A study on the alignment of HR and Finance function with respect to SBI merger

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ABSTRACT

Departments like Human Resources, Finance etc. are vital for any organization. Finance department, as it is seen, being the supplier of business blood namely cash to the organizational functional and other units, is tied to acceptable return for the capital spent. Human resource, a capital, which cannot be accurately measured, does have thoughts on the big brother attitude of finance department leading to skirmish within. Departments are created for achieving the goals of the organization and no department is substandard or to be treated as subdued. There are cases of line and staff departments having a clear demarcation between them but each and every department is manned by human which, it appears, no one can discount. It is in this context that the merger of SBI has been taken for this study to align the importance of HR and Finance functions in any organization.

Key words: Human capital, benefits, measurement, return

I. INTRODUCTION

Like factors of production undergo change metaphors, human capital also has to which defines core competency for any organization, whether it is a government or non government organization. As far as banks are concerned, they are people oriented organization for deposit taking, credit sanctioning, risk appraisal, treasury management etc. which are to be executed by the human resources.

Educated Indians prefer to work in banks next to civil services as the service to society is more dominant amidst issues like seniority, transfers, low scale skill improvement, etc. Banks need to work with new technology introduction like ATMs, cash dispensing machine, pass book updater etc., running of branches and other service outlets which are for the finance department to work out the cost of these facilities. To effectively meet out such changing situation, banks have to rationalize the capital and optimize the finance to a greater level. By and large, issues of skill building, intellectual capital formation cut into the finance function for more allocation of funds amidst finance call for rationing. Austerity measures cannot compromise the regular training to employees. Hence, there is need to align these two functions in order to have better coordination of entire working especially in a banking industry.

II. LITERARY REVIEW

Sharma and Pooja Purang (2000*)* in their study "Value Institutionalization and HRD Climate: A Case Study of a Navratna public sector organization", found a positive relationship between value institutionalization and HRD climate in a large public sector organisation, meaning thereby that a better and more ethical environment of the organization shall lead to a better HRD climate for the organization (Sharma and Pooja Purang (2000)).

It is common knowledge that there is a fundamental difference between Human Resources and Finance functions by virtue of representing different components of business. People (HR) vs. Money (Finance) may be a tag for the above statement. There are instances where Finance views HR as a cost that should be kept at minimum, HR postulates that finance is out only to account each spending below its ceiling without human thinking. But both are like wheels to an automobile.

Collaborative function of both HR and Finance can take the activity of any organization to achievement of goals. While HR, because of training and other development functions aims for better productivity through employees, Finance aims to count the quantitative production and statistical analysis further down. The estimates given by HR for training or other employee programs may not be accurate for Finance to calculate the return on investment rather accurately. However, the need of the hour is a working tandem between HR and Finance.

SBI merger [hereinafter called "PSB merger"] is one such issue requiring a coordinated alignment of both HR and Finance in order that the post-merger issues are comprehensively solved for the optimization of the merger objectives. Much has been talked about the individual traits or functionality existing in an organization and the need for aligning them for achieving the organizational goals and objectives. However, when a need is felt to combat the intense competition for survival, performance is measured in terms of cost and hence finance function assumes importance.

Because of privatization and government policies, it is observed that forcibly no more banks and government companies enjoy the clout of government privilege. Mergers, acquisition, internal reconstructions, divestments, offloading etc. have become order of the day, governments are pruning down their shares in government companies to a minimum and these are pronounced as techniques of cost control and are measured. Government companies are left to fend for themselves and their question of survival depends on their efficiency and optimization and government is not willing to give helping hand in cases of their distress owing to liberalization processes. These kinds of reconstruction call for realigning the human resources in an organization to which the employees need to be prepared as they do are aware of the global scenario and the need for carrying out these kinds of hard measures to arrest slipping of India's economy in particular. Mergers, internal reconstructions etc. are some of the steps which aim to foster India's present 'developing' stature to one of 'developed' stature.

III. SBI AND ITS MERGER

SBI and group is one of the largest banking sector entities which have over a period of time accumulated crores of bad loans which became irrecoverable. In some of the entities the gross NPA has reached up to one fifth of their resources. As bad loans have become a cause for concern which also vouch for the mis-governance, internal corporate restructuring was thought to keep the branches at a manageable level and hence it was required to integrate under 'Merger tag' for all the associate group entities and a further thinking was that if merger is not done in the present period, the branches are at the danger of not saving themselves in a course of time questioning their survival in the market.

Government orders have been issued on February 22 under the State Bank of India Act, 1955, that henceforth the entire undertaking of State Bank of Bikaner & Jaipur, State Bank of Mysore, State Bank of Travancore, State Bank of Patiala, and State Bank of Hyderabad will stand transferred to and vested in State Bank of India from April 1, 2017.

The merger was announced last May 2016 and the central board of the bank approved the proposal in August along with the share swap ratio. The Union Cabinet put its stamp of approval on February 15, 2017.

The merger is the biggest in the Indian banking industry as the bank is merging five associate banks with combined assets of over Rs 6 lakh crore, which is almost equal to the size of the two largest private banks HDFC Bank and ICICI Bank Ltd. [Business Line]

The merged SBI entity would have 24,000 plus branches, 58,000 ATMs and 2.7 lakh employees. The merged entity will have an asset base of Rs 37 lakh crore with 22,500 branches, 58,000 ATMs and 50 crore customers. Currently SBI alone has close to 16,500 branches, including 191 foreign offices spread across 36 countries. [Business Line]

PSB merger and employees

The announced mega merger with its associate banks, on April 1 this year, has not been a cake walk for the employees as they are found to be having mixed responses. Staff feel that the HR working practices have been given a go by as there are issues like arbitrary transfers, losing out the seniority due to this imposed transfers, increased working hours due to the incapacity of SBI servers to handle large volume of traffic etc.

Echos from staff and Judiciary

Consequent upon merger, the whole-time directors, including the managing directors of all five associate banks, will cease to hold office and their respective boards will stand dissolved.

"We are being treated as second-class citizens at SBI. The management has not been hearing the issues being raised by us. We are hopeful of a solution with the management without having to go to the courts," said KS Krishna, former General Secretary, State Bank of Travancore Employees Union.
"The Associate Bank Officer's Association (ABOA), Hyderabad unit, had moved the court in April this year highlighting issues related to PF, allowances, increments, and rate of interest benefit (staff loans) not being extended to associate bank employees."
"The Hyderabad High Court, in its interim order dated April 10, 2017, had directed State Bank of India not to finalise options available to the employees till June 15.
Counter petition

Aggrieved, SBI had filed a counter petition arguing that it was strictly complying with all the stipulations and safeguarding the interests of the employees of the associate banks and denied all allegations. In its hearing on June 15, the judge took these submissions into consideration and vacated the interim order granted earlier.

While disposing of the case, the judge granted liberty to the officers and staff of the associate banks to have consultations with the SBI and gave a three-month deadline to sort the issue amicably."

"A circular, dated May 18, 2017, distributed by the All India State Bank Officers Association mentions that SBI employees were intimidating associate bank staffers with transfers if they joined a particular union."
"Since the merger, several of the associate bank employees above the Scale 4 grade have lost out on their seniority when compared to their peers at SBI," said an officer on conditions of anonymity.
"It is just like leaving our home and entering into an ocean. We will surely miss our own brand. We will lose independence in operations which we enjoy now," said the chief manager of an SBH branch here.
"If SBI is going to promote its own officers at the cost of the associate bank employees, I see no reason for me to continue working in the bank as there would be no career growth," said a Scale 5 officer who was not considered for a promotion despite being due for one this year."
"The Kerala government has been exerting pressure on the Centre to address the issues arising out of the merger of State Bank of Travancore with SBI.Chief Minister Pinarayi Vijayan, while replying to a submission to the Assembly, said: "Post-merger, SBI is preparing to close down 300 branches across Kerala while the employees are being indiscriminately transferred. For customers, it has resulted in a hike in service charges." He added, "It is widely feared that SBI would adopt corporate-friendly policies that go against the interests of the larger public." [Business Line, Mumbai Edition, September 8,2017]

Customers' apathy

Customers on their part, though are allayed for any major hauling up of banking services, have to prepare themselves for hurdles in online transactions, in particular. First, the online portal of the five associate banks will cease to function from the date of merger, making them mandatory to have login into Online SBI for their accountal needs. Due to this merger, service charges like NEFT/RTGS tend to vary in line with SBI.

For the staff on customer services, work load seem to be on the cards as they have to take straw from changing IFSC codes of the merged banks, stopping of new loans from associate banks etc. which is going to cause hardship to the customers, at least temporarily. For their part, corporate will be affected as new norms of paying facility for tax payment or online remittances will have to be designed post merger.

Financial Reasoning

One of the factors for merging and other restricting processes is the pruning down of bad or stressed loans and make banks withstand cost of working. It is seen that at least two associate banks, SBT and SBM, posted a loss for the quarter ended 31 December 2016. These associate banks have also seen their asset quality worsen over the last year after the Reserve Bank of India followed up an asset quality review in October-December 2015 by ordering banks to set aside money against previously unrecognized stressed assets. [Business Line].

Post merger, the bank should boast of the quality of assets, better management of assets, better mechanism of pruning down the bad loans etc. and not a merger fanfare on paper. In a lighter vein, from the finance front, the number of employees does not count but their productivity in terms of cost factor, to which the merger was proposed and has seen the light.

There is a danger of the SBI bank post merger to resolve the bad loans as it can be seen that the five associate banks for instance have stressed loans (gross NPAs and restructured loans) at a staggering Rs 35,396 crore level. This amount is almost half of SBI's Rs 66,117 crore stressed loans in 2015-16. As the operating environment is volatile, this activity needs to be spruced contrary to the financial working of a merger.

Finance minister Arun Jaitley was confident the step would make the bank a global player. SBI chairperson Arundhati Bhattacharya indicated that she expected that this merger will boost the bank's annual profit by Rs 3,000 crore in three years. [Business Line]

HR Issues

SBI clarified that "employees of the associate banks would be offered adequate wages in the merged entity. Finance Minister asserted that the wages that people receive now will be protected and that the employees of the associate banks will be offered the wage package that SBI people have for the relevant grades. It is up to them to either accept that or retain the package they have now. They have a choice to do that." [Business Line]

Contrary to the expectation that the branches have to be more cost conscious and administration of any cost unit is to be determined at cost of operating, the whole process of merging SBI and its subsidiaries has faced resistance from employee unions fearful of job losses.

From the Human resources side, SBI will have to address a handful of issues including convincing trade unions which are opposed to the merger. The voluntary retirement scheme announced as a package to the employees was not seen to be a take-off and even if the voluntary scheme is appreciated, it cannot compensate for the trained manpower that is existing in SBI and its associates post-merger.

"It will not help the employees or customers. The merged entity will be too unwieldy and prone to risk," said Rajen Nagar, president All India Bank Employees Association. Questions are hurled as to whether banks are going back to earlier management principle of centralization when corporate have been advocating principles of decentralization.

SBI and Associate banks staff process

The root cause of human resources concern had a thread in associate ship where there was a greater measure of equality meaning an implicit hierarchical superiority enjoyed by SBI. This implicit superiority begins from the phase of officer/staff recruitment. Though going through the same selection procedure as an SBI probationary officer, those comparatively lower down in the merit list are often allotted to an associate bank. There are of course several exceptions to this, depending on regional preferences and so on.

Banks and HR culture

Fundamentally, however, are the cultural differences that prevailed among associate banks and SBI. These banks were the creation of princely states and their nomenclatures reflected their ownership. Because of merger, associate banks feel that prefixing SBI to their names cannot alter their deep-rooted historical traditions.

Each of these banks was supreme in its own domain. It is observed that SBI did not venture aggressively into these princely states. For instance, in the Nizam's territory – present-day Telangana and the Marathwada regions of Maharashtra – SBH occupied a prime place with customers and SBI's late entry was only a low key affair.

In the case of erstwhile Mysore and Travancore states, SBI did not have a branch in the city of Mysore for a long time out of respect for the hegemony of its associate in the former princely state.

In Trivandrum, the SBI branch was looked as subdued to SBT, which was headquartered in Trivandrum. But the chairperson of SBI was the ex-officio chairman of the associate. Often, key positions in the associates were filled in by SBI officers.

The HR functions of Associates of SBI, were enjoying their own territory oblivious to any clarity. It is to mean that regional specialisation was given importance at the core of such banks than a "pan-India bank". Morefully Kerala legislature passed a unanimous resolution urging the Centre to keep the SBT independent.

Results analysis post merger: HR issues

The subsidiaries' losses was estimated at Rs 5,792 crores in the quarter ended March 2017 and Rs 10,243 crores for the full year. Excluding non-banking SBI subsidiaries such as life and general insurance, which reported annual profits of nearly Rs 2,000 crores, the losses would have been higher. SBI's recommended dividend of Rs 2.5 per share for FY 2017, will entail an outflow of Rs 2,073 crores, far exceeding the consolidated net profit of Rs 241 crores and shareholders should not approve the dividend as it will be paid from the bank's reserves, causing a HR impact of merger.

SBI is India's largest bank with assets of Rs 30.72 lakh crore and figures at No. 64 in the global ranking of banks (as of December 2015; December 2016 ranking is still awaited). Post-merger, with assets of approximately Rs 40 lakh crore, it will be among the top 50 banks in the world. SBI Chief Economist Soumya Kanti Ghosh told IANS that, post-merger, the bank will be at No. 45. [IANS].

Financial claims thwarted

Post the results, on May 22, SBI's stock price fell by 4.6% to Rs 294 and it is currently trading at Rs.288, which is indicative of investor apprehension of the merger and the technique to deal with the huge and unexpected losses of its former banking subsidiaries now defunct. On the financial front, the additional loss of Rs 5,792 crores in the quarter ended March 2017 was a shock to the capital market, as the bank's guidance had not indicated losses of this magnitude in the concluding quarter.

Thorny issues in Merger plan

The rational behind the merger and post merger the activity of the large bank of India has to tighten up the asset quality of its former subsidiaries. The merger has to address far more complex issues of integrating human resources and realigning organisational structures besides restructuring career paths of its mammoth staff. These initial hiccups have to be sorted out and on the other hand economy and stimulation of stagnant economic growth due to mounting stressed assets have also to be directed to a positive beginning.

However, post merger, the human resources problems galore and given the nature of SBI group had common policies in human resources, information technology, accounting, basic banking systems, a similar culture and SBI bank subsidiaries were always considered accommodating parent (SBI) and its authority with associate banks lingering for their betterment.

SBI Merger and Lessons

It is observed that the merger plan was having a financial focus and less importance on displacement of human resources as it could be found from the table below which analyses as under:

Table 1 shows the comparative position of SBI and the five Associate Banks just before the merger took effect on 1 April 2017:

Table 1: Position of Banks on 31 March 2017 (₹ crore)

	Deposits	Advances	Net Profit	Gross NPA (%)	Net NPA (%)
State Bank of India	20,44,751	15,71,078	10,484	6.9	3.7
State Bank of Bikaner and Jaipur	1,03,662	68,774	-1,368	15.5	10.5
State Bank of Hyderabad	1,42,955	87,715	-2,760	20.7	12.8
State Bank of Travancore	1,14,323	52,506	-2,152	16.8	10.2
State Bank of Patiala	1,00,507	77,100	-3,579	23.1	15.5
State Bank of Mysore	77,769	38,608	-2,006	25.7	16.9

NPA= non-performing asset.
Source: SBI *Annual Report 2016–17.*

As can be seen, the last fiscal, 2016–17, was one of the worst years for all Associate Banks, with their collective net loss of Rs.11,865 crore, which is more than the net profit of SBI. Also, it was the year when the gross and net non-performing loans of Associate Banks were at a historical peak. Thus, the merger may be viewed as effectively a drag on SBI, which was otherwise strongly positioned in the market. (Source:Internet Information)

There was no mention about the employees or their welfare in this financial angle but in the larger perspective of India's economy growth and optimization particularly of stressed assets. It was to be inferred that the merger will keep in mind the employees expectations who are behind the scenes to achieve the objectives of merger.

Internal Exercise

SBI's merger should actually be viewed as an internal reorganisation and not a classical merger exercise. The treasury operations of the Associate Banks had been integrated with SBI for several years. This has provided valuable expertise to them, and cost advantage in fund mobilisations.

However, integrating the huge number of employees and deploying them productively would pose major issues in the case of the present merger considering the formation of these independent banks early part of the century. It was reported that besides the bloated employee costs, the pension and retirement benefits would make anunexpected drain on SBI's profitability for several years.

The HR challenge would be in enhancing skill levels of employees post merger when they were part of associate banks having regional perspective. Further, a larger focus of India's economy reportedly rests on the aligning of HR and Finance post merger and their effective involvement in containing the NPAs and other stressed out assets. Further down, SBI has its trained executive pool and large capital resources but the merger has brought in its wake considerable associate bank employees in the absorption process with training process assuming importance. All the more it is clear that the integration of branches or merger can take place at the stroke of a pen but integration of humans is not an easy task.

It is interesting to study the following statistics on the employees:

"SBI is one of the largest employers in the country with 209,567 employees as on 31 March 2017, out of which there were 23% female employees and 3,179 (1.5%) employees with disabilities. On the same date, SBI had 37,875 Scheduled Castes (18%), 17,069 Scheduled Tribes (8.1%) and 39,709 Other Backward Classes (18.9%) employees.

The percentage of Officers, Associates and Sub-staff was 38.6%, 44.3% and 16.9% respectively on the same date. Around 13,000 employees have joined the Bank in FY 2016-17. Each employee contributed a net profit of Rs.511,000 (US$8,000) during FY 2016-17. (Wikipedia)

PSB merger not the first

The excessive bad loans in some PSBs which was one of the factors for merger is not new. How these bad loans and the term 'excess' have been coined has a theory triangulation to some extent as far as employees in not taking faulty credit decisions while other extent may be from the general business cycle. Employees here include top to bottom in the hierarchy. The human consideration given in PSB merger is that to make the top brass free from the clutches of stressed out loans and by containing NPA in order that they realize their role in the benefits of this merger.

IV. DISCUSSIONS

Human resources metrics are applied to quantify the function provided to the organization. By analyzing these measurements, one can understand the effectiveness of human resources department and to the achievement of the goals and objectives of the organization.

A sample of Metrics as propounded by HRMA is annexed to this study. It is common knowledge that the Honourable committee formed for PSB merger has considered the entire gamut of these and few other metrics which are found to be appropriate for the merger on their best reasoning. However, few of metrics are revisited to the attention for the present study:

Metric Name	Metric Description	Metric Formula
Human Capital Return on Investment (Based on pre-tax profit)	The rate of return for each dollar invested in employee pay and benefits.	{(Revenue - (Operating Cost - Labour Cost))/Labour cost}-1
Absenteeism Rate	The number of work days missed due to illness per FTE.	Sick Days/FTE
25-29 Years Hire Ratio	The percentage of employees hired externally who are between the ages of 25 and 29.	New Hires who are between 25-29 Years old/New Hires Total
50-54 Years Hire Ratio	The percentage of employees hired externally who are between the ages of 50 and 54.	New Hires who are between 50-54 Years old/ New Hires Total
Executive Voluntary Turnover Rate	Executives who voluntarily left the organization as a percentage of Executive headcount.	(Executive Resignations + Executive Retirements)/Executive Headcount
Management Voluntary Turnover Rate	Managers who voluntarily left the organization as a percentage of Management headcount.	(Management Resignations + Management Retirements)/Management Headcount
Grievances as a % of Unionized Headcount	The total number of new opened grievances as a percentage of total unionized headcount.	Number of New Opened Grievances / Unionized Headcount
Union Percentage	Employees belonging to a union as a percentage of headcount.	Union Headcount/Headcount
Learning & Development Cost Revenue Percentage	The total costs of learning and development as a percentage of the total revenue from operations.	Learning & Development Cost/Revenue
Career Path Ratio	Employees moving upward in the organization as a percentage of all employee movement.	Promotions/(Promotions + Transfers)
Management Span of Control	Average number of employees per Manager /Executive.	Headcount/(Management Level Headcount + Executive Level Headcount)

CONCLUSION

It is common in case of a merger or any other restructuring options after due study and thought that organizations face the foremost challenge of an acute talent deficit and absence of the right people in sufficient numbers as a matter of routine and PSB merger is no different. It is an accepted fact that talented personnel are in small numbers comparing to effective manageability of operations.

If staffs are not trained or if there is a weak talent management, this may trigger insecurity in staff and at the highest level, slowdowns in business can be felt significantly.

The other area of concern in cases of merger and or other restructuring options is that the short tenure of senior leaders in PSBs becoming a hurdle for a strategic vision. Here the importance is laid on human resources and not on the financial resources. This is because of the fact that financial resources are to be managed only by individuals or in effect the human resources. However, a right combination of human and finance can bringin the right talent to PSBs at right levels by ensuring long tenures for the best personnel for devising strategic initiatives.

It is also rightly said that before a major revamp of merger or restructuring is planned, there is a need to strengthen the talent by way of recruiting the right people from the market, and or attracting experienced executives from other banks by offering better pay packages, retaining talent by attractive compensation etc.

Humans are to address the issue of culture prevailing and in the case of PSB merger, different culture prevailing in different parts of India has to be understood and aligned. This cannot be the job of finance personnel but of human resource personnel through dialogues and discussions. To train such senior personnel require customized training and here finance personnel have to understand the need for such training and to provide financial support in which case any merger can be operationalised with finance expectation fulfilled.

However, certain issues are peculiar to banking sector but are exerting impact on the common public - for example, going on flash strike for one or two days, strikes during busy season like March, not attending to the facilities in time – for example, not reducing ATM down time, pass book updating machine etc. Despite banking enjoying government clout, strikes by banks are frequent. However, Railwaysbeing a service organization under central government clout does not go for flash strikes with employees' Unions being effective. There are issues in Railways like some of the services are being privatized like canteens, commercial space in trains etc. but any symptoms of strikes are stamped with iron hands.

The PSB merger was with an aim to operational efficiency to arrest the mounting NPAs and in order to effectively revamp this objective, under the HR policies, all the bank employees are to be seen having a part in avoiding the NPAs. Employees are to be counseled periodically that the service organization and its policies are made only to keep the NPAs out of banking sector. In case of merger, if employees feel that they are being given a raw deal, like losing of seniority, displacement in lieu of not availing VRS etc. they need to be counseled that at the behest of serving the common man, they have been drawn to banking and they should have this in mind at any point of time. Losing a small privilege for the growth of country's economy is to be tried at a specially convened anamoly committee and the outcomes are not to be contested.

"Cafeteria style benefits plan is an employee benefits plan that allows employees to choose among a variety of options to create a benefits package that best meets their needs and those of their family.
Cafeteria style plans provide a special exception to federal income tax rules that apply to an employee's earnings.

In a cafeteria style plan, employees are allowed to select among a variety of nontaxable benefits and cash. (www.thebalance.com)".

Even though this plan is aimed at customizing individual benefits plan in purchasing health benefit plans prevailing in United States, the applicability of an extension of these types of plans or any refined form of compensation plan especially for merger can be thought of.

Employees are to be addressed with merger being a planned exercise and isolated cases will be decided on merits of the case. HR policies in bank should stress upon the fact that banking restructuring or such other augmenting measures can take place and in any form as applicable to that particular point of time and employees are to prepare themselves.
Sec.45 of Banking Regulation Act, 1949 (j) is reproduced below:

"notwithstanding anything contained in clause (i) where any of the employees of the banking company not being workmen within the meaning of the Industrial Disputes Act, 1947 (14 of 1947), are specifically mentioned in the scheme under clause (i) or where any employees of the banking company have by notice in writing given to the banking company, or, as the case may be, the transferee bank at any time before the expiry of the one month next following the date on which the scheme is sanctioned by the Central Government, intimated their intention of not becoming employees of the banking company on its reconstruction or, as the case may be, of the transferee bank, the payment to such employees of compensation, if any, to which they are entitled under the Industrial Disputes Act, 1947, and such pension, gratuity, provident fund and other retirement benefits ordinarily admissible to them under the rules or authorisations of the banking company immediately before the date of the order of moratorium;

An undertaking is to be taken from employees at the time of recruitment to abide by the policies of bankingreframed on occasions. These undertakings are to be taken at times of promotion of employees and in cadre restricting etc.

SUGGESTIONS

(i) Cadre restructuring
(ii) Provision for conducting referendum/plebiscite before undertaking merger or any other reconstructions
(iii) Incentive for extra work load for one year
(iv) Disincentive for NPA after the set limit
(v) Cafeteria approach in payment of salary
(vi) Strengthening asset recovery cell by manpower
(vii) Financial implications on any move should have the assent of majority of employees
(viii) Counseling cell for employees (to educate them that they are public servants and they cannot enrich their life at the expense of opposing reorganizations and other measures aimed at objectives)
(ix) Counseling cell for Unions not to have 'resistance to change' behavior applicable in all situations. Further, they are to be taken into confidence before initiating any capital reorganizations
(x) Stringent norms for loan defaulters at the bank level before invoking statutory regulations like SARFAESI Act etc
(xi) Timely and stringent punishment to deter employees to the cause of credit appraisal default
(xii) Possibility of selling of collateral assets within a time frame like '100 days of first default', before it becomes 'non-performing'
(xiii) Target based working for employees
(xiv) Employees to be counseled that banks have to compete with giants in the industry and not to enjoy government clout

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