

**Recent estimates peg total vacancies in public sector banks at about 79,000 in the current and the next year**

MUMBAI: Bank of Baroda has stepped up lateral hiring as part of efforts by chief executive PS Jayakumar, brought in from Citibank, to infuse new ideas and streamline processes at the staterun bank.

Jayakumar has recruited senior executives from Goldman Sachs and Standard Chartered Bank besides setting up four sub-committees within the bank board packed with outsiders since he took over in October last year.

In the quarter ended March, the bank reported a loss of Rs 3,230 crore after claiming in the previous quarter that it had cleaned up its books. It reported slippages of Rs 5,030 crore and said it had loans of Rs 26,000 crore on its watch list.

Jayakumar appointed a senior banker from Goldman Sachs to head its technology division, another senior executive in the risk division and sought applications from outside for the position of chief financial officer and chief risk officer.

"We have a few people working with us on the cash management side where we have little competence," Jayakumar told ET. "We have some working on the commercial real estate side, where we needed market knowledge in terms of who pays, who doesn't and what is the appropriate fee. And now we are looking for support in other areas as well."

The bank has hired consultants to develop strategies and overhaul the compensation and rewards structure, and empanelled human resource recruitment consultants for senior management positions. About 38 of its senior managers are expected to retire over the next 12 months.

It has also selected an advertising company for a rebranding assignment. It has floated request for proposals or RFPs to appoint real estate consultants to monetise its real estate assets.

BoB has set up four sub- committees within its board that will deliberate on technology, people, risk and financial inclusion. The committee will meet four times a year and review the changes to be made in these specific areas.

"We have done a little experiment where we have created sub-committees of the board in four areas and inducted outside experts," Bank of Baroda BSE 0.03 % chairman Ravi Venkatesan told ET. "It's still early to gauge how much impact they have but at least the flow of ideas has started," he said.

The plan to hire private sector professionals to head state-run banks was partly fuelled by the government's wish to professionalise these banks and improve efficiency. Increasingly, more and more lateral hiring is expected at the mid-level management positions as well, executives said.

The AK Khandelwal committee report on human resource issues in state-run banks estimated that more than one lakh employees, including 50,000 officers, would retire from these banks between 2010 and 2015.

More recent estimates peg total vacancies in public sector banks at about 79,000 in the current and the next year.