

Case 32

Exercise – Labour Laws: Compensation

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Committed Branch Manager

Mr Harinath is a Branch Manager of Indian Bank at one of its village branches. His staff includes two clerks and one attender. Very often, Mr Harinath was left alone in the Bank after 5 p.m. to tally accounts, daybooks and complete all other formalities.

On 30 December, Mr Harinath was working till past 2 a.m. tallying the accounts, since hardly one day was left for closing the accounts for the year. On this fateful night, the branch manager was attacked by a band of robbers, who looted the bank after brutally wounding Mr Harinath's right hand, which had to be amputated, later. After his recovery, the branch manager applied for compensation. The bank management was of the opinion that Mr Harinath violated the job specifications by working beyond the stipulated hours of work. He, in its view, was not entitled to any compensation as the accident occurred during non-employment hours. They also called for an explanation as to why the amount lost cannot be recovered from his salary and the provident fund.

Questions

1. How do you justify the bank's stand in this case?
2. What modifications do you suggest in job description to overcome such incidents in future?

Maximum time to solve this case study: 28 minutes.

Taken from the question paper on Human Resource Planning and Development for MBA (Part II, Semester III) examination of Shivaji University, held in May 2000.

Maximum time to solve this case study: 30 minutes.

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Committed Branch Manager

Mr Hanraha is a Branch Manager of Indian Bank at one of its village branches. His staff includes two clerks and one attendant. Very often, Mr Hanraha was left alone in the Bank after 5 p.m. to tally accounts, daybooks and complete all other formalities. On 30 December, Mr Hanraha was working till past 7 a.m. tallying the accounts, since hardly one day was left for closing the accounts for the year. On this fateful night, the branch manager was attacked by a band of robbers, who looted the bank after brutally wounding Mr Hanraha's right hand, which had to be amputated, later. After his recovery, the branch manager applied for compensation. The bank management was of the opinion that Mr Hanraha violated the job specifications by working beyond the stipulated hours of work. He, in its view, was not entitled to any compensation as the accident occurred during non-employment hours. They also called for an explanation as to why the amount lost cannot be recovered from his salary and the provident fund.

Questions

1. How do you justify the bank's stand in this case?
2. What modifications do you suggest in job description to overcome such incidents in future?

Maximum time to solve this case study: 28 minutes.