Chapter 8
Summary and Conclusions
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**CHAPTER 8**

*Summary and Conclusions*

Trade Union Movement in the Indian Banks in true sense started only after independence. Before that there were no strong trade unions in India to protect the interest of the bank employee and the employees were guided by the simple law of ordinary master and servant. In those days the banks were very small and the employees were shy of trade unions. Also the employees were of the opinion that the trade unions were only for uneducated and illiterate workers and they were proud to consider themselves as white-collar employees. After the Second World War higher cost of living and rise of prices of essential things aggravated economic problems. These economic factors coupled with unsympathetic attitude of the management brought cohesion, awareness and solidarity among the bank employees. That was the time, the small unions of each bank realized the importance of a central trade union and in 1946, and All India Bank Employees Association was formed with the affiliation of all the unions of different banks. This was in fact the first important step in the history of the Trade Union Movement in the Indian Banking
Industry. We have studied in details the development of the trade unionism in the banking industry.

We now summarize the findings as below:

8.1 PERSONAL CHARACTERISTICS:

The personal characteristics of the union members considered for the study were age, educational qualifications, professional qualifications and service.

Age:

The employees are quite senior in the workmen cadre. The average age is more than 45 years, very much on the higher side. This may be due to:

- Family problems,
- Settled at their place of work or at native place,
- Reluctance to accept higher responsibility,
- Some of them got promoted to clerical cadre from
sub-staff cadre.

- In few cases it also found that the members did not get promotion at the proper age and thereafter they have lost the interest for the same.

- Also in few cases the members have some family economic activity at the places where they are at present settled and are not in favour of any transfer which is evident on promotion.

- The union leaders are also not much interested in promotions and even at times many of them are sacrificing the promotions for the union cause by themselves or on request of the senior leaders.

- It is also found is last few years that banks are not inducting new young staff as frequently as was done earlier. In fact, there is almost no recruitment these years. This have all led to the average age of the employees to such high.

Educational Qualifications:

Graduation level education found to become a
widely and evenly spread educational qualification in banking industry. Following factors have contributed for such qualifications of the employees:

- The graduates are entitled for grant of two additional increments in banks as per the agreements in this behalf.

- The education awareness has spread in the society.

- The employees who were not graduates at the time of joining the jobs have also complete graduation subsequently by privately appearing for the examinations.

- Even the sub staff members have graduated while in the service.

- There is incentive in the promotion for the sub staff to clerk for those whom are graduates.

From this we can conclude that the employees are motivated to acquire graduation level education by the bank management through financial incentives. Also that general awareness
for securing higher qualifications promotes education in bank employees also.

The many of the union members do not possess the professional qualification at all. Some of them have completed the part of the course, C.A.I.I.B., but then they left. From this discussion, we can conclude that taking into consideration the comparative higher standard of these examinations, employees should work hard by putting maximum efforts and get through the examination so as to serve the banking industry in a better manner. While in service it may not be possible to devote that much time for the same. Yet some of the employees were very enthusiastic to complete the course. The C.A.I.I.B./J.A.I.I.B examination also has financial incentive in the term of 2/1 increments in the scale of pay respectively. Even after reaching the maximum of the scale, they get qualification allowance for this professional qualification. There are promotional chances for the clerical cadre personnel and the working conditions seem to be satisfactory. The employees can therefore progress on their carrier path.

8.2 SOCIO-ECONOMIC CHARACTERISTICS:

The study leads to following broader conclusions:

The majority of the union members are willing to extend the financial assistance to their trade unions in order to strengthen
the financial position of their unions. Many times such as for the conferences, seminars, strikes, construction/purchase of own offices for the unions, after big amounts received as arrears in wage revision or fitments, the unions generally call for some additional donations to strengthen the financial position. The members are found the cooperative in raising such funds. Even the friendly unions are sometimes requesting for contribution to their cause. The members are most of the times making such contributions. This is because of the duty based feelings the members have towards their unions. They take it as their duty to raise funds for the union cause and strengthen the financial position of the union. They have also faith in mind that the funds shall be put to proper use. Also that they can afford to part with such amounts out of their salaries. Even at times when suitable request transfers were persuaded and secured by the unions for the members to the desired places, they were found to donate voluntarily for the union cause. Thus the unions in PSBs are comfortable as regards the financial position.

The union members are mostly conscious about the activities of the unions and the leaders. This consciousness is found to be increased among the members. The members listen to the instructions for the union on the various matters including the strike but do not forget to analyses the situation and the union decisions. They do not even spare there leaders if they do not agree on some points or the other. Many of
them very boldly express their views and make leaders to listen to them. The union instructions are however followed by them showing the discipline amongst them. The members are quite learned, experienced and capable of understanding the union activities. This is a good sign and an indirect watch on the union leaders.

The members have liked to be united. They attend all most all meetings and actively take part in the same. Even the differences are sharply made out and also sorted out. But most times they remain united. The members leave the union when they feel that they are not heard but such occasions are few. If any member anytime gives notice of his intention to leave the union, the senior members, activists, and leaders would soon attend him and try to reconcile the matter earliest. The union and the leaders strength really comes through the members and their number. A single unsatisfied member lost by the union would make negative propaganda against the union working and its leaders.

The union members are militant in nature. Even at local levels there are conflicts between members of different unions sometimes even on trivial matters. The members do not hesitate even to comment that the Manager and officers are favoring the members of the other unions. Also that they start local level non cooperation in daily working. Such situations become difficult to handle by supervisors
because these come up spontaneously and abruptly. However these are them solved by mutual discussions and by using an element of tact. Such situations are however not welcome decisions because they affect customer services and pose a bad image of the bank on one hand and of the union on the other. Such situations should be avoided.

It is appreciated that the members like to be united and follow the orders which further leads to the strong bargaining power of unions which in turn helps the union members in crucial moments.

Trade unions should also work for the accomplishment of organizational objectives and as well as for the society. From the above discussion we can conclude that bank employees are cautious about their duties and responsibilities towards the unions and are ensuring full cooperation to achieve the objectives set by the unions may be some times unwillingly but the same sense of duty and responsibility towards the institution/the bank is not seen. This attitude needs to change by the members. The clerical staff in the banks needs to change the mindset itself

8.3 CLERICAL STAFF NEEDS MIND SET CHANGE:

In this regards we find that the views expressed by Shri P. S. Sundaresan, Former Vice President, AIBEA, Bangalore
mentioned in the article published in IBA bulletin are very relevant. We summarize the points below:

Technology is engulfing our industry with unimaginable innovations. These are changing the very character, composition, contour and chemistry of the banking industry. Thus, a new scenario is emerging wherein clerical services across the counter are becoming redundant.

In the good old days, a Clerk in a bank branch was considered as the most important segment of banking industry. When a customer comes to a branch, the Manager may be out on duty. The poor Accountant with his bent back will be looking over the account books. The peon will be running here and there. But across the counter the smiling face of the Clerk will always be there to welcome the good old customer.

In most of the cases, the Clerk will be a local man with the full knowledge of the people of the area. The customer will have a sigh of relief on seeing the Clerk and both of them will exchange pleasantries. Even during the transactions, there will be a physical contact while handing over the instrument or collecting the token or the cash between the clerk and the customer. Some customers will even relax, stand a few minutes across the counter or sit on the benches provided and then leave. The Clerk represented in those days everything
that was banking in the eyes of the customer. But gone are those days. In India even the ownership of the industry is slowly undergoing a change. The public sector banking edifice is getting dismantled. Competition between all sectors of banks are taking place and these competitors are vying with each other in introducing more and new techniques, machines and procedures all with the object of eliminating the other competitor and making more profit. Therefore, it is very necessary that the clerical cadre should undergo drastic attitudinal changes towards their work culture. The cadre should start thinking how to make it more useful, more dependable, more needed and more utilizable. The old mindset of restrictions and limitations in usage will have to go.

A few years ago, our Senior Executives used to demand that a Stenographer should be attached to them. Special recruitment used to take place for this cadre. Today, at the management level, all executives are having a computer screen flashing in their desks and they themselves operate it with a single finger. No typing knowledge is required. Rows of computers are also installed across the counters for the clerical cadre. Here also only with one finger the staff can operate. Thus, even the old day's requirement of a good handwriting for a clerk is may be no longer necessary. The more this technology is introduced, the more the volume of transactions can be tackled by a single clerk or a junior officer. Thus, in this area the need for large number of clerks, each handling one or two ledgers, posting daily around 500 vouchers or making payments everyday to the extent of 300-400 transactions are all
not required. Computer technology has also enabled bankers to initiate numerous new services to our customers. These are of course necessary to keep pace with the changes in our industry.

New products are being marketed every day. Some of them are:

- Electronic Funds Transfer,

- Clearing Services through Electronic System,

- Anywhere Any Time Banking,

- Tele Banking,

- Terminal Access Facility,

- Depository Service, on line transactions, bills payment etc.

- Outsourcing a variety of counter work like Clearing, Dispatch Delivery, Cash Transit, Cash Transaction at the Customer’ Door and OBC etc.,

This has further reduced the need of a line of Clerks sitting behind the counters. All these development would not mean that the clerical services by it can probably be dispensed with. Even if this is
done, the human part of services cannot be dispensed with under any circumstances. Back office transactions need human handling in large measure. May be in banks large scale promotions of clerks have taken place and officers are now being used liberally to do the clerical work. Newly promoted officers are also performing obediently the clerical duties and getting paid in the officer's scale of pay. In the long run who is the loser and how much is the loss. Thus, a situation is emerging wherein the traditional clerical duties are now-dispensed with or handed over to officers or getting them performed through modern technologies.

The fact yet remains that the banking industry cannot operate for a single day without the human resources backing it up and operating its machines and other innovations, may be with more officers and less clerks. Therefore, the historical and traditional mindset of a bank clerk has to undergo a change. The Clerk should now explore ways and means to make him more useful. Ordinary example would be that of a clerk instead of maintaining three big ledgers and managing some 300 entries per day, can look after all of them through a computer more efficiently and quickly, as they would naturally result in more business transactions. More machines will be required and to operate them more clerks may be needed. The old practice of a Clerk not discharging any work of a supervisory nature or with an element of managerial accountability cannot continue.
The needs of the customer are also changing these days. You cannot ask him to go from your counter to another one. When a clerk goes to a railway booking center fully computerized and gets his ticket with a confirmed lower berth or a window seat in any train anywhere in the country, he expects similar service to be offered to his own customer at the branch. The old practice of confining to one's own department only will have no bearing now-a-days. Every type of work of any nature including limited supervisory one with accountability has to be undertaken by the clerical cadre, if in the long run the clerical cadre should be relevant. Loan recovery work, marketing new products in the market, undertaking work outside instead of outsiders doing that work should all be welcomed. The banks also in due course will find that it would be cheaper and better to entrust the counter clerk with greater responsibilities than promoting every clerk into Scale I category.

8.4 PSYCHOLOGICAL CHARACTERISTICS:

The study led to results as follows:

It was found during the study that the employees in the PSBs preferred to join some or the other Trade Union than to be a non-member even when the nonmembers also get the same service conditions in the PSBs. There were some employees who did not belong to any of the unions. But detailed enquiries revealed that they were
members of some union but due to some conflicts they have resigned from the membership but that they are again thinking to join some union. Thus in banks the employees who are non-members are negligible. The question now comes before is why the employees join trade unions. Some of the reasons that have been known during the study are enlisted below:

- Employees feel more secured as far as the job security is concerned. Also in case of any action against them by the management the unions do defend them.

- Union Members get more say through various platforms such as meetings, machinery meetings, gatherings, through their leaders, through the representative on the board of directors etc.

- The wages are finalized by bipartite settlements between the unions and the representative body of the banks. Individuals can only give the suggestions through the union platform. The unions always aim at the best possible wages for the employees.

- The unions have been always persuading the regularity of the part time employees and also the appointments
on compassionate grounds in case of the mishaps with the existing employees. In many cases they have success to their credit.

- At retirement also the unions are cooperating the members in settling their right superannuation claims and even after their retirement always remember them showing the sense of belongingness.

- The unions are having many welfare activities such as rewards for the children of the employees, medical aid for serious ailments, retirement annuity, redemption of housing loans and so many. All these are available to the members only.

- In the worst case of any management attach, the unions are only option to run to.

- The promotion policy and other matters are discussed with the unions and they make efforts for the fare and just promotions opportunities. They also make guidance material available and also the necessary trainings, seminars etc are arranged.
The findings led to the following summarized results:

- To strengthen and increase the bargaining power of Trade Unions by joining the unions as the individual cannot fight alone,

- "Unions is strength" seems to be the psychology of the union members,

- Union members believe and try to resolve the disputes amicably. But soon steps into militancy if the issues are not resolved. They do not show patience even on small issues.

- Union members seem to be overall satisfied with their leaders.

Therefore combining all the four results so obtained, we can conclude that the Trade Union with able leadership and working on sound principles is important tool which can safeguard the interests of its members.
8.5 STUDY OF THE CHANGES IN THE MANAGEMENT APPROACH TOWARDS THE TRADE UNIONS:

The findings revealed that:

- There is necessity of trade union in banking industry in order to maintain the industrial peace. This indicates the right approach of the bank management towards the Trade Unions.

- The routine problems which they normally have to face can be solved through mutual discussion, negotiations across the table. This implies the willingness of the bank managements for collective bargaining.

- There is a need for the recognition of Trade Unions. From this we can conclude that recognized Trade Unions can be regarded as sole agent for collective bargaining in the banking industry.
• Most of the Trade Unions are not resorting to unfair practices while dealing with the organisations.

• The majority of the Managers are getting moderate co-operation from the workmen as well as the officers which in turn indicates the good team-spirit prevailing in the organization.

• The bank management is adopting right approach for the establishment of good and cordial labour management relations in the banking industry and thereby achieving industrial peace.

8.6 STUDY RELATED TO ASSESSMENT OF ROLE OF TRADE UNIONS AND THE ATTITUDES OF TRADE UNION LEADERS TOWARDS THE BANK MANAGEMENTS:

The findings of the study revealed that:

- Unions are creating a sense of belongingness towards the organization in their members and also create the sense of social responsibility in their members. But they should work more in this line.
The majority of the Trade Union leaders are getting moderate cooperation from the bank managements for solving the local level problem. This further indicates the willingness of both the parties i.e. Trade Unions and the bank managements to solve the problems amicably.

Trade Union leaders were of the opinion that they are consulted by the managements only if at all the same is needed by them. From this, we can conclude that the Trade Union leaders are actively involved in the organizational activities.

The bank managements have rightly recognized the human approach and the role and importance of the Trade Unions in order to establish industrial peace in the banking industry.

The trade union functioning in public sector banks in these days are putting their efforts for forming good labour management relations and to maintain industrial peace.
• Mostly canteen facility, library, recreation club, classes for the promotion test, sport meet, employees credit co-operative society are the welfare activities undertaken by the Trade Unions for their members.

• The union leaders have stressed the need for reducing the role of politicians in the union affairs. This leads to the conclusion that the Trade Union leaders are preferring leadership of their own rather than the outside leadership. The multiplicity of unions is on lower side in the banking industry as compared to other industrial establishments.

Finally, summarizing the conclusions drawn so far, we can broadly conclude that-

• There are strong, militant Trade Unions operating in the public sector banks in Akola District.

• The Trade Unions are well organized and conducting their activities in a systematic manner.
• The Trade Unions are cautious about their duties and responsibilities towards the society as well as the organization.

• These exists co-operation between the Trade Unions and the bank managements.

• There exists co-operation between the Trade Unions and the bank managements.

• The bank management approach and attitude towards the Trade Unions and the leaders seems to be good and positive.

• Both the Trade Unions and bank managements are aimed at establishing industrial peace in the banking industry through collective bargaining.

• The labour - management relations between the workmen and the bank managements seem to be good and cordial.

There is always an effort of solve the issue amicably.