

## Defining Moments

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- By **Mr. M. Gopalakrishnan**, Former CMD, Indian bank

I am sure all of us have, what we call, a defining moment in our respective lives. For me personally, it was about a decade after the year I joined The Indian Bank Ltd., which was under the Stewardship of charismatic Dr. Rajah Sir Muthiah Chettiar in 1958. Most of my memories are embedded with recollections of a large number of exciting developments that took place in my career. When I joined, the size of the operations was very small and mostly confined to South India. It was

“more or less a placid kind of functioning, safe and passive. Almost everyone of us working here knew each other personally and bonded greatly. Branches like Bombay Fort, New Delhi Main and Calcutta Main were looked upon with awe as if they existed on another planet.

One of the most dynamic personalities who brought about a change in our mindsets and also moulded my career was Shri G. Lakshminarayanan. He came in as the Chief Executive (then known as Custodian) in 1968. He had a great road map for the Bank and rightly knew that promising officers would quickly need to be identified to actually roll out these plans and achieve success. Perfection was his avowed mantra and he gave a new definition to dynamism. A man perennially in a speed mod, he exemplified an attitude that said, if you can do something today it ought to have been done yesterday. And so, a handful of us were selected to become managers (agents in those days) of certain branches that were considered prestigious. The sky was the limit for business development and neither were apologetic excuses entertained, nor mediocrity tolerated. We experienced an exposure quite undreamt of.

The winds of change were blowing quite fast on the national political landscape. After the Social Control of Banks in 1968, came the nationalization of 14 banks, including Indian Bank, in July 1969. Having been raised in a background that had freedom fighters and political heavy weights converging at my father's home, I knew the significance of this major step by the Government.

The banking sector's way of functioning, would need to adopt a paradigm shift. Suddenly, the anonymous masses representing the poorest of the poor became actual people and public sector banks were required to take them on board as far as inclusion in banking schemes and delivery of its benefits was concerned. It was a revolution which required a compelling action totally distinctive from the hitherto ambiguous benevolence one professed for the poor.

And to translate all this into action and be the vibrant instruments of change, were young managers heading bank branches, most of them recently opened, all over the country. The biggest challenge was dealing with unimaginable volumes of credit assistance to a large number of beneficiaries, supported with proper paperwork. The unsaid part was, there would be no leniencies for diluted monitoring. Due diligence was always to be maintained, a task that was indeed formidable.

From 1970 onwards branch expansion reached dizzying proportions as did recruitment of two kinds of personnel, one to work as clerical staff and the other in supervisory cadre, the latter often having to work beyond the call of duty. And join, they did, because the salaries were comparatively attractive. The general perception about a bank officer's post was that it was a highly respected profession akin to something like being in the civil services. Some of the direct recruit officers became branch managers even during their probationary period or on just completing probation! And they straddled all kinds of responsibilities with great tenacity, often learning from their own mistakes!

The trade union movement also gained importance during this period. I had the opportunity to represent the Indian Bank Officers' association as General Secretary and as Officer Nominee on the Bank's Board of Directors from 1972 to 1977.

A major change came about in my career sometime in 1978 when I was 'uprooted' from Chennai that was Madras and posted as Regional Manager,

Coimbatore. Some instinct told me that I was being groomed for higher responsibilities. This was indeed a turning point in my life as apart from metropolitan and urban operations, I was now exposed to a vastly diverse rural scenario. I had the opportunity to translate my social consciousness leanings into action. This benefitted the deserving poor as well as gave the bank a good image. Touring the nooks and corners of the districts and interacting with the rural masses transported me to a new high. The unadulterated simplicity of the rural folk, their ethics in repaying bank loans unless hit by an unforeseen calamity, easily endeared them to me. In fact my fondness for rural lending, which emotively endured throughout my career and propelled me to support and launch tailor-made innovative schemes, had its foundations here.

Sometime later, I was posted to head the Bombay Zone. This was an altogether new experience. One had to think really big in the commercial capital that was Bombay. The Bank's Chairman and Managing Director at this time was Shri M.V. Subba Rao, another major influence on my career. The kind of decisions we needed to take in Bombay certainly seemed scary and risky then. But he supported us in many ways. The highlight of this tenure was acquiring premises for our Zonal Office in a prestigious location like Cuffe Parade, apart from a multitude of residential apartments for our staff, all which served to make Bombay the preferred place of posting for officers from all over India. Today these investments when looked at in retrospective seem to have been done with great deal of foresight and add up to a tidy amount in the Bank's assets. Another important issue on which Shri Subba Rao focused on was Systems and Procedures which was the need of the hour in the changing scenario of branch banking.

Another magnetic influence for me was our next CMD Shri M.G.K. Nair, a colossus indeed. A man of extra ordinary native intelligence that no business School can ever hope to provide, he taught us to think differently. And he was a wizard when it came to profit boosting strategies. Coming from one of the larger banks i.e Bank of Baroda, he brought

fresh perspectives to our working pattern. To put it simply, he was brilliant, broad minded and extremely shrewd. Working closely with him gave me immense insights into corporate strategy. Succeeding him in the bank was an honour for me.

If one were to ask me to name one or two initiatives I personally found truly meaningful throughout my career, I would say - a) a model village project and b) our participation in IFAD (International Fund for Agricultural Development) assisted Tamilnadu Women's Development Project, the latter being one of the fastest decisions I have taken based purely on a gut feeling. The project found mention in the Country Study Report of the World Bank.

Apart from rural upliftment, a subject close to my heart is Human Resources. They are the biggest asset of any organization and merit ongoing attention. And if I had the opportunity to live life all over again, I think I would veer towards HR. Though I experienced many highs and lows of my career, I am happy the Indian bank family appreciated my commitment to HR. Public relations is also important, especially in a crisis situation when the human face of an institution is perceived to be more empathetic.

Today, the level of technology in branch banking is unbelievable, almost at par with international standards and suits the armchair and always in a hurry customer of today. But public sector banks still have an edge when you compare with those in the private sector because of the presence of a human face to actually deal with a problem that can't be redressed by a voice interactive contraption. Another thing is the low credit off take which impacts the bottom-line of a bank. Interest rates would be impacted in such a situation. Very soon traditional methods of formulating budgets may not be relevant. International practices of sourcing lines of credit to fund an asset may become the new norm.

Indeed banking today is vastly different from the scenario when I left twenty years ago.

