

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO.1082
TO BE ANSWERED ON 22ND JULY, 2016/ ASHADHA 31, 1938(SAKA)

Performance Management System in Banks

1082. SHRI K. ASHOK KUMAR

QUESTION

Will the Minister of FINANCE be pleased to state:

- (a) whether the State Bank of India is considering to introduce a performance management system for its employees to build individual accountability; and
- (b) if so, the details thereof?

ANSWER

**The Minister of State in the Ministry of Finance
(Shri Santosh Kumar Gangwar)**

(a) & (b): Yes Madam. State Bank of India (SBI) has informed that the Performance Management System in SBI has been revised and re-named as Career Development System (CDS). The main objective of the revised system is to enhance culture of performance orientation and improve staff productivity. This is achieved by:

- i. Increased business orientation through business linked Key Result Areas (KRAs)- both for Officers and Clerical staff (Percentage of officers and Clerks with direct linkage to business/target will go up to about 90%).
- ii. Fairness and consistency in appraisal through standardisation of KRAs across Officers and Clerical staff in the same role.
- iii. Accurately measure performance based on objective criteria and create differential amongst employees. Measurement of performance (in about 90% of the staff) will be done through IT System.
- iv. The Key Result Areas (KRAs) have been drafted such that it promotes collaboration amongst various stake holders to achieve organizational goals.
- v. Besides differentiation for Promotions, CDS Grades can also be used for other aspects such as monetary incentives, extension in service, Recognition (such as Chairman's club membership), etc.
