CHAPTER VII
SUMMARY OF FINDINGS AND SUGGESTIONS

In the foregoing chapters the working of selected Central Cooperative Banks and their personnel policies and practices relating to personnel management functions have been examined. Further, the socio-economic background of the employees and their attitude towards personnel policies and practices have been discussed. The conclusions arrived at in the foregoing chapters of the study are summarised in this chapter.

Working Profile of the Banks

(i) The period of existence of the Central Cooperative Banks spans to several decades, i.e., more than fifty years.

(ii) There was no uniformity in respect of cadres in Central Cooperative Banks. For instance in Certain Banks, there existed 9 to 12 cadres of posts, while only seven cadres have been suggested by a committee appointed by the Government of Tamil Nadu for rationalising the organisation structure in the Central Cooperative Banks.

(iii) The deputationists occupied the key positions in the banks. The Secretary of the bank who had been the principal officer hitherto, was relegated to the subordinate position and was working under the special officer in Central Cooperative Banks.

(iv) The employees' strength had not increased in proportion to the increasing volume of business transactions and number of branches of the banks between 1978-79 and 1987-88.
(v) The share of women workforce to the total workforce of the Central Cooperative banks did not commensurate with the workforce participation of women in the banking sector. The lower share of women employees in the total employees of the Central Cooperative Banks in Tamil Nadu might be due to lack of trained women in the field of cooperation and attitude of the management towards employing women.

(vi) There had been a considerable amount of branch expansion by the Central Cooperative Banks, albeit, without concomitant growth in the staff strength.

(vii) The study indicates that the institutional membership will be predominant in the Central Cooperative Banks in the years to come.

(viii) Deposits formed the major source of funds in the Central Cooperative Banks.

(ix) During the period between 1978-79 and 1987-88, share capital had declined from 8.9 per cent to 4.8 per cent; deposits increased from 40.1 per cent to 57.7 per cent; borrowing decreased from 44.6 per cent to 31.6 per cent and reserves decreased from 6.3 per cent to 5.8 per cent of the capital structure of the banks. The increase in deposits is a healthy trend, which has been achieved by branch expansion and introduction of various attractive deposit schemes.

(x) There had been a substantial increase in the total capital of Central Cooperative banks during the period under study and the growth of deposits was largely responsible for this increase.
(xi) The aggregate amount of loans and advances issued by Central Cooperative Banks had increased from Rs. 1139.57 crores in 1983-84 to Rs. 2560.79 crores in 1987-88 and the average amount per bank had increased from Rs. 67.03 crores to Rs. 150.63 crores during the same period. In a short-span of 5 years, the loans and advances made by the Central Cooperative Banks had doubled, indicating a high growth potential.

(xii) The collection of overdues had improved over the years. This is obviously due to the measures taken by NABARD.

(xiii) There had been a substantial improvement in the volume of business of the Central Cooperative Banks. There was an increase of 111.0 per cent in average volume of business per employee during the period from 1983-84 to 1987-88. On the other hand, the percentage of the total salary of the employee to the total volume of business had decreased from 0.7 in 1983-84 to 0.6 in 1987-88. Similarly, the percentage of net profit to total volume of business of the bank had declined from 0.33 in 1983-84 to 0.28 in 1987-88. This suggests that while profit earned by the Central Cooperative Banks had increased considerably, the profitability had been declining.

(xiv) The average amount of net profit earned per bank had increased from Rs. 38.2 lakhs in 1978-79 to Rs. 53.9 lakhs in 1987-88. But, the percentage of net profit to total capital had declined from 1.59 in 1978-79 to 0.76 in 1987-88.

(xv) Most of the banks had achieved 'A' Class status, which indicates a qualitative improvement in the performance of the banks in the recent years.
Employees' Profile

(i) Majority of the employees (51.5 per cent) were in the age group of 41 to 50 years. Employees belonging to younger age group were far fewer in the banks under study as compared to the position prevailing in the banking sector in general. The major reason for this might be the absence of direct recruitment for both officer and clerical cadre posts in the recent years in most of the banks covered by the study.

(ii) A natural corollary of age factor was that these banks with fewer young employees happened to have fewer unmarried as well.

(iii) Most of the sample employees in the banks under study were Hindus as the Hindus constitute an overwhelming majority of the population of the state. Muslims were not adequately represented among officers.

(iv) About 75 per cent of the respondents were locals belonging to the respective districts in which their banks were located. Thus, there seemed to be a strong preference for the candidates of native district in recruitment in Central Cooperative Banks.

(v) Majority (74 per cent) of the employees hailed from rural areas.

(vi) The educational standards of the employees of Cooperative Banks were lower than that prevailing in the commercial banks. However, among officers, there was a higher percentage of graduates and
post-graduates. This was due to emphasis on higher qualification for promotion to higher level posts.

(vii) Majority of the employees had 4 to 6 dependents. Officers had marginally less number of dependents as compared to clerical cadre employees.

(viii) Majority of the employees lived in their own house. A very few employees (1.7 per cent) could get residential quarters from banks.

(ix) Monthly household income of 81.9 per cent of the officers was more than Rs.3,000/- whereas only 27.9 per cent among the clerks belonged to this category. This reveals that officers had larger household income than clerical cadre employees.

(x) In respect of 70.8 per cent of the officers and 66.5 per cent of the clerks the Central Cooperative Banks happened to be the first employer.

(xi) Majority of the employees had long tenure of experience in the bank, and among officers it was much longer.

Personnel Department

(i) None of the Central Cooperative Banks under study had separate personnel department. However, personnel functions were carried out by the establishment section, which was a part of the Administrative Wing of the Bank, headed by the Assistant Secretary (Administration).
(ii) In most of the banks Personnel Executive was a promotee from within the bank whereas in a few banks he was a deputationist in the cadre of Cooperative Sub-Registrar from Cooperative Department, Government of Tamil Nadu.

(iii) The size of the personnel section varied from bank to bank, ranging from 4 to 17. The average personnel staff ratio of the banks, i.e., the number of employees of the personnel section to every 100 employees was 2.1, which indicates adequate organisational arrangement for personnel function. The personnel staff ratio of the Central Cooperative Banks was relatively higher in small banks and lower in larger banks.

(iv) Majority of the Personnel Executives were graduates and all of them had undergone cooperative training, and a few of them had professional qualifications like CAIIB.

**Personnel Policy**

(i) The Personnel Executive had only advisory role in framing the personnel policy and he served as communication link with the employees of the bank.

(ii) There was very little scope for the individual banks and their top management to formulate personnel policy as the Registrar's Circular and Act and Rules and Special By-laws take care of every aspect of personnel management.
Personnel Planning

(i) In Central Cooperative banks, scientific personnel planning did not exist. The current and future demands of personnel in all Central Cooperative Banks were estimated on the basis of model regulations and work load norms issued by the Registrar of Cooperative Societies.

(ii) The conditions imposed by the Registrar of Cooperative Societies were reported to be the stumbling block to the personnel planning in Central Cooperative Banks, and defeated the very purpose of personnel planning. This might have led to manpower shortages in majority of the banks.

(iii) There had been fluctuation in the employee turnover. However, the rate of turnover in Central Cooperative Banks was very low as compared to Regional Rural Banks. The low level of labour turnover rate was due to the fact that there were fewer resignations, voluntary retirement and dismissals while the terras and conditions of employment were attractive in Central Cooperative Banks.

Recruitment and Selection

(i) Majority of the recruitments were made only during 1987-88. In the intervening five year period between 1976-77 and 1987-88, absolutely no recruitment was made. This reveals that no concerted efforts was made to strengthen the staff position of the banks, despite the constitution of recruitment committee to fill-up the current and future vacancies and improvement in the volume of business in the banks during the period of more than ten years.
(ii) Direct recruitment backed by local influence was the principal source of recruitment in the banks. As high as 82.6 per cent of the sample employees were recruited through direct recruitment while 14.7 per cent came through employment exchange, 28.5 per cent of the employees had used influence as a means of appointment.

(iii) Sincere efforts were not taken to fill-up the vacancies reserved for scheduled castes and scheduled tribes. As a result, the Central Cooperative Banks failed to fulfil the social obligations in this regard.

(iv) The qualifications prescribed were not strictly followed in respect of the employees of the bank and as such many were holding various categories of posts without the qualifications prescribed for the post. This phenomenon was more obvious in respect of persons appointed to the posts by promotion.

(v) Since there was no increase in staff strength commensurate with the increase in business of the bank, the employees had to undergo hardship in the form of heavy work load. Barring a few cases in some of the Central Cooperative banks, generally there had been no recruitment and the vacancies caused by resignation, recruitments and death of the employees have not been filled-up. This is a serious lacuna in the personnel management of Central Cooperative Banks.

(vi) Nearly 60 per cent of the Special Officers served the Banks for a brief period of less than one year only and 32.58 per cent
for one to two years. Only 7.87 per cent of the Special Officers of the bank served for more than three years. This shows the absence of proper planning in the placement of government officers on deputation, and lack of clear-cut policy on the part of the government while deputing officers to the Central Cooperative banks. Such a discontinuity in the top management is not conducive for the development of the bank.

(vii) Despite shortages in manpower resources, majority of the banks (88 per cent) had deputed their employees to the Primary Agricultural service Cooperative Societies and other affiliated societies. A large majority of the deputed employees (i.e., 98.10 per cent) of the Central Cooperative Banks were assigned to the Primary Agricultural service Cooperative Societies in the state.

(viii) The practice of deputation of government officers did not enjoy the support of the majority (61.1 per cent) of the employees and they had strong reasons to hold the above opinion. Because the key positions were occupied by the officers from State Government. The regular employees were denied promotional avenues. This practice affects the morale and retards management development in the banks and reduces the tenure of top management which ultimately affect the efficiency of the banks.

(ix) 56.2 per cent of the sample employees were satisfied with the recruitment and selection procedures followed in the banks.
Majority of the sample employees, both officers and clerks, expressed their opinion in favour of reservation of vacancies for scheduled castes and scheduled tribes and backward classes. However, there was a difference in perception between the officers and clerks as regards the reservation policy of the banks, as there were numerous supporters for such a policy among the later than among the former.

The respondents who gave suggestions were of the opinion that recruitment and selection should be made through employment exchange, and by means of standardised procedure and talent test for the vacancies in the banks without any influence or interference.

Training

(i) Most of the sample employees (i.e., 83.2 per cent) had undergone pre-recruitment cooperative training. Whereas 9.7 per cent had been exempted from undergoing cooperative training as they have passed degree with cooperation as optional subjects.

(ii) A considerable percentage of respondents (55.7 per cent) did not receive post-recruitment training despite ample training facilities to the employees of Central Cooperative Banks.

(iii) There was no systematic arrangement to train the employees of the bank and the opportunity for training was availed disproportionately by the officers of the Central Cooperative Banks.
(iv) There was lack of planning in manpower training in the banks. Training needs were determined just to satisfy the Registrar of Cooperative Societies and Cooperative Training Institutions. This often led to the last minute decision to depute the employees without ascertaining their interest in and aptitude for training. The evaluation of training was not done systematically. In 53 per cent of the banks the employees were simply asked to submit report after the completion of training.

(v) However, majority of the employees felt that they were able to improve their work after training.

Promotion

(i) The vacancies in the higher level management cadres were filled-up by promotion while provisions have been made for direct recruitment of employees at the middle and lower level management cadres.

(ii) Seniority was the main criterion followed for promotion of employees during the period under study.

(iii) The seniority was generally determined on the basis of date of joining of the employees in the bank.

(iv) In a significant number of banks there were employees who had refused to accept promotions offered by the bank due to various reasons such as ill health, long distance from the place of residence and "family commitments."
(v) On an average, the rate of promotion was 13 employees per bank per year. The percentage of the employees promoted to the total number of employees was 4.93 in 1985-86 and the same had declined to 2.38 in 1987-88 which indicates the decline in promotion prospects of the employees of Central Cooperative Banks.

(vi) Though majority of the respondents (51.2 per cent) had got promotion during their entire service period, they had to wait for more than 20 years for getting promotion.

(vii) In 65 per cent of the Central Cooperative Banks, employees had been demoted as a disciplinary measure on the basis of the charges framed mainly for misappropriation of funds. The high rate of demotion does not reflect a healthy trend.

Transfer

(i) Organisation need and employees' request were the main factors leading to transfer of employees in all Central Cooperative Banks. However, in the perception of the respondents, the transfer at the employees' request was fewer compared to those transfers made to meet bank's need.

(ii) Transfer, in majority of the banks, was considered as a disciplinary action rather than administrative action.

(iii) Though completion of minimum period of three years in a place had been adopted as a general policy, nearly 50 per cent of the sample employees had served for less than 3 years in a place.
(iv) The number of transfers the employees got was not unduly large. It is significant to note that 8.5 per cent of the respondents never got transfer. Officers got more transfers as compared to the clerical cadre employees. This might be due to their vast experience in the bank and more demand for their services in the organisation.

(v) The relationship between the number of transfers and length of service of employees was evident. Those who had more years of experience had been transferred more frequently and vice-versa. This is true in respect of both the categories of employees namely, officers and clerks.

(vi) Majority of the employees had stayed in a place for a period ranging between 1 year and five years, of which 27.5 per cent had stayed 3 to 5 years. Thus, the tenure of service of employees in a particular place was relatively longer. This corroborates the earlier conclusion that there were no frequent transfers of the employees of Cooperative Banks.

(vii) In the opinion of the respondents, 3-6 years may be considered as the optimum tenure which takes care of both organisational interest as well as employees' interests.

(viii) Majority of the employees suggested that transfer may be made only after completion of a minimum period of service in a particular place.
Salary Administration

(i) There was no uniformity in pay scales and other allowances despite the similar nature of work of the employees in the Central Cooperative Banks. There were numerous pay scales in the banks. On an average, there were 21 pay scales for one category of employees in the state. However, efforts have been taken in recent years to bring about uniformity in pay scales and other benefits.

(ii) A ceiling to the pay of officers of the Central Cooperative Banks was fixed. This resulted in saturation of pay for many of the employees of the banks.

(iii) There had been a vast difference in the minimum and maximum basic pays in the pay scales of the employees of different banks.

(iv) Each bank followed its own basic pay and no two banks had same pay scales for comparable cadres. This kind of disparity in pay scales among Central Cooperative Banks was not in conformity with the rationality and equitableness in the pay and would adversely affect the morale of the employees of Central Cooperative Banks.

(v) There had been considerable variations in the annual increment of the employees belonging to the same cadre. The vast difference prevailing in the increment rate may be understood from the fact that it varied from a mere Rs.30 in one bank to as much as Rs.220 in another bank in the respect of the pay scale of Secretary.
(vi) The inter-bank variation was great in respect of time span between minimum and maximum basic pay in the pay scales of the employees among the banks.

(vii) The pay scales, on the whole, had not been properly designed and structured.

(viii) A wide range of allowances were given to the employees of the banks. All allowances except dearness allowances were given to the employees as per the settlements made between the employees and the management of the banks. However, the rates of these allowances varied from bank to bank and between cadres.

(ix) Majority of the banks encouraged their employees to improve their qualification by offering financial incentives in terms of special increments.

(x) Despite variations, the salary drawn by the employees working in the Central Cooperative Banks by and large commensurated with their cadres.

Welfare Measures

(i) The Central Cooperative Banks did not lag behind in extending welfare measures for the benefit of their employees and the employees' interests were well protected by legal provisions.

(ii) The non-statutory welfare facilities provided by the banks varied from bank to bank. No uniformity could be found among the banks in this respect.
(iii) The work load of the employees was heavy, as reflected in the working hours of the employees. Majority of the respondents worked on an average from 6 to 8 hours eventhough the prescribed norm was 6 to 63 hours a day.

(iv) The employees were by and large satisfied about the welfare measures, which confirms the earlier finding that the Central Cooperative Banks have given adequate attention to the welfare programmes for their employees.

Working Conditions

The existing status of the office premises of the banks, barring a few, was far from satisfactory. In majority of the banks working conditions and environment were not conducive for the employees to work. This was substantiated by majority of the respondents (i.e., 53 per cent) who expressed their dissatisfaction with the sanitation facilities in the banks.

Performance Appraisal

(i) None of the banks had scientific performance appraisal system. The performance of clerical cadre employees was assessed by going through their diary, periodical review of the work done and entries in the service registers.

(ii) The present system of appraisal was used as a punitive measure, mainly for transferring the employees.
(iii) Though the improved system was introduced for the officers a few years back, it could not be implemented effectively in most of the banks.

(iv) However, majority of the employees both officers and clerks expressed their satisfaction with the existing appraisal system.

Employee Discipline

(i) The disciplinary procedures adopted by the Central Cooperative Banks were neither uniform nor in consonance with the procedure as applicable to Industrial employees even though the employees of the Central Cooperative Banks were entitled to the provisions of Industrial Disputes Act and various labour legislations.

(ii) The authority competent to impose various penalties generally rested with the Special Officer. However, an aggrieved employee was entitled to appeal against any order to the appellate authority.

(iii) On an average, 11 employees were imposed with punishment per bank. The principal punishment was withholding of increment. Suspension and dismissal from employment were the other punishments suffered by the erring employees. Therefore, the Central Cooperative Banks did not face much problem of indiscipline.
Grievance Redressal

(i) The banks did not have effective grievance redressal system. The Special Officer was the competent authority to redress the grievances of the employees relating to salary, promotion, transfer, working conditions and welfare measures.

(ii) The employees' unions played a vital role in redressal of employees' grievances in all banks.

(iii) A large majority of the employees who expressed their grievances were dissatisfied with the action taken by the higher authority for the redressal of their grievances.

Employees' Union - Management Relations

(i) The relationship between the employees' union and the management of the bank was not cordial as most of the unions in the state had conflicts with the management for achieving the common objective of uniformity in pay scales and other allowances.

(ii) There were multiplicity of trade unions in the banks. On an average, there were three unions per bank. Most of the unions were affiliated to political parties. The strongest of them was the Tamil Nadu Cooperative Banks Employees' Union.

(iii) There was no consistency in the membership of the employees in the unions. Generally, employees preferred to join the union affiliated to that political party which was ruling the state. As a result, new unions emerged or disappeared depending on the political fortunes of party in power.
(iv) Strikes and other forms of agitation did occur in the banks and on such occasions the method of resolving disputes was efficient and timely.

(v) The principal suggestions made by majority of the employees include mutual understanding between the management and the unions, consideration of basic problems of the employees by the management for immediate action and periodical meeting of the employees with the management.

Job Satisfaction

The satisfaction of the employees on various job factors are given below:

(i) Majority of the respondents were either satisfied or highly satisfied with the promotion policy of the bank, and the level of satisfaction among the officers was higher than that of clerical cadre employees. The chi-square test showed that there was association between the level of satisfaction of the employees with the promotion policy and their length of stagnation in the same position. Likewise the two variables namely, promotion got and satisfaction with promotion policy were positively associated.

(ii) Majority of the respondents were dissatisfied with the transfer policy of the bank. The chi-square test proved that there was no association between number of transfers and the degree of satisfaction with the transfer policy.

(iii) By and large, the employees were satisfied with salary. A comparison of the two categories namely the clerks and officers revealed that more percentage among officers were satisfied with the salary structure than among clerks. The two variables namely the family
income and the level of satisfaction with the salary structure were positively associated. However, the educational qualification and the level of employees' satisfaction with the salary were not associated.

(iv) Majority of the employees had positive opinion on the employer-employee relationship. There was association between the employees' satisfaction on the redressal of grievance and their satisfaction with the employer-employee relationship.

(v) The arithmatic mean score of overall sample employees in the job satisfaction was 12.0 out of possible score of 20. The mean score of officers was 12.64 points and that of clerks was 11.92 points. The level of job satisfaction of both officers and clerks may be considered as medium.

(vi) The personal characteristics like age, educational qualification, length of service in the bank, monthly salary and family income had a bearing on the job satisfaction of employees in the Central Cooperative banks. However, the two variables namely length of service in the present position and cadre of the employees seemed to have no association with job satisfaction.
SUGGESTIONS

Based on the above findings, the following suggestions are made:

Personnel Department

In the context of the growing business transactions of the Central Cooperative Banks in Tamil Nadu, and growing significance of personnel function in these banks, there is an urgent need to create a full-fledged Personnel Department, which may attend to the personnel management functions, execute the personnel policies and exercise overall control over personnel matters. The Personnel Department should be headed by a Personnel Manager who will be a staff specialist and assist the Chief Executive as well as heads of various other departments in the bank. The post of Personnel Manager should be filled up through direct recruitment from among the candidates with Post-graduates Diploma in Personnel Management offered by a University or a recognised Institute/College.

Personnel Policies

The Central Cooperative Banks should have a formal and well designed uniform personnel policies to perform personnel functions efficiently. The policy formulation may take place at two levels, one at the macro-level and the other at the micro-level. The macro level policies are incorporated in the special bylaws relating to the service conditions of the employees; and every Central Cooperative Bank is bound to adopt the same. The special bylaws should be updated based
on the circulars received from the Registrar of Cooperative Societies by making amendments. Further, at the micro-level, each bank should formulate its own personnel policy covering the residual aspects, which have not been covered under the special bye-laws and Registrar's circulars.

**Personnel Planning**

The present system of assessing the manpower requirement on the basis of vouchers or the number of payments or receipts or number of clientele attended to is not a sound basis. Instead, staff strength of the banks should be determined taking into account the total work load obtaining in the organisation as well as the nature of work. In planning the staff strength, the Central Cooperative Banks should also forecast the demand and supply positions of employees taking into account the business expansion programmes and the wastages such as retirement, resignation, death in service and dismissal of the employees for the current and future periods and balance the supply with the demand. While estimating the demand and supply positions of personnel, Central Cooperative Banks may adopt, such simple tools as retirement charts, and assumed percentages of death, quit, dismissal etc.

**Recruitment and Selection**

There is a paramount need to make fresh recruitments, because most of the banks suffer from heavy work load due to increase in the volume of business and shortage of manpower.
Though recruitment committee has been constituted in each bank, recruitments were not made for many years in these banks due to the absence of a clearcut recruitment policy. A clearcut recruitment policy which is acceptable to both management and employees' unions would solve the problem of delay in recruitment and avoid the conflict with the unions at the time of recruitment of the employees particularly for the post of officers. For ensuring sound recruitment, it is better if the common Recruitment Board is constituted for the agricultural credit cooperative as a whole in the state at the Apex Bank, which should follow an uniform procedure. In the recruitment process, the rules of reservation, minimum educational qualifications, etc., should be strictly adhered to, and the political interference and nepotism should be done away with. Considering the poor representation of women among the employees of Central Cooperative Banks, certain percentage of posts may be reserved for women. Preference may be given in the recruitment for those who are already working in the Primary Cooperative Banks commensurating with their qualification, experience etc. The banks should formulate an induction programme to orient the selected candidates with his job as well as the organisational environment and familiarise him with rules and regulations.

**Deputation**

The large scale deputation of government officers for certain key position in the banks, is hardly conducive to their efficient functioning. It is therefore necessary that the officers deputed from Government should be withdrawn in a phased manner without detriment to the
efficiency. During the process of replacement, steps should be simultaneously taken to select new candidates, and train them. Likewise, the primary cooperative banks, to which the Central Cooperative Banks have lent manpower, must be equipped with competent staff, so that the deputationists of Central Cooperative Banks can be withdrawn.

The State Government should without further delay, hold elections to all Cooperatives including the Central Cooperative Banks and Constitute Board of Directors to replace the Special Officers. Meanwhile, frequent transfer of Special Officers should be avoided as it may affect various developmental activities of the banks. Each Special Officer should be allowed to serve in a bank continuously at least for three years.

Training

A clearcut training policy and a fair selection procedure regarding deputation of employees for training should be followed by the Central Cooperative Banks. The training needs of the employees should be estimated in advance, and arrangements must be made for providing training in collaboration with training agencies. As for the content of the training courses, more importance should be attached to practical aspects of working of the institution rather than to the theoretical knowledge of cooperative banking. It is necessary to organise periodically a number of refresher courses at different levels in order to orient the employees with latest developments in cooperative banking.
The internal training in the form of job rotation, currently prevalent in the banking section, may be extended to all sections of the Central Cooperative Banks. This will provide opportunity to all employees of the bank to enrich their knowledge and skills in various activities of the bank.

As a kind of motivation, those who have successfully passed Diploma course in Cooperative Banking organised by the Cooperative Training Colleges in the country should be provided incentives, including increments, promotion, etc.

The sponsoring banks should evaluate the training in order to assess the impact of training given by the training institutions.

The banks should make budgetary provision for imparting training to its employees on a regular basis.

**Promotion Policy**

Central Cooperative Banks should evolve a promotion policy in such a way that the base level employees are able to get at least two promotions in the entire career.

Every bank should prepare a list of employees in its service in the order of their seniority with other relevant information. A copy of such list should be distributed to all employees of the bank or kept at every branch or section of the bank. The seniority of the employees should be decided on the basis of well laid down norms, without giving scope for disputes. Wherever necessary, education qualification must be
stipulated as eligibility criterion for promotion. This is particularly necessary for promotion to higher cadres.

Transfer Policy

A uniform transfer policy applicable to all Central Cooperative Banks should be framed in consonance with the employees' union. An employee should be allowed to serve in a particular place at least for a minimum period of three years, before the expiry of which he should not be transferred.

The transfers should be made only during summer vacation falling at the end of the academic year. In case transfer is inevitable, employees may be given advance notice of at least two months along with a disturbance allowance so that the employees concerned will get adjusted to the change and overcome personal inconveniences.

Using transfers as a disciplinary action should be avoided.

Those employees who are in the verge of retirement should not be transferred against their wishes.

Inter-bank transfers may be provided to those employees who opt for it, without affecting the local seniority of the employees in the same cadre. This will help a considerable number of employees to avail themselves of the opportunity to work in their respective native districts.
Wage Policy

A uniform wage policy for the Central Cooperative Banks should be framed in consonance with the employees' unions of the bank. Uniformity in pay structure and other allowances evolved by the Streamline Committee should be implemented in all banks. By this measure, the disparities prevailing among banks in respect of pay scales, minimum and maximum levels in the pay scales, allowances, annual increments, incentives, etc., can be eliminated.

Performance Appraisal

The Central Cooperative Banks should evolve a foolproof performance appraisal system covering the entire spectrum of staff to obviate any feeling of discrimination and to instil confidence among the employees. Practical difficulties in the implementation of the system introduced for appraisal of officers in the banks should be examined and appropriate improvements should be introduced therein. With a view to making the system more objective and effective, it is necessary that norms should be laid down for various aspects of functional efficiency against which the employees performance should be appraised. The appraisal should be multi-purpose and provide information for a variety of purposes such as transfer, promotion, training needs, job placement, job enrichment and enlargement, talent spotting and career planning.
Welfare Measures

As there are variations in the non-statutory welfare measures among the banks, uniform policy in this regard is an essential requirement. Considering the long working hours and shortage of manpower, efforts should be made to reduce the working hours of the employees by recruiting adequate number of employees and placing them properly.

Working Condition

A healthy and congenial working conditions must be created in the premises of every bank, by providing proper ventilation, lighting, toilet facilities, etc., to the employees. Steps must be taken to furnish the office premises, and for its maintenance and upkeep. A portion of the building fund of the bank may be allocated for this purpose.

Grievance Redressal

With a view to maintaining proper morale among the employees, the Central Cooperative Banks should institute an effective grievance redressal system. Such a system will make it possible for the management to become promptly aware of the grievance of employees, clear misunderstanding, if any, by a mutual dialogue and initiate measures for the quick redressal of their legitimate grievances. It would be appropriate if the grievance of the employees are settled at the bank level rather than by the Registrar of Cooperative Societies. In this regard, it is better, if the banks follow an open door policy of discussion with the concerned employees whenever problem arises.
Employer-Employees' Union Relations

The multiplicity of trade unions in the banks is not desirable and its effect on the management will be adverse. Therefore, efforts must be made to bring all the employees under a single union. It would also be in the fitness of things that only majority trade unions are recognised by the management to represent the employees.

Efforts must be taken to orient the Trade union leaders of cooperatives about the healthy unionism in the context of a cooperative organisation. The Tamil Nadu Cooperative union in liaison with the Cooperative Training Colleges should organise such a programme. Besides, the management of these banks should lay down a policy and approach which will help to build a harmonious relation with trade unions.