

ALL INDIA BANK OFFICERS' CONFEDERATION



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To All Affiliates (Please Circulate)

Dear Comrade,

RECRUITMENT OF PROBATIONARY OFFICERS/MANAGEMENT TRAINEES IN VARIOUS PUBLIC SECTOR BANKS

We reproduce hereunder our letter No. AIBOC/2018/66 dated 29.08.2018 addressed to the Secretary, Department of Financial Services, Govt. of India, on the captioned subject for your information.

With greetings,

(Soumya Datta)
General Secretary

Text of AIBOC Letter No.2018/66 dated 29.08.2018

The Secretary
Department of Financial Services
New Delhi

Dear Sir,

RECRUITMENT OF PROBATIONARY OFFICERS/MANAGEMENT TRAINEES IN VARIOUS PUBLIC SECTOR BANKS

We wish to bring to your kind attention that the Institute of Banking Personnel Selection (IBPS), which takes care of the process of recruitment of different categories of personnel in all the Public Sector Banks except State Bank of India (SBI), has come out with an advertisement in the recent past for recruitment of Probationary Officers/Management Trainees in different Public Sector Banks within its domain (available in their website www.ibps.in). The selection process spread over different phases for this recruitment is to start from October, 2018 with gradual completion of formalities in this regard. The total number of vacancies declared across the various Banks is 4102, which is pathetically very low judging on all counts. (copy of the advertisement attached)

2. Incidentally, out of the 20 Banks the recruitment of which IBPS has been taking care, 10 Banks have indicated zero vacancy viz. i) Andhra Bank ii) Bank of Baroda iii) Central Bank of India iv) Dena Bank v) Indian Bank vi) Indian Overseas Bank vii) Punjab National Bank viii) United Bank of India ix) Vijaya Bank and x) IDBI Bank. There are 4 other Banks who have not reported any intention of recruitment. These Banks are: i) Bank of Maharashtra ii) Oriental Bank of Commerce iii) Punjab & Sind Bank and iv) Syndicate Bank. Thus, we find that only 6 Banks viz. i) Allahabad Bank ii) Bank of India iii) Canara Bank iv) Corporation Bank v) UCO Bank and vi) Union Bank of India, who have indicated the above vacancies.

3. In reality, the said number is not only abysmally low as against the actual bare requirement of staff strength due to huge number of employees of all categories retiring every month unabatedly across all the PSU banks but also leaves an impression that the people at the helm of affairs are indifferent to the prevalent serious problems all the banks are facing due to shortage of manpower while rendering day-to-day banking services and implementation of various Government policies and schemes on different

socio-economic developmental drive every year through the banking channel. In fact, the apprehended burden of staff costs on the bottom line on account of fresh recruitment will be offset largely as the total payout to a new employee will be around 250 per cent lower than that of a retiring employee. It may not be ruled out that shortage of staff has impacted adversely on monitoring, follow up of advances portfolio to a considerable extent, which has made a dent on the interest income due to slippages in asset quality.

4. Sir, you are aware that the essence of inclusive growth basically depends on the ability of extending banking services in the unbanked areas through a net work of large number of branches in the entire geographic spread of the country. Moreover, the focus of the government on socio economic growth through various developmental policies and doubling the income of the farmers by 2022 will undoubtedly necessitate more presence of bank branches at villages and particularly in the unbanked areas requiring increased number of staff. As part of the prudent banking policies since globalization, almost all the PSU Banks have been on the expansion mode in core and non-core areas for its survival. This will entail the need for more and more staff in future. The Regulators should not be insensitive, unconcerned to this practical problem as despite advent of new initiatives in the field of technology, it is quite undeniable that to provide a semblance of normal and smooth basic service of banking to the large number of clientele in the banking industry the need for a decent number of trained, knowledgeable, competent and accomplished bankers are very much essential.

5. Further, the newly recruited employees of today will infuse much needed fresh blood in the work force, who will gradually be groomed as potential leaders of tomorrow. Thus a smooth, efficient and effective succession plan, inter alia, requires continuous supply and availability of adequate number of appropriate persons capable of meeting the challenges of the day, possessing the capability of addressing critical issues keeping in view the economic priorities, social concerns and welfare of the nation.

6. Sir, you are aware that for almost 15 long years – 1993 to 2008 - there was practically no recruitment in clerical cadre in PSU Banks and minimal recruitment of Probationary Officers, which has been detrimental for the Banks. The Banks critically suffered for this decision as it resulted in a monumental gap in the age profile of the workforce which already and also in the years to come will have a significant impact as large number of employees will be retiring from service without proper replacements in their ranks. There will be a gap in passing on the baton to the next line of leadership, who will lack the acumen and experience. The retrograde decision will severely affect the HR policies of the Banks and this would have a telling effect on the future of the Banks. We feel that recruitment for any year cannot be linked to the balance sheet of any Bank for that particular year as human assets form an important factor in the survival of any institution and the continuity has to be ensured as a long term HR policy.

7. We presume that a parochial view in the name of Prompt Corrective Action (PCA) is the likely factor of the decision not to recruit Probationary Officers in the 14 Banks. However, we feel that the prevailing challenges of the Indian Banking industry cannot be tackled by shrinking the scope of employment in the banks. Any austerity measure in respect of recruiting just and adequate number of personnel in the name of cost curtailment drive will definitely pose serious threats to all the banks in future to cope up with challenges that will emerge in the banking industry and extending smooth and satisfactory services to over crores of clientele, who will be demanding world class banking services in future. The employees or would be employees of the industry are the assets every single bank needs to be banked upon to face the colossal challenges the industry faces today in general and in the NPA front in particular. Snatching the liberty and right of the banks in the name of regulatory measures, which are misplaced, irrational and unrealistic, will only push the banks further to the brink.

8. All India Bank Officers' Confederation (AIBOC), the apex organisation of Bank officers, having a membership of over 3,20,000 officers, strongly protest any move from any quarter curtailing the rights of the individual banks to hire people depending upon their needs and solicit your suitable intervention in the matter for thwarting such ill advised manoeuvre.

With regards,

Yours sincerely,



Soumya Datta,
General Secretary

En: As stated above