**To**

**Shri A.K.Garg**

CMD, MTNL

New Delhi

**Resolutions adopted in CHQ Conference**

**held on 14 & 15th Dec. 2012 at New Delhi**

Sir

All the delegates showed their deep concern towards MTNL’s extremely difficult condition. Today, company is in extremely difficult state where company’s losses are growing in every quarter, and huge loans are there on its balance sheet. **The survival of the company is directly linked with the interests of several lakhs of its customers and over 60 thousand serving & retired employees. Several issues are essentially critical which are burning and bleeding the company, its survival and its employees as well. Some are very alarming. In our endeavour and quest for improvement of company’s performance and executives’ welfare, we untidily resolute that we will strive for the following in the time to come:**

1. **Review of unsound Policies and Stale Practices:**  There is no time left to wait, let us review each and every policy and practices of the company particularly the Marketing, Finance, Human Resources Development, Business Modelling, and Strength & Weakness Analysis by involving all the stakeholders. Company can’t afford one way policies on hit and trial basis, but well thought out and robust. MTNL as a business entity with so many intricacies and compulsions can hardly compete with private players where decisions are made very fast and even verbally. A lot of things are to be done on operational front through managerial decisions for the growth and maintenance of our services to increase the revenue.
2. **Review of unprofessional, non-profitable and loss making business decisions: In past,** MTNL management had been making unwise and unprofessional business decisions, some of them have been suicidal to the profitability and to the company as well. Those are primarily responsible for present ailment of the company. Several business decisions have been taken without proper analysis of the business model causing several thousand crore of wasteful expenditure, where investment has not been able to realise even the lowest interest which otherwise had been earned as deposit of reserved capital money. Almost all business decisions in recent few years like CDMA, convergant billing, 3G, BWA, Trust line etc have fallen upside down. Company needs only sound and profitable business decisions after proper and thorough market analysis.

**Here, in current situation of 2G, we suggest that let all additional 8 MHz 2G spectrum be surrendered keeping only the 4.5MHz with MTNL, and convert our 2G customers to 3G by augmenting the 3G BTS instead of paying Rs 5800 crore to Govt as licence fee. It will help to establish a resonant and stable enterprise proposition. There is no relevance to enter or remain in a business model for earning losses.**

1. **Adequate Funds for Maintenance of the existing Services:** It goes without saying that there are financial crisis in MTNL. But, it is also a fact that without essential expenditure, we cannot think of providing services, retention of existing customers and further addition, to increase the revenue and ultimately the survival of the company. For quite some time, no funds are being released in the essential heads for the maintenance of services. Always, there remains shortage of store items to provide and maintain services to the customers. Several issues of inadequacy or absence of Battery back-up, Gen set, AC in BTSs, shortage of BTS, shortage of RF teams for WS, Structurally deteriorating buildings and other equipment’s without maintenance provisions have been raised by this Association time and again, but no significant improvement has been done. Company must accord **utmost priority for providing funds and other essential items for maintenance of services. We can’t afford to further lose our customer base as it will cause irretrievable loss of customer and would be suicidal for the company.**
2. **Growing Indecisiveness and inclusiveness at various levels all through the MTNL:** A successful leader has to take fast decisions. According to Steve Jobs, the former Apple CEO -- **successful companies must read things not yet visible on the page**. Some people may be satisfied by saying, “Give the customers what they want. But that is not the approach to be the leader. It should be to figure out what they’re going to want before they do. People don’t know what they wanted, until you show it to them.

It is important to remember that **businesses don’t compete; it is the Leaders who do**. There also needed desired speed in the execution of decisions. **The differential in quality of decisiveness and the speed of execution will be a key factor for growth of any company. MTNL’s Managers have to wake up to the rising concern about the market and the business environment. We resolve to bring innovation and fast implementation of innovative ideas in the company for its fast growth.**

1. **Ill-fated Employees Suggestion Scheme:**.The scheme was founded with the innovative spirit of our esteemed employees and particularly the executives, when MEA stressed upon providing a formal platform and start of a novel scheme of formally inviting useful suggestions from the employees of the company, where such employees may contribute in their own ways in the interest of the company. The scheme was announced and a link is available on MTNL’s website and on MEA’s website also. As we understand large numbers of useful and valuable suggestions have been submitted by the employees. Not even a single employee gets any appreciation for their suggestion. No one knows the fate of such suggestions and the way the scheme is being monitored.

An officer of high rank must have been assigned task of managing the scheme and proper mechanism should be established to evaluate and audit the usefulness and benefits of each suggestion. We didn’t get any reference regarding calling of such employees to further analysis and detailed discussion on his suggestion. None of the employee ever received any feedback on the scheme, which otherwise is essential to keep the spirit going on. There is a definite need to announce the way the scheme is being implemented and whether it has been able to give any benefit to the company. In absence of any feedback, the scheme is bound to die of its own. We appeal and demand to make employees’ suggestion scheme more effective.

1. **Single Window Concept**: Today in competitive era, when there are numerous options available before the customer, the smarter and fittest will survive. There cannot be any substitute to the quality of customer care service, so we need customer friendly schemes and excellent services to be offered to our esteemed customers. Single widow solution for all our services to the customers can bring lot of satisfaction amongst them, which will help us in adding prospective customers and retaining old ones. **So, company shall have to think of implementing the single window concept at the earliest.**
2. **Career Progression Provisions for Executives**: To execute the policies and decisions of the company and management effectively, a dedicated and motivated work force of executives is inevitable in any organisation. There is no doubt that MTNL has a team of hard working, skilled and fully dedicated officers capable of executing any task assigned to them in a given time frame work, and are managing the show confronting with odd conditions. But, there is total lack of motivation amongst the officers regarding their carrier progression in the company. In spite of getting the financial upgradation on time bound basis, one does not get vertical promotion even for 20 years. This long stagnation in one cadre overpowers the total enthusiasm and creativity amongst the executives. **There is a dire need to review the promotion policy of the company so as to get better carrier progression in the company. We also demand to implement time bound vertical/functional promotions upto E7 with time bound financial up gradation as it was a part of our terms and conditions given to executives at the time of absorption in MTNL.**
3. **Induction of Director Sales & Marketing in MTNL Board:** For any business’s survival it has to be professionally managed and all types of professional are to be associated on the Management Board where each Board member has to be responsible for operating efficiency of his respective domain. It is the responsibility of professional board member to evaluate and push aggressively all through the company for remedial measures.

We are a company dealing in selling telecom services. Our only source of revenue is selling services and continuity in selling and unfortunately we don’t have Director Sales & Marketing in the Board. How superior our services may be created, but unless they are sold, we can’t succeed business wise. Every business entity has its exclusive cadre for marketing and sales. MTNL needs induction of Director Sales & marketing at Board Level.

1. **Refund of BWA spectrum**: It is clear that the decision to acquire the BWA spectrum was a bad decision for the company under the present circumstances. Along with 3G, it had badly affected company’s financial health. We are paying heavy cost for this decision and even after refund of fee this will be so for the interest paid during the intervening period. There is no recourse to recover this loss. **. We have resolved to fight along with MTNL management to get back refund of BWA spectrum from govt.**
2. **Unjust and uncalled for raising the benchmark for promotions of the executive —** MTNL management unilaterally and unjustly raised the benchmark grading for promotion, totally detrimental to the executives and the company’s interest. The Earlier benchmarks were decided with profound deliberations and in line with DoT Rules .

Despite clear and outright opposition from MEA and other associates, MTNL management highhandedly issued new stricter benchmark for promotions of the executives in isolation. We have raised strong objections to this raising of benchmark and will not accept the unjust revision and demands review of all dropped Promotion cases for justice, fairness and industrial harmony.

In spite of intended objectives of achieving higher efficiencies, this is doing the opposite. Several persons are denied upgradation on pretext of not rated Very Good. Since our Annual Appraisal System itself is inherently defective and counterproductive as discussed previously, we are wasting many man-hours of constructive productivity from these affected persons. How anyone can imagine and understand that even a **single below Very Good rating** that too not for performance but for extraneous reasons can be so incurable, harmful, and detrimental by depriving one his legitimate right of upgradation for ten precious years. How such a person is expected to perform for the company any more. He or she simply start passive working only for the formalities with all his capabilities died forever causing irreparable loss to the company also.

**We appeal and demand the management to call off revised benchmark and discuss this issue and all such issues like revision of recruitment rules with our associations for better and workable solutions.**

**Old DPCs with old bench marks—**DPCs due before revision of bench marks be conducted with old bench marks and also the DPCs where in CRs of the period before December 2010 are to be considered must be conducted with old bench marks.

1. **Settlement of Pension issue:** a sizable amount of money is paid towards pension from MTNL’s funds and account. For inherent reasons the pension liability lies on the Govt not on the MTNL. Still MTNL is made to pay due to delay in decision in this regard. There is a clear lack of commitment in the Govt in settling this issue. Sooner the issue is settled better is for the MTNL. There is no clear picture right now. But we go on to fight from tooth & nail to settle it favourably.
2. **Review of Executive Promotional Policy and integration of all such policies into One Unified Promotion Policy:** Any organization’s Promotion Policy is formulated to help both the organizational manpower needs and fulfil individual career plans.

For attracting competent persons and retaining them in organization, it is essential that they be assured progressive careers. Normally employees have aspiration to advance and grow in their organization, and also a desire to achieve a sense of fulfilment. Unless these aspirations and desires of employees are taken care of, the organization cannot be taken to higher levels of efficiency and productivity. So it is essential that Promotion Policy must focus on individual employee’s aspirations and continuous ascent on career path. One way to achieve all this is by a well though-out system of career planning, which helps the employees to plan their career in terms of their capacities with in the context of organizational needs. It (career planning) must help devising an organizational system of career movement and growth opportunities from the point of entry of an individual in employment to the point of his retirement

The provision of lateral induction is not only very ambiguous, vague and unclear but unacceptable all together. The available employees even after redeployment and training are always cheaper and reliable than the new recruitment. In-house training to the existing employees to suit the new job requirement is always better and cheaper option. Hence there must not be lateral recruitment in the executive cadre except at E-2. Moreover, lateral induction is also detrimental to the working atmosphere and the moral of existing work force. It affects the career planning of the existing employees and hence is always the major cause of frustrations and de-motivation among the existing employees thereby lowering the efficiency and competencies of the organization as a whole. There is dire need for review of executive promotion policy and integration of all such policies into one comprehensives policy for coherent and simple understanding**. The Time Bound and Functional Promotional Policies need to be integrated into one upto E7 level**.

1. **Review of Executive Recruitment Rules:** RR’s are formulated to facilitate filling up of the various posts, whilst in MTNL, RR itself have become impediment to the filling up of the posts. Large numbers of posts are therefore lying vacant for compliance of RR and provision of different quotas in various streams. MTNL RRs have miserably failed to achieve intending objective resulting into administrative inefficiencies and operative collapse. Here Executives in E5 and above are promoted at the verge of retirement while throughout the period earlier; they remained in Looking After, a mechanism highly unproductive and inefficient. It lowers the confidence and hinders professional working of the executives. This merely serves as a formality rather than proper and efficient functionality. As a practice and provisions, RR needs to be changed after every 5 years for changed circumstances, availability of incumbent and for ensuring proper succession to higher posts. Now time has come to change the RR for executives altogether and also separating the RR’s from the Promotion Policy. We strongly oppose any outside entry above E2 level and particularly at E5 level for obvious reasons as indicated under various issues discussed above. All posts upto DGM are purely technical in nature, where we have sufficiently large talent pool to man such posts, we do not feel any need for lateral induction upto DGM.

So, we demand review of RRs for Executives in close consultation with MEA for contemporary conditions, availability of experienced executives and incompatibility and unsuitability of outsider recruitment.

1. **Review of Medical Policy and Facility by scraping Insurane/ TPA and reinstate the old practice:**

The entitlement for OPD treatment has been pegged to 2008 salary limit, while cost of treatment have increased manifold during the intervening period, so there is need to update the OPD expense limit to salary of current March of the year.

It is worth noting that average age of MTNL employees is in 50’ies and increasing every year. Detrimental effect of metro living and polluting environment coupled with stressful working in MTNL, employees especially Executives are under continuous threat of medical requirement, so preventive medical health check-up should be included In OPD expense. This will ultimately enhance the dedicated and enhanced man-hours working and lower Indoor Expenses. Working spouse has been taken away from new medical policy without taking in view the family definition which is to make the strong family bonding and to take care of the family as a single entity. Therefore, we strongly demand to include the working spouse in the medical policy which will not have any financial implication.

**15. Regular promotions in the cadre of DGM**

Promotions rules are available in MTNL to promote the officers to the cadre of DGMs. Eligible officers as well as vacancies are also available in all the disciplines. But in MTNL, all promote officers are working as looking after DGMs for so many years and no officer has ever been promoted on regular basis in this cadre. We strongly demand to promote the officers on regular basis by granting relaxation if required.

**16. Implementation of online file tracking system/Paperless working**

In order to streamline the working of MTNL, PAPERLESS WORKING/ONLINE FILE TRACKING SYSTEM, needs to be implemented at the earliest to increase the efficiency and productivity of the company. Already FILE TRACKING SYSTEM is available with MTNL Delhi IT Unit and is in operational state but not being used.

We hope that MTNL management will consider the above mentioned points outstretched by comprehensive deliberation in our delegate session in the overall interest of the company.

UNITEDLY WE CAN FACE THE CHALLENGE

Live in Peace and harmony, not in pieces and disharmony.

**With regards**

Yours sincerely

**(V.K.Tomar)**

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