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# RESIGNATION FROM A NATIONALISED BANK: A CASE STUDY

Dhrubajyoti Bordoloi<sup>1\*</sup>

\*Corresponding Author: Dhrubajyoti Bordoloi, ✉ [dhruba42@nagalanduniversity.ac.in](mailto:dhruba42@nagalanduniversity.ac.in)

The following case is based on the Industrial Relations (IR) problems faced by a person named Shri Diganta Bhattacharjee while resigning from a Nationalised Bank in order to join a Central University. This case tells us the various issues the employees, more particularly those who are working in Govt/Public Sector Undertakings/Enterprises while they apply for No Objection Certificate or intend to resign from the Services.

Keywords: Industrial Relations (IR), Public sector enterprise, Undertakings

## CURTAIN RAISER

One of the major problems which our country is facing, is the problem of unemployment, that means India is not been able to provide employment opportunities to every individual in spite of the various measures taken by the Central and State Governments. But if we carefully look into the present Job Market or the activities which are taking place in the job market, we see that, there is no problem of getting a job for a skilled person or an experienced person. The problem lies with the unskilled work force which our country is having. A skilled person or an experienced person gets various opportunities and jobs in their lives and as per our constitution every citizen of India is having the right to choose his/her particular area of interest as per their wish. The person captioned in this case Mr. Diganta Bhattacharjee is such a person who is fortunate enough of getting several good job offers. However changing

a job from one organisation to another is not an easy task and there are various issues available in these kinds of situations. This case is just an effort to have a bird's eye look on the entire subject. Mr. Bhattacharjee is thinking very seriously now about his future course of action if the competent authorities of the Nationalised Bank do not issue Relieving order in order to enable him to join the University job.

## ABOUT THE PERSON

The person captioned in this case is Mr. Diganta Bhattacharjee. He is an Engineering Graduate in Instrumentation Engineering from a reputed Engineering college in Assam and an MBA from a premier University in the state of Assam. Just after completion of his MBA degree in March 2010, he got a job offer from a private Oil company in Sivasagar, Assam. In that organisation he worked for about 10 months upto December 2010.

<sup>1</sup> Assistant Professor, Department of Management, Nagaland University (A Central University), Kohima 797004, Nagaland, India.

However he had a deep inclination towards academics and he got an opportunity on January 2011 when he joined as a Lecturer on Contract basis at the same University from which he did his MBA, up to November 2012. However, when he saw that his services at the University is not going to be a permanent job in near future and as his age was passing by, he started to look for other opportunities and on November 2012 he joined a Nationalised Bank as Assistant Manager (Probationary Officer). But still he continued to have the same inclination towards academics and kept on trying for a job in a University and finally he got his desired job offer for the post of Assistant Professor in a Central University in the North East in the month of January 2015.

### **Performance and Various Activities Done by Mr. Bhattacharjee in the Nationalised Bank**

Mr. Bhattacharjee while joining the Bank, was posted in the Itanagar Branch as a Probationary Officer where he served the Bank from November 2012 to May 2013. When he was at Itanagar, suddenly he got a call from the Bank's Regional Office, Kolkata on 24<sup>th</sup> May, 2013 that he had been transferred to Dimapur branch. They did not mention any reason why he was transferred to Dimapur. Later on when he enquired about the same from his friends, he came to know that, there was a serious issue happened in Dimapur branch and both the serving Manager and Assistant Manager of the branch were suspended because of some very serious financial irregularities. After that, he did not have any other option and as a result he had to come to Dimapur and joined the branch on 1<sup>st</sup> June, 2013. That was the time, where the situation was full of challenges. The branch was in a real mess because of the high level of financial irregularities of the earlier

Manager and Assistant Manager. The primary task assigned to Mr. Bhattacharjee was to clean up the mess apart from doing his regular banking jobs. He along with Branch Manager worked very hard and brought the branch back on track. Being the only officer working in the branch (excluding the Branch Manager) the responsibility of running the branch was on his shoulder. He was handling almost all the departments of the branch such as Cash, Clearing, Remittances, Advances, etc.

In the very beginning of the case, it was mentioned that, Mr. Bhattacharjee had a high inclination towards academics, and because of his high inclination, he cleared the Junior Associate Examination of Indian Institute of Banking and Finance (IIBF) in June 2013 and Certified Associate Examination of the same institute (CAIIB) in January 2014. Clearing in both the examination in single sitting that too during the probation period was a great achievement and as a result of this Mr. Bhattacharjee came to the lime light of the Bank authorities. Later on he was selected for the Foreign Exchange department of the Bank in the month of September 2014 after that, he was sent for 3 months FOREX training at Kolkata. The bank incurred a cost of around ' 1,80,000/- (Rupees One Lakh Eighty Thousand) only, in the name of his FOREX training.

In the meantime, during the month of October, 2013 Mr. Bhattacharjee applied for a No Objection Certificate (NOC) from the bank so as to apply for an opening in Oil India Limited. The bank refused to issue the NOC citing shortage of officers in the bank. As a result Oil India Limited rejected his candidature during the final interview round of the selection process. Again in the month of December 2013, he applied for the post of Assistant Professor in a Central University, but this time he did not apply through proper channel

as the bank was not issuing NOC to any one. However, he got the interview call for the post, and in the month of September 2014, just before going to the FOREX training at Kolkata, he appeared in the interview.

The FOREX training got over in the month of January 2015 and while he was undergoing training his probation period in the bank job was completed in November 2014 and his services in the bank was confirmed.

### **IR Problem Faced by Mr. Bhattacharjee**

After returning from Kolkata, Mr. Bhattacharjee joined back the Dimapur branch on 17<sup>th</sup> January 2015 and on 24<sup>th</sup> January, 2015 he received the offer letter from the University. Now Mr. Bhattacharjee was in a dilemma, whether to join the University or to continue working in the bank. The following factors came to his mind:

1. Monetary benefit.
2. Working environment from the perspective of the Nationalised bank and that of the Central University.
3. Mobility factor: Bank job is having all India transfer liability while University job is non-transferable.
4. The on the job Risk factor from the perspective of the Bank job and that of the University job.

After careful analysis of all the above factors, he decided to join the University and resign from the bank. From this point, the problem started. The problems faced by him were:

1. The University just gave 20 days' time to join the University job, failing which the offer would forfeit.
2. He did not apply for the job through proper channel.

3. As per the service conditions of the bank, at the time of resigning 90 days' notice period was mandatory failing which compensation had to be paid to the bank.

As he did not apply through proper channel, he did not have any other option, but to give 90 days' notice period. Hence, he wrote one letter to the University on February 2<sup>nd</sup>, 2015 requesting them to kindly extend the joining time upto 90 days that is upto 2<sup>nd</sup> of May 2015. But it was very uncertain whether, the University would accept his request or not. At the same time, if he intends to resign and give 90 days' notice period to the bank and the University also do not consider his request, then he will end up being job less at the expiry of 90 days. So, in order to be on the safer side, he wrote one letter to the Regional Office of the Bank citing the above and asked for their advice and guidance. In the letter he also mentioned about his willingness to join the University. In reply to his letter to the Regional Office of the bank, he was informed that, in case of resignation it is mandatory to give 90 days' notice period and the entire training cost incurred during his FOREX training need to be refunded to the bank.

### **Thought of Suitable Course of Action by Mr. Bhattacharjee**

Mr. Bhattacharjee was in a fix and was highly confused. He did not get any reply from the University upto March 23, 2015, and he almost dropped the idea of resigning. Suddenly on March 24, 2015 he got a reply from the University that, his request was considered and he would be allowed to join latest by May, 02, 2015. In the meantime, he thoroughly studied the service conditions of the Bank wherein the following key points were mentioned.

1. If an officer intend to quit the services of the bank must inform the authority about his intention to leave at least 90 days in advance.
2. All the training cost need to be refunded if the officer resigns during the probation period.

After going through the service conditions, and based upon his own understandings, Mr. Bhattacharjee finally submitted his resignation on 30<sup>th</sup> March, 2015 citing his earlier letter as an intention to leave the services of bank 90 days in advance, requesting the bank authority to release him by 30<sup>th</sup> April, so as to enable him to join the University by 2<sup>nd</sup> May, 2015. Also, as per his understanding, as his probation period also got over, he need not pay any training cost to the bank. Till 27<sup>th</sup> April, 2015, he did not receive any written reply from the bank. However, verbally he was informed that, he would not be released because he did not fulfil the 90 days criteria. Moreover, he need to repay back the training cost of '180000/. Now Mr. Bhattacharjee was in serious trouble and thinking about his future course of action if he does not receive the relieving letter by 30<sup>th</sup> April, 2015.

## TEACHING NOTES AND CASE ANALYSIS

### Purpose of the Case

To discuss the issue of Industrial Relation and good Human Resource Management (HRM) practices in an organisation. A good HR policy is very essential for smooth functioning of an organisation. A good HR practice may lead to high level of motivation among the employees which will ultimately result in high degree of effectiveness. It also touches the ethical aspects. The employer and the employees both need to be ethical in their behaviour. Any unethical

behaviour from either of the two is highly disgraceful.

### Guidelines for Preparation

The following guideline questions may be given to the participants for preparation:

- Understand the concept of good HR practices and Industrial Relations.
- Discuss the merits and demerits of the Bank job and the University job from the perspective of the four points mentioned in the case.
- To discuss the ethical dimensions of the situation.
- Suggest suitable solutions to the problems encountered by the person.

### Class Strategy

Following issues may be raised during the class:

- Objectives of good HR practices and how it was not followed in the above case.
- The operational problems – were they natural or were there any other issues.
- Reasons for the denial of issuance of NOC by the bank.
- Decisions taken – ad hoc or planned and their fallouts
- Mr. Diganta Bhattacharjee's concerns and suggestions for him

### Analysis

The instructor should record the various observations and comments made by the students.

Some of the probable response from the participants may be on adopting a legal course of action for the person captioned in the case. However, the instructor should focus not to stress

on the legal route as it would complicate the matter. Instead of legal route an alternative solution may be looked for.

Another solution may be to continue with the bank job for the captioned person which as per the case does not seem to be the ideal solution as the person captioned in the case has submitted the resignation letter.

Third solution may be to go for a negotiation between the captioned person and the bank authority. The instructor should facilitate the ground on which that negotiation should take place so that, it become a win win situation for both the parties.

So, after a considerable brain storming session, the most suitable course of action may be suggested for the captioned person in the case.

### **Case Flow**

The case may follow the following pattern and be winded up in an hour (50 minutes):

- Introducing the Case: 5 minutes
- Background Discussion: 5 minutes
- Problem Insights: 15 minutes
- Suggestive Solutions: 20 minutes
- Summing up the Case: 5 minutes



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**Hyderabad, INDIA. Ph: +91-09441351700, 09059645577**

**E-mail: editorijmrbs@gmail.com or editor@ijmrbs.com**

**Website: www.ijmrbs.com**

