

Public sector banks on recruitment overdrive

Abhijit Lele in Mumbai | BS | July 15, 2009 | 04:00 IST

Balachandran M, Director of the Institute of Banking Personnel Selection, has little time to catch his breath. He and his team have been supervising recruitment of nearly 100 public sector bank employees every day.

At a time when recruitment managers in Indian companies are taking it easy as most companies have either stopped fresh intake, or are trimming their workforce to manage the economic slowdown, Balachandran's workload has increased. For, IBPS is the premier institute promoted by public sector banks and the Reserve Bank of India to handle recruitment and talent management.

Balachandran said the initial estimate for vacancies in PSU banks in this financial year was about 34,000. "It now looks that the actual intake would be much more," he says. The figure is substantially more than the average number of recruitments even two years ago and comes on top of 55,000 recruitments by PSU banks last year. "There is no recession in hiring for us. The party continues," a PSU bank chairman said.

There are many reasons why the party is expected to be an extended one. First, 20 per cent of the country's 750,000 PSU bank employees are expected to retire in two years. Secondly, the policy for financial inclusion means opening new branches across the country. For example, State Bank of India opened 2,000 branches in 2008-08 and may open another 1,000 this year.

And thirdly, most of these banks have branched into offering specialised services such as insurance, risk management, asset management and private banking ♦ they need skilled people.

That explains why SBI alone will recruit 15,000 annually for two years. In 2008-09, the bank took 20,000 in the clerical cadre alone.

Canara Bank Executive Director Jagadish Pai said the bank had almost completed the selection process for 1,000 officers and 800 clerks. They are expected to join over the next few months. The Bangalore-based bank will recruit more, as 15-18 per cent of its existing workforce will retire in three years.

Bank of India has taken steps to recruit 550 clerical staff, 500 general banking officers and 237 specialist officers. Approval has been obtained for around 2,750 more staff. The bank's Executive Director, M Narendra, said filling up the vacancies was a difficult task as almost all PSU banks were in the job market and competition to get people was tough. "Some of those who were selected by BoI preferred to join other banks that offered jobs near their places of residence," he said.

For specialised officers, BoI is visiting management schools for campus recruitment. While attracting and retaining MBAs remained a tough task, the situation had changed for the better after the economic slowdown, Narendra said.

Union Bank of India intends to recruit close to 2,000 in the clerical and officers cadre. This is on top of the 2,200 employees it added in 2008-09. Its CMD, M V Nair, who is also the chairman of the Indian Bank's Association, said the large-scale recruitment would help bring down the age profile of employees.

It's not that the PSU banks will fill up all their posts that will fall vacant due to retirements. This is because the requirement of people in the clerical and sub-staff category has come down substantially in an automated environment. In fact, the ratio of retirement to new appointments will be 3:1.

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