

Opinion of GM(Estt.) as Member of the Committee set up to give recommendations on implementation of CPSU Hierarchy

Chairman of the CPSU Cadre hierarchy Committee has recommended that the executives be given functional grade SDE & DE on time bound basis with tighter performance benchmarks rather than time bound financial upgradation which is being given currently.

A. Comments on the CPSU CADRE HIERARCHY committee recommendations proposed by Chairman are as follows.

A-1 The mechanism for putting into place the proposed recommendations is not explained. This is very important because any new performance benchmarks can only be put in place from a prospective date. Deciding promotions on a criteria which is tighter than the existing and which was not known to the concerned employees during the period when their performance was to be judged, is against the principle of natural justice and would also be legally untenable. This means that the new promotion philosophy can only be made effective from a later date. Since there is normally 4-6 year residency period for promotions, the scheme can only be implemented after that much duration unless some acceptable solution is suggested for the interim.

A.2 In view of the above, it is not clear from the proposed recommendation as to what will be its immediate implications? Will it have any immediate impact on change of functional rank of executives who are drawing higher scale than the substantive post? In the present scenario due to introduction of EPP in BSNL, there exist thousands of cases where executives are drawing 2-3 higher scales as mentioned below: *

- a) JTO drawing scales of E3 & E4.
- b) SDE drawing scales of E4 & E5.
- c) DET drawing scales of E5 & E6.
- d) DGM drawing scales of E6 & E7.

If the intent of recommendations is that executives currently drawing pay scales of DE and SDE be given the functional post immediately, some executives may get one

* For the purpose of this note, JTO/SDE/DET include equivalent grade executives of all streams

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promotion due to their placement in one higher scale whereas some executives will get promoted to the next to next grade due to their placement in two scale higher than substantive grade. To elaborate this further, some JTOs will get promoted to DE grade without actually performing the service in SDE Grade and having working experience/set of skills expected from an executive of SDE level necessarily required to shoulder the duties of higher post of DET/CAO(AGM etc). As on date, most of the absorbed executives have got three up-gradations (in the year 2004, 2009 and 2014) whereas DR executives(at JTOs/JAOs etc. level) have got two upgradations (in the year 2007 and 2012). Because of this, there will be two set of executives - i) those who would be getting post based promotion in DET/CAO(AGM etc) from the level of JTO/JAO(AMs etc.) by skipping one functional level of SDE/AO/(DMs) where some executives(SDEs) would be getting one post based promotion in the next higher grade only to DE. This may invite litigation as there cannot be equitable benefits of post based promotion to all executives in the given scenario.

A-3 Violation of R/R of the functional grade.

This will also be in violation of the existing RRs as executives are not eligible for promotion to the higher grade unless they possess requisite residency/service in substantive feeder grade as well as requisite qualifications as per provision of R/R of the higher grade). This may also create legal complications.

A-4 Performance Orientation in the Organization would be compromised

The demands of Associations is for implementation of CPSU cadre hierarchy system in BSNL similar to what is existing in other CPSUS. In this regard, it is mentioned that a detailed study of CADRE HIERARCHY SYSTEM In some big CPSUs such as BHEL, NTPC, SAIL etc was done and presented in the committee meetings by Restructuring It is seen from the promotion policies of other PSUS that:

- None of the PSUs has time bound financial upgradation;
- There is significant focus on performance & merit of an individual for grant of promotion;
- There are droppings at each level of promotion based on designate criteria;

- To cite example of BHEL, percentage of eligible employees who get promoted in a year in different grades are as follows:

E1-E2	85%
E2-E3	67.5%
E3-E4	55%
E4-E5	42.5%
E5-E6	35%,

- **The above mechanism ensures high performance orientation in the organization as well as maintains appropriate Organizational hierarchy pyramid for effective functioning.**

In BSNL however, the current EPP provides for financial upgradation effectively for everyone, irrespective of performance as the benchmarks are very relaxed. In fact, BSNL executives with average performance are also getting financial upgradation though as per DoP&T norms for performance appraisals, any score below 4 (equivalent to good performance) is treated as zero. If functional posts are given on the basis of current pay scale being drawn (which was provided with such relaxed norms), it will dilute the motivation of high performing employees.

A-5 Distortion in the organization hierarchial structure of the company.

The existing organizational structural hierarchy of CGM, GM, DGM, DE, SDE& JTO is a time tested hierarchy to meet BSNL's requirement of network planning, development, operations & maintenance and provisioning of services to our customers. With the proposed time bound functional promotion, the organization structure in the company will get distorted. This may have adverse implications on organization's ability for work execution & effective monitoring and supervision. If the functional posts are given based on the pay scale i.e. if executives in pay scales E-2, and E-4 are made SDE and DE respectively, the number of executives at different functional levels as on today and likely numbers after 5 years would be as follows:

Post wise Employees Strength

	JTO	SDE	AGM	DGM	GM
Scale	E-1	E2+E3	E-4		E-9
2015	15087	17011	3698	922	369
2019	0*	14696	22549	1331**	564**

*All JTOs currently in the company will be promoted. Only new recruits and those promoted from non-executive cadres will be there.

**DGM and GM nos. are given assuming all sanctioned posts will be filled up.

As can be seen above, in the proposed recommendations, two vital aspects of having an appropriate organization structure/pyramid to facilitate effective functioning and maintain high performance culture, are getting ignored.

A-6 There is also a recommendation by the Chairman that while the no. of DGMs may be restricted to no. of posts, the remaining may be promoted as DGM (HOLDING CHARGE). This is again not clear. How will the powers, job & responsibilities etc of these two different categories of DGMs be different? It would be better to give a different designation rather than creating confusion by calling some as holding Charge DGMs.

B Recommendations proposed by GM(Establishment) :

In the current circumstances when BSNL is facing severe competition from private players, the most important thing is to improve performance orientation in the organization. This only would enable to company to face the competitive pressures and stay healthy in long run. With this background and also to fulfill genuine career progression aspirations of executives in BSNL, the following are suggested:

B-1 Change of Performance Benchmarks

From the current year onwards, the performance benchmarks for promotions should be tightened. Any score below 4 (good) in the reckoning period should be treated as adverse and promotion denied.

B.2 Assured post based promotion till DE level as per the following mechanism

An executive after a specified period of residency in the substantive grade may be allowed to get one functional promotion in the next grade till DET. This period can be e.g. 12 years and 10 years respectively for promotion to SDE and DET respectively provided one is otherwise eligible for promotion to the next higher grade in the hierarchy as per relevant RR to the particular post provided he could not be promoted as per his turn as per provision of R/R till that period.

This has been further elaborated as per following:

- a) One functional promotion may be provided to JTO level officers having at-least 12 years service in the substantive grade to the next higher grade of SDE as per hierarchy available in BSNL provided the officer could not be promoted as per his turn as per provision of R/R till that period.
- b) Subsequent 2nd post based promotion in the next higher grade as per below hierarchy can be granted to an executive after completion of 10 years service in the grade as per provisions of the R/R of the relevant grade provided he could not be promoted as DET/AGM as per his turn as per provision of R/R till that period.

B-3 Faster track promotions for Meritorious and high performing Executives

It has to be appreciated that in a large organization such as BSNL WITH ~50,000 executives, it is not possible to devise a promotional scheme which gives functional promotion to all executives till a very senior level such as DGM. This will make the organization completely dysfunctional. However, with the view to meeting the requirement of filling positions at senior executive levels and at the same time



providing opportunities to meritorious and high performing executives, a faster track promotion mechanism should be put in place thorough conduct of examination. Positions at MT level should be filled up initially may be thorough conduct of exams for internal candidates only. This will meet both the aspirations of meritorious executives to get quicker promotions and at the same time, providing organization with talented HR resource at senior positions.



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