though introduced in 1972, is extended to all districts by both banks. The average growth under this scheme was Rs.3.89 crore in SBI and Rs.0.05 crore in Vysya Bank over a period of seven years. During 1984 and 1989 negative trends are noticed in the case of Vysya Bank with regard to annual growth of the scheme. The annual growth rate is 84 times more in SBI to that of Vysya Bank.

Lead Bank scheme came into force after the nationalisation of 14 major commercial banks in 1969. The scheme embodies all the objectives of the bold step of nationalisation of banks in 1969 and was conceived as a right approach towards creative banking. The minimum and maximum growth of contribution by SBI over the base year 1984 in terms of percentages were 11.71 and 62.05 during 1987 and 1989-90 respectively. While in Vysya Bank the minimum and maximum growth over the base year were 3.57 per cent and 87.57 per cent during 1984 and 1989-90 respectively.
When SBI Hyderabad Circle was promoted only one union called SBISU(AP) was in existence, which was formed in 1958. SBI employees of Andhra Pradesh who were working in Madras Circle came out of the Madras union due to regional differences. Another union Viz., SBISU(HC) was formed in view of differences over the leadership between Mr. Raju and SBI employees working in Hyderabad in 1969, which later became a major union. This is affiliated to AISBISF at Bank level. In 1980, under the leadership of NOBU, another union called SBVO was promoted in the Circle. In 1983, INTUC promoted another rival union known as SBISA. This is affiliated to INBEC in the Bank.

Although there are 4 unions in the Circle, the SBISU(HC) dominates over the other unions in terms of membership and the remaining 3 unions are minor in this regard. The membership of different unions in 4 modules disclose that, in 1981, SBISU(HC)’s membership is highest in Visakhapatnam module (31 per cent) and this was followed by Tirupati module (25 per cent) and Hyderabad module (24 per cent). The lowest membership was in Vijayawada module (20 per cent). With regard to SBISU(AP) membership, the highest was found in Vijayawada module (47.7 per cent) and it is followed by Visakhapatnam module (21.5 per cent). Tirupati module stands at the bottom in this case. The other union, SBISA has its strength only in Hyderabad module. The highest membership of SBWD is found in Hyderabad module (76 per cent) and the lowest is found in Tirupati module. This union has no representation in Vijayawada module. Union-wise distribution of membership shows that in
Hyderabad Circle, SBISU(HC) dominates with over 97.51 per cent of membership and SBISU(AP) occupied the next place. Though SBISU(HC) was promoted in 1960 its strength has been improving steadily from the beginning and rapidly since the second half of 1970's. The linear growth rate of SBISU(HC)'s membership, has been 120 during the period between 1969 and 1989. But a negative growth rate (-254.29) was seen in the case of SBISU(AP) during this period. Thus, the results indicate that there is a significant variation in the growth of membership between different unions in the Circle. It is also observed that the woman membership in SBISU(HC) has been growing at a faster rate (LGR = 84.13). This happened due to increase in the intake of women and their changed attitude towards the trade union movement.

In the case of Vysya Bank Ltd., the trade union movement began from 1949 onwards. The birth of AIBEA in 1946 initiated Vysya Bank employees to organise themselves into an union which saw the birth of the union in 1949 in the Bank. Members could not escape from the threats of local managements and victimisation. The management succeeded in depriving the employees from the benefits of Sastry Award for eight long years, whereas employees working in other similar banks got the benefits immediately. This is because of exploitation by the management as the Bank has been under the private management. The employees working in Andhra region joined the main stream in October, 1949 when the All India Vysya Bank Employees' Union was promoted at Bangalore. Since 19454, issues pertaining to employees working in Andhra region branches
are represented by the union on behalf of these employees. Employees working in Andhra region became part of the union membership.

The membership of AIVBEU in Andhra Pradesh region was 18 at the end of 1955 with 18.75 per cent to the total membership. This membership rose to 1167 by the end of 1989. The average membership of the union was 426 over a period of 35 years. At the end of 1989 there were 90 woman members in AIVBEU in Andhra Pradesh region. The growth of union membership has been high since 1980 with an average of 68 per annum. With regard to division-wise analysis of membership, all divisions in Andhra Pradesh region have registered constant increase during the period 1981 - 1989. Of all the divisions, Warangal has noticed lowest membership and Ananthapur has highest throughout the period. This is due to more number of branches which have been functioning in that division.

With regard to sex-wise distribution of unionisation the average strength of men was 550 per annum during the period 1970-1989. The membership increased by 991 during the above period with an average of 52 per annum. Where as in the case of women membership it increased from 12 in 1970 to 90 in 1989. the average increase was 44 per annum. In terms of percentage the women membership was not uniform. This is due to fall in the recruitment of women in the Bank. The linear growth rate is less in the case of men (99.07) than in women (107.48).
In terms of comparative analysis between the recognised unions of both the banks, on sex-wise basis, in the case of men in the beginning the ratio was 26:1 which came down to 11:1 at the end of 1989. With regard to women, the ratio in the beginning was 6:1 which increased to 26:1 as on the last date of 1989. This is because the number of women recruited in SBI in Hyderabad Circle was more than that of Vysya Bank. This led to a larger increase in unionisation amongst women workers.

The trade union movement in the banking industry, in the wake of expanding banking network, has created certain problems to both the management and unions. In view of the existence of multiple unionism and inter and intra-union rivalry, the working conditions in both banks at all levels are affected.

The results disclose that the opinion of the majority of the unions is that there is an impact of union rivalry on industrial relations in both SBI and Vysya Bank Ltd., at industry level. It is also seen that the impact is larger in nature. The study also suggests that the impact of rivalry on industrial relations at bank level is high. AIBEA assumed that there is no impact of rivalry on industrial relations at this level. In the case of SBI according to AIBSISF, AIBEA, NOBW and SBISU(HC) the impact is high. All unions were under the opinion that there is an impact of trade union rivalry on industrial relations at Circle/Zonal level. At unit level leaders felt that rivalry affects Industrial Relations in SBI. According to AIVBEU, there is
no impact of rivalry on industrial relations at unit level. It is clear that there is a definite impact of trade union rivalry on industrial relations at industry, bank, local and unit levels. Hence the hypotheses that there is no impact of trade union rivalry on industrial relations, is rejected.

A study of the basic pay scales of the award staff in SBI and Vysya Bank reveals a different picture. This is because SBI is considered 'A' Class Bank based on its working funds throughout the study period. On the other hand Vysya Bank Ltd., a private sector bank is considered 'C' Class and 'B' Class Bank till the middle of II Bipartite Settlement. It became 'A' Class Bank later on. Their pay scales are governed by Bipartite Settlements between IBA and Central Trade Unions in the banking industry.

The first beginning was made in the year 1950 through Sen Tribunal ending with Desai Tribunal in 1962. These Tribunals took into note the working funds as a base to determine the class of the banks and the population in arriving at the nature of the area while deciding the basic pay structures. The same trend is noticed during the I Bipartite Settlement also. In view of this approach on the part of Tribunals, the difference in total emoluments between other 'A' Class Banks and SBI is observed. The same is also found between SBI and Vysya Bank. From the II Settlement onwards the principle which has been considered, is based on the total working funds of the banks. Naturally, SBI
being a public sector bank with greater net work, it has had larger working funds in comparison to Vysya Bank which is a private sector unit. In view of this, a difference is seen in total emoluments between the two banks.

Amongst other factors which determine the wage structure in any industry such as political, social, inflation, Government laws, policies and regulations, demand and supply of labour, the trade union movement and its effective leadership also play an important role in arriving at final wages. This is more important in the case of banking industry because collective bargaining has become a major tool for determining the wage structures and other benefits since 1962 onwards.

The overall improvement over a period of 38 years from Sastri Tribunal to V Bipartite Settlement, showed an increase of Rs. 1165.92 - 3908.72 (971.6 - 1059.63 per cents) in minimum-maximum total emoluments in the case of clerical staff, working in SBI. On the other hand with regard to subordinate staff the increase was Rs. 1089.47 - 2064.77 (1452.63 - 1929.69 per cents) during the same period.

Whereas, in the case of Vysya Bank the Management began to implement the scales due to trade union movement alone. The net increase made by a clerk in this Bank is Rs. 1154.92 - 3761.72 (1173 - 1266.57 per cents) and in the case of subordinate staff it is Rs. 1115.47 - 2088.77 (2276.4 - 2516.59 per cents) as minimum and maximum respectively, over the period said above.
It is clearly seen from the above observations that the trade unionism has been showing its impact on wage structures. Hence the hypotheses that 'there is no significant impact of trade unionism on wages' is rejected.

Employees occasionally have cause to be uncomfortable, disappointed or aggrieved either about certain managerial decisions, practices or service conditions. In a democratic system, it is accepted that employees should be able to express their dissatisfaction, whether it be a minor irritation, a serious problem, or a difference of opinion with the supervisor over terms and conditions of employment. The National Commission on Labour has observed that prompt redressal of individual grievances is essential for sustaining good labour-management relations and promoting efficiency at the plant level. Absence of machinery for it, leads to small grievances developing into collective disputes.

A grievance may be a complaint or expression of displeasure or discontent by an employee or group of employees related to his or their working conditions. A grievance procedure is a formal system through which an employee can take his discontent to the higher levels of management for redressal. Grievance procedure vary from industry to industry. Different steps are employed in handling grievances. In some banks a sort of code of discipline and a grievance procedure is adopted. But in majority of banks no such code is observed. This led to strikes in
the industry. The reason for not evolving a standard procedure is due to lack of proper understanding between unions, management and Government. Though unions are willing to come to an agreement yet no one in the banking industry even wants to take advantages of much willingness and goodwill on the part of minor unions. The objectives of grievance system are to redress grievances as quickly as possible at the point of origin and to develop better understanding between the unions and management etc.,. According to NIBM study the sources of grievances of employee are management decisions, non-fulfilment of agreements, unhealthy supervisor-subordinate relationship, inter-union rivalry etc.,. The code of discipline in banking industry is based on Clause 11(8) of the code. The usual procedure is that the central consultative committee should define the procedure.

In view of settlements/agreements signed between the award staff unions and the managements, the service conditions are standardised, and the scope of union activity has been curtailed. This is the same case with regard to officers also in the industry. As a result, the major source of activity for any union is pertained to collection of grievances and this discouraged the unions from accepting any grievance machinery because such machinery may weaken their hold on the banks' management.

The unions have taken a greater interest in solving the employees' problems with regard to promotions, transfers, salary fixation, suspension and reinstatements, appointments on
compassionate grounds etc.,. Both the unions SBISU(HC) and AIVBEU, which are recognised by the managements in their respective banks frequently enter into agreements with their managements in connection with the redressal of grievances and amicably settled the issues. The SBISU(HC), a public sector bank union, had succeeded in redressing nearly 67 per cent over a period of 17 years. This success rate is achieved by the SBISU(HC) because of it's recognition in the Circle by the Bank and the effective leadership.

Although the Vysya Bank Ltd., is under private management, the AIVBEU, as sole representative in the Bank, could resolve more number of grievances of its members. The union had succeeded to the extent of 77 per cent of the grievances. The reason behind this high success rate was that 'one union - one industry' policy is in existence in the Bank. The year-wise break-up, with regard to different types of grievances also states that the success-rate has been constant with regard to both unions in their respective banks.

The results indicate that the success rate has no influence on unionisation. As time advances the membership also increases. Hence the hypotheses that 'the redressal of grievances has no impact on unionisation' is accepted in all the three unions. It is found out that the trend variables influenced the membership and is found significant in the case of SBISU(HC) and
AIVBEU. Whereas in the case of SBISU(AP), even trend variable did not generate significant influence on unionisation.