



# All India State Bank of India Employees' Association

(Regn. 3528/87. Affiliated to All India Bank Employees' Association)

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## **To All Members/Units**

### **DEFEND PUBLIC SECTOR BANKING – ENSURE SCIENTIFIC AND PEOPLE-CENTRIC WORK CULTURE IN SBI**

The recent public statements and policy indications emerging from the top management of SBI regarding redeployment of branch staff into sales-oriented activities, along with repeated claims of rapid “digital transformation” in banking operations, have naturally created serious concern among employees across the Bank. These developments indicate a significant shift in work culture — from people-centric customer service and branch banking towards aggressive target-driven selling of third-party products, insurance promotion and investment marketing. Significantly, even the Hon’ble Union Finance Minister Nirmala Sitharaman has recently cautioned banks against “mis-selling” of financial products and advised them to focus on core banking activities and customer-centric services. Such observations themselves reflect the growing concern over excessive commercialisation and sales pressure within the banking system.

As all are aware, the roles, duties and service conditions of bank employees have evolved over decades through collective bargaining and successive Bipartite Settlements. Any major restructuring affecting the nature of duties of award staff therefore cannot be treated as a mere administrative adjustment or managerial experiment. It requires proper assessment of operational realities, manpower conditions, customer needs and technological limitations, along with meaningful consultation with employees and their representative organisations. In a public sector institution like SBI, policy changes affecting branch functioning and work culture must always maintain a balance between business objectives, employee welfare, customer service and the larger social responsibilities of public sector banking.

AISBIEA believes that the present conclusions regarding large-scale migration of banking transactions to digital platforms do not fully reflect the practical realities experienced daily in branches across the country. India continues to be a socially and economically diverse society. A substantial section of SBI customers — particularly those brought into the banking system through the Pradhan Mantri Jan Dhan Yojana (PMJDY), rural customers, economically weaker sections, senior citizens, migrant workers and ordinary working people — still depend heavily upon physical branches for their regular banking needs. Many among them do not possess smartphones, stable internet connectivity or the digital literacy necessary to independently operate modern banking applications. Moreover, excessive dependence on digital technology may also compromise important security and scrutiny-related aspects of banking. In an institution dealing with public money, direct customer interaction and personally meeting the customer continue to remain the very foundation of effective KYC verification, risk assessment and trustworthy banking relationships.

Even among smartphone users, digital banking systems are neither universally accessible nor entirely trouble-free. YONO and several other digital initiatives are often not fully compatible

with many lower-end smartphones commonly used by economically weaker sections of customers. Branches continue to witness large numbers of customers approaching counters due to login failures, transaction failures, OTP issues, app malfunctions, server downtime, KYC-related restrictions, UPI failures, password reset problems and several other operational difficulties arising from the Bank's own digital systems. This clearly shows that digital banking, despite its expansion, has not yet reached a stage where it can function as a complete substitute for branch-based banking services.

Moreover, the figures relating to digitally opened accounts are also misleading to some extent, as a substantial number of such accounts are opened through branch-based digital portals which themselves require significant employee involvement and dedicated man-hours for processing and customer assistance. Before arriving at the conclusion that customers have substantially shifted to digital banking, the Bank must undertake a transparent and scientific assessment regarding the actual number of customers who continue to depend upon branches because of the limitations and failures of the existing digital infrastructure. Customer grievances, social media feedback and day-to-day branch operational realities clearly establish that physical branches and direct customer interaction continue to remain indispensable for accessible, reliable and inclusive banking services.

It is also important to recognise that many "digital adoption" figures are being generated through campaign-oriented drives conducted under considerable operational pressure on branch staff. In several cases, employees are compelled to focus on numerical achievements within limited timelines, while customers may not always receive adequate practical guidance to independently and confidently use digital platforms. Campaign-based numerical achievements alone therefore cannot be treated as conclusive proof of sustainable digital migration.

The operational realities inside SBI branches also require serious attention. Over the last decade, the Bank has been facing increasing staff shortages due to inadequate recruitment proportionate to retirements and business growth. During this period, business per employee has reportedly increased significantly, reflecting the extraordinary productivity and commitment of the workforce. Employees today are handling customer service, regulatory compliance, cash operations, audit responsibilities, recovery follow-up, grievance handling and administrative duties simultaneously under increasingly demanding conditions.

Under such circumstances, expecting employees to additionally shoulder aggressive sales-oriented responsibilities without addressing manpower shortages and operational stress may adversely affect both customer service quality and employee well-being. In many branches, maintaining normal customer service standards itself has become challenging due to increasing workload and inadequate staffing. At the same time, if the Bank genuinely believes that branches are already overstaffed because of digital migration, then the increasing deployment of outsourced personnel in branches — including through the latest initiatives announced by the Chairman — itself raises serious contradictions regarding the actual manpower situation prevailing in branches.

AISBIEA therefore believes that the primary requirement before the Bank today is strengthening branch operations through adequate recruitment, improved infrastructure and scientific manpower planning. Branches continue to remain the most important customer touch points of SBI. Despite the growth of digital channels, most banking products and services continue to be marketed, serviced and supported through branches. The present strength of

SBI's balance sheet itself reflects the operational efficiency, commitment and productivity of the workforce functioning under extremely challenging conditions.

At a time when CASA ratios and Net Interest Margins are under pressure and competition within the banking industry is intensifying, weakening branch operations or over-commercialising public sector banking may adversely affect the long-term strength, stability and public confidence enjoyed by SBI.

SBI is the country's largest public sector bank, built over decades through public trust, strong branch banking and the tireless dedication of its employees. The service conditions, work structure and duties of employees are governed by collective bargaining and successive Bipartite Settlements, and therefore cannot be unilaterally altered in the name of commercialisation, aggressive marketing or sales-driven work culture. If the Bank genuinely intends to strengthen marketing and business development, it must undertake adequate permanent recruitment and develop a proper in-house marketing framework instead of diverting already overburdened branch employees from essential customer service functions. The experience of the Multi Product Sales Force (MPSF) initiative introduced in Thiruvananthapuram Circle itself clearly demonstrated how such unscientific experiments adversely affected branch functioning, customer service and employee work-life balance amidst acute manpower shortage. The strong resistance organised by AISBIEA, including the historic strike agitation through our Circle Union, compelled wider public discussion and even drew the attention of the Kerala Legislative Assembly because of its serious implications on customer service and employee working conditions.

AISBIEA therefore firmly reiterates that any attempt to impose unscientific, sales-oriented work culture at the cost of customer service, employee dignity, scientific banking practices and collective bargaining rights will be strongly opposed. The future strength of SBI lies not in weakening branches or increasing pressure on employees, but in strengthening manpower, protecting scientific and people-centric banking practices and preserving the public character of the institution. AISBIEA remains firmly committed to protecting the dignity and rights of employees, safeguarding healthy and scientific work culture, strengthening public sector banking and defending the interests of ordinary customers who continue to depend upon SBI branches for accessible, reliable and people-centric banking services. At the same time, we shall continue to welcome and support every constructive initiative that genuinely strengthens SBI and the larger public sector banking system in the interest of the nation, the banking industry and the common people.

Yours comradely,



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