

Dear Ms. Anstey:

The 1818 Society strongly supports efforts to modernize the Bank and enhance its effectiveness. All stakeholders appear to agree that HR management policies, systems and practices need to be urgently improved. It is this problem that has led to staff frustrations, as the results of the Staff Pulse Survey demonstrate.

The Society does not accept the rationale underlying management's decision and steps to address the broken HR framework by imposing sanctions on some retirees employed as STC's.

The Society's views on the matter were sent to Mr Hasan on December 16th 2011, two days after your announcement at the MD's Forum and are reproduced at the end of this email. The Society regrets that though the Kiosk announcement refers to continuation of consultations with the 1818 Society, meaningful consultations were not carried out prior to the decisions announced by you. The Society however notes that your announcement mentions that implementation details will be worked out in consultation with staff, managers, the Staff Association and the 1818 Society. We look forward to this engagement.

To ensure that the consultations are meaningful this time around, we recommend that a formal structure will be put in place for this purpose and that opportunity is taken to look at: (i) the implications of your announcement on the delivery of products and services to clients, (ii) the impact on task managers and higher-level managers who are raising product and service delivery levels in a flat budget context, (iii) the budgetary implications of the additional costs of hiring more expensive outside consultants, (iv) the difficulties in securing non-retiree consultants who can hit the ground running, particularly in crisis countries and for certain ACS functions, (v) the relaxation of complement controls at H level to man tasks that the retirees are now discharging and (vi) the adverse impact, already initiated by the timing of the announcement just before the festive season, on the Bank's reputation as a caring and reliable employer, given the visible negative effects on the lives and well-being of hundreds of retirees (and their families) who have given so much to the Bank.

In regard to the formal structure, it should not be difficult to replicate arrangements you have established in regard to the Sector Managers span of control to develop detailed implementation plans. Likewise, what you have done for Benefits and Compensation, where a Bank-Wide Steering Group has been activated. Such mechanisms would make consultations meaningful and more transparent.

Finally, as many members have pointed out, the much-maligned revolving door would have served as an exit door if only the retirement age for qualified and productive staff, now employed as STC's, had been raised from 62 to 65. Also, members are asking the pertinent question: "Could the Bank have raised its outputs so impressively in the past few years without the hiring of retirees as STC's, particularly D and H levels?". I hope you will find time to mull over these points.

Wishing you a Merry Christmas and a Happy New Year

With regards  
J .Shivakumar  
President, The 1818 Society.