Chapter 9
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The present study is only confined to Akola District. The sample in the study is also comparatively a smaller one. The future researchers may try in whole of Vidarbha and also the Maharashtra State so as to arrive at a more accurate, perfect, definite and uniform conclusions which will be helpful in deciding the policies pertaining to the banking industry.

Besides from the routine relationship between the employees and the employers, there are many latent constraints which really affect the performance at all the levels. The future research workers may take such type of study which will be really useful to cultivate better relations with the employers.

The study was confined to employees Trade Unions. Further researchers may study behavior of employer manager to other unions.

Subsequent research workers may undertake such type of study in a comprehensive manner. In this study only some of
personal and psychological characteristics were included because of certain limitations. The effort is however made to have discussions and interviews in detail so that the conclusions, inferences and generalizations made thereon are meaningful and nearing accuracy.

9.1 SUGGESTIONS FOR ACTION:

It reveals from the present study that industrial relations between the employees and the employer are overall good and cordial. However, the bank employees have participated in strikes in accordance with the calls given by their unions on various occasions. The salaries for the strike day are deducted from the monthly emoluments. Many of the members are not in favour of frequent strikes. The effect of strike is not now the same as was in good old years. In the earlier periods the strikes have yielded the expected results for unions for which the strikes calls were given. At such times the employers were coming to negotiation tables and unions could get the necessary and targeted results many times even before the actual strike materialized, merely by service of the notice. However the position has considerably changed in last some of the years. The management is now becoming increasingly clear and firm on its side and therefore is not leaning to the pressures of the strike. Specially, with reforms introduced in the banking sector in this decade banks are facing the new challenges.
To stand up to the expectation of their masters, the Central Government and also the Reserve Bank of India the public sector banks are required to tune up and further fine tune up their policies, methods and working methods quite frequently. It is an experience that unions have normally shown resistance to the changes and if due the militant character of the trade unions banks come under pressure then probably the reforms shall be delayed or even sometimes may not be even implemented.

The Vision 2010 document has been discussed in detail in this thesis. The document comprehensively covers the present stage of Indian banking as also the future of the banking industry. It is certain that there will be a sea change in the Indian banking industry.

Following action points arise:

- Banks will have to adopt global standards in capital adequacy, income recognition and provisioning norms. The overall NPAs in the PSBs at present are alarming. The norms for classification of NPAs and Income Recognition are becoming stringent. Under such situation PSBs may incur losses or reduce...
profits if timely action is not taken in reduction of NPAs.

- Risk management setup in Banks will need to be strengthened. Benchmark standards could be evolved. The IBA and the member banks are working in this line. Many deployments in respect of benchmarking such as benchmarking of PLR, lenders liability, etc are coming. The banks need to be reset for these changes.

- Payment and settlement system will have to be strengthened to ensure transfer of funds on real time basis eliminating risks associated with transactions and settlement process. This is being done by RBI through RTGS which is very recently operationalized in March 2004. The system envisages the settlement of financial transactions between member banks on real time basis. This powerful software is capable of handing huge number of transactions.
- Regulatory set-up will have to be strengthened, in line with the requirements of a market-led integrated financial system. Banks will have to adopt best global practices, systems and procedures. This will be the need of the hour for Indian Banks in which leading role have to be performed by the PSBs to come up as the strong banking sector in the global economy.

- Banks may have to evaluate on an ongoing basis, internally, the need to affect structure changes in the organization. This will include capital restructuring through mergers/ acquisitions and other measures in the best business interests. IBA and NABARD will be playing a suitable role in this regard. This will need restructuring of capital which is the indicator of ownership. Many PSBs have in these years come out with the IPOs. This has effect on parting of the ownership to general public as against till recently the most of the PSBs were wholly owned by the Central Government. The expectations and also the watch on the working of PSBs will be more in times to come from the public as stake holders.
• There should be constant and continual upgradation of technology in the banks, benefiting both the customer and the bank. Banks may enter into partnership among themselves for reaping maximum benefits, through consultations and coordination with reputed IT companies. More and more highly sophisticated software would be introduced to improve the working of the banks as also the existing ones shall be fine tuned. This will require the employees to adjust themselves to the innovations from the traditional set up of the working.

• The skills of bank staff should be upgraded continuously through training. There will be also benchmarks for the trainings. In this regard, the banks may have to re-look at the existing training modules and effect necessary changes, wherever required to make them suit the changing environment. Seminars and conferences on all relevant and emerging issues should be encouraged. Even innovative ways of the trainings the employees will have to be promoted.
Banks will have to set up Research and Market Intelligence units within the organization, so as to remain innovative, ensure customer satisfaction and to keep abreast of market developments in view of the increased expectations form the customers. Due to the competition that the PSBs are now facing from the highly professionalized private sector banks on one hand and the within them on the other, it will be important for the PSBs to retain their customers on one hand and to attract new good customers to their folds. Banks will have to interact constantly with the industry bodies, trade associations, farming community, academic/research institutions and initiate studies, pilot projects, etc. for evolving better financial models. This shall be a continuous exercise hereafter.

As regards the regulatory and legal framework, industry level initiatives will be taken by IBA and RBI to speed up to reform measures. The Central Government will take care of this area.
It is an observation that the award staff members and their unions are not generally welcoming the changes and many times pose serious difficulties in the way of proposed changes. This is likely to impair the industrial relations and acts as a bottleneck in the way of progress of the whole institution and the industry. In fact the banking industry is all set to introduce the further reforms and the total face of banking is to change in the coming few years. The bank managements shall not probably pay much attention to unions' traditional opposition that may adversely affect the reforms process which is introduced at the initiative and is fully backed by the Central Government and the Reserve Bank of India.

The bank managements will have to take the union leaders of the different unions in confidence and embark upon them the importance of the reforms. They will have to make wide propaganda among the employees and try to impress upon them the usefulness and the benefits of the changes coming ahead so that the reforms are not thrusted on them but they welcome them voluntarily. This will ensure the proper implementation of the reforms process. The unions' representative on the banks board will have to play very important role since as a director he is well aware of the sides, the management and the union representing the employees. In fact in this process the employees' rights are not likely to be impinged and the welfare of the workers would rather improve since the employees will
be sharing the benefits also from the process. This suggestion shall be very much useful in smooth implementation of the reforms in the banking industry.

The trade unions and their matured leadership will also have to think on these lines and will have to desist wherever possible from their militant nature and traditional opposition. They will have to analyze the issues that come up during the working of the institution and shall have also to show issue based full support to the management in overcoming the challenges coming before it. Both employees and employers will be in a position to reap the fruits of success in such cases.

In this regard, it is also suggested that the bank managements tune up and improve HR policy which will be able to further strengthening of the existing good and cordial labour management relations.

It is also found that the employees have a faith in Trade Unions to which they belong. Even where they have differences on the views with their leaders, they follow the calls of the union and give an example of discipline and exhibit unity. If the differences go to peak and are not reconciled the members are also found to migrate to other unions or sometimes even found preferring to be non
member. This phenomenon is also found on the local level differences but in most cases local level differences get reconciled with the intermediation of the higher level leaders. Sometimes such differences are not based on any principles but are based on the personal issues which are not solved or the solutions are not benefiting the individuals. The individual will have to come above this type of thinking. The unions stand for a group of employees and often make efforts to frame policies or secure decisions which are in the interest of majority of them. It is therefore possible that some members of staff are adversely affected by some of the decisions.

The decisions may not all the times benefit all the employees. They should on the other hand ensure that the fair and just solutions or decisions are taken. This will further improve the relationship within the members and leaders. The sound internal relations are a must of the soundness of the whole union. The disturbed internal relations are likely to benefit the other unions in the industry on one side and the employers on the other.

It is suggested that interaction between the members and the leaders should increase. Monthly meetings at a district level in which are points of differences, problems faced, difficulties in the working, future expectations, new developments, etc are discussed. The leaders should take such opportunities to create
awareness in the minds of the members. The meeting should also used as a platform to discuss the managements’ changing expectations, customers and society expectations and to plan how best cooperation the unions can extend to the institution’s cause of course without forgiving any legitimate claims of the employees

For solving the internal problems the unions have internal mechanism but the same is not found very effective. The nature is more or less formal. There is a grievances solving machinery in existence in the public sector banks. There are regular machinery meetings held at different management levels such as Regional Office Level and Central Office Level. The system is no doubt found useful in solving many of the problems but requires much time to get final solution to the problems since many times instead of taking spot decisions the issues are referred to higher administrative offices or are kept unresolved which are then discussed in the higher level office. The delay gives rise to unrest in the minds of the employees and adversely affects the effectiveness of the system.

*It is suggested to improve the effectiveness of the grievances solving machinery. The powers of the officers heading the machinery meeting should be suitably improved so that solutions are*
found our timely. The use of electric media such as e-mails, contacts through internet or v-sats on the issues with the officers having powers and discretion to decide issues, etc may help in curtailing the delay in decisions. Most of the service conditions are written and are drafted in banking industry. However when the new issues come up for discussion at a meetings, the decisions be properly drafted and circulated to other offices/branches of the banks so that similar issues in other meeting are sorted out fast on these lines.

It is fact that the Trade Unions serve as watch-dogs in the organization. It is therefore, advisable the bank managements may change their views and attitudes reasonably towards the Trade Unions and try to develop the family relations with Trade Unions.

It is observed in some cases that the Trade Unions have indirect linkage with the unions at the national level which are generally politically oriented. It is observed that union leaders coming from within the industry know well about the industry in which they have worked for a long time. They are aware of the peculiarities of the industry. Such union leaders are therefore more concerned about safe guarding the interests of the employees on one hand and are generally cooperative to the management with higher degree than those who came from politics. The political leaders always negotiate with the management keeping in mind their political
position and the philosophy of the political party to which they belong.

In order to strengthen the labour management relations, unions should resolve, banning the political parties to take part in the Trade Union activities and lead their unions. The members have important role to play because they are the one who elect their leaders. They will have to be careful in handing over their future to the leaders and therefore should take the active part in the conferences and in the elections. It is also observed that many leaders are continuously occupying the position for years. This protects the second line leadership from developing. The senior leaders are likely to become the power centers because of long tenures and contacts. This is not very appreciable since the situation is prone to misuse the authority. In fact, it is a responsibility of the senior leaders to promote the new incumbents so that union work continues in the right direction all times. It can be a suggestion if suitable amendment is made to the constitution of the unions for tenures of the different leadership positions thereby barring the leader to continue on the same position years together.

The subscriptions of the members are remitted to the union's central office and branch units have to make separate
collections for their activity. The members are ready to contribute for the expenses but the eleventh hour rush should be avoided.

*It is suggested that central office of the unions should provide some share of union subscription if not to branch unit but at least to district unit so that their activities run smoothly. The suitable revision in subscription may also be made if required.*

There are number of unions functioning in the public sector banks minimum of nine. There is thus multiplicity of the unions all with different views and leaderships. The multiplicity of the unions in the same industry leads to inter-union rivalries which ultimately weakens the powers of the collective bargaining and reduces the effectiveness of the workers in receiving their legitimate rights. The ideal situation would be ‘one union, one industry’. But as the situations are found today the different unions are fully established and are functioning in their own ways.

*The suggestion to consolidate the different unions into one shall not be practicable at present because it will require in depth discussions by the top level leaderships of the different unions. However some good beginning is seen in this direction since the unions have established Joint forum for common actions in common interests of the unions and the employees. No doubt this is issue*
based but found to take root. This is appreciated since all the unions have a common goal as the employee interests whatever may be their ideology. This should be promoted and more and more issues are discussed and finalized by the Joint Forum. The managements may also expect and promote the discussions with the Joint Forum so that the issues are not duplicated with the different unions and are settled earliest in the best interest of all. This will also help managements in avoiding multiplicity of negotiations with different unions and subsequent reconciliation of the same. It will also save time.

The inter union rivalry definitely weakens powers of the union and is likely to give benefits to the managements. It is already suggested that joint actions on common platforms by unions should be promoted. It will help to reduce rivalries.

As regards union leaders favouring particular persons, such instances are found but are few only by way of exceptions.

The leaders should desist from favouring some members at the cost of the others and should establish the best practices. The problem solving should be on merits of the case. The communication with members should be improved by leaders to avoid the misunderstanding. The higher level leadership should take
initiative in imparting training and updating knowledge of branch level leaders. Periodical meetings are already suggested for reconciliation of misunderstanding if any.

There are positive changes in the management approach towards the unions and the workers. The Government has enacted and ensured the implementation of various labour laws in the country provisions of which are already mentioned in this presentation. The PSBs as employers have implemented them as per the guidelines and are also open to unions for further suitable action if any discrepancy is found. Many settlements are also made by the PSBs on various matters such as appointment of part time workers, appointments on compassionate grounds, fast track promotions, payment of arrears on long pending cases, etc and the PSBs have ensured the implementation of the same also. Many welfare and award schemes are introduced by the PSBs such as rewards to meritorious children of the employees, holiday homes at concessional rates at various tourist places, free medical check up every three/four years, etc for the benefit of the employees. In spite of the positive changes in the management approach the unions stand has overall continues to be traditional.

The unions should improve their traditional way of working and welcome the positive changes in the attitude of the
managements. They should also improve their traditional stand towards the managements. The unions should extend the cooperation to the managements in the interest of the institution of course without compromising the interests of the employees.

In the beginning of the trade unionism we have studied that time there were no laws, no regulations, no one to care for the workers, complete dominance by the capitalists, no political backing and only the trade unions were the institutions to struggle for the welfare and the rights of the workers. But over a period the picture has changed drastically. At present the unions are not the advoc bodies but have recognition. The government stand has changed and there are many enactments and laws taking care of the workers/labour. There are so many bodies established with an intention to safeguard the workers interests. The workers participation in the managements has taken root. The rules and regulations for the workers have been properly drafted and the dispute redressal machinery is set up and is operational.

On this background we have put an important question to a very senior leader in the banking sector whether we can now dispense with the unions since their traditional role is not probably needed. It was agreed that the traditional role has to undergo change as regards the unions but their dispensing is not
possible. The existence of the unions itself keeps managements away from any probable anti labour stand.

The unions have grown out of labour movements as the most organized actors. Unions are built on values, ideals, and a vision of society in which workers' rights are recognized, and where there is stability, equilibrium and justice for everyone. Unions have been important institutions of industrial society. The unions have a tremendous mobilising capacity.

The changing environment implies that the unions ought to play a bigger role now. Unions should no longer be the representative of mere workers groups. Trade unions now should work as partners in development. Trade unions, as the largest organized group in civil society, can bring a unique contribution to the development of the community. They are directly involved with economic systems of production and distribution; they can influence the course and content of employment, social and economic policies; they are representative and accountable; they have considerable experience in organizing the more vulnerable sections of society; and, they have the experience and standing required to access national legal systems and public facilities. The trade unions need to work as critical catalysts for the promotion of human rights and democratic institutions.
It is time for the unions to work for common interests to share with other institutions in the society, such as cooperatives; community associations; and human rights bodies, consumers and environmental groups. There are many evils in the society which are to be jointly fought for the benefit of the society at large. Such evils are sometimes the ailments, sometimes the illiteracy etc. The unions can play major role in fighting against many of them because of their strength. It is suggested that the unions in the banking industry come together and promote core groups within them at least at district levels. Such groups should consist of members from the different unions who voluntarily offer their services for the cause of the society at large. Since the members shall be from different unions coming together with a noble intention they will be also successful in reducing the differences between their parent unions thereby adding to their strength. They shall reap the pleasure of satisfaction for doing at least something for the society at large.