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**SUBMISSION OF SUGGESTIONS FOR REVIVAL OF BSNL TO TEAM IIM , AHMEDABAD BY AIBSNLEA, CTD
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Before deciding about the revival plan for BSNL, one has to understand the reasons why BSNL became sick from a profit making company. To our opinion following are the main reasons for declining:

- DOT i.e Govt of India is the owner of 100% shares of BSNL. They are the administrative ministry. But their role for functioning of BSNL remains negative. They never extended any financial and administrative support to BSNL. All new projects were delayed due to the red tapism of DOT. BSNL's reserve fund of 40,000 crore was taken away by DOT in the name of Spectrum charge. And from date the decline of BSNL started.
- The policy makers and managers of BSNL are all on deputation. In spite of repeated appeal these ITS officers did not take absorption and enjoying Govt status with Govt Pay Scales and benefits. The Profit and loss of BSNL is not affecting their salary and benefits. They are mainly technocrats but are lagging in managerial and marketing skills. As a result they could not formulate proper marketing strategies to tackle the aggressive marketing of private players. They did not have the required vision also for formulating the much required growth strategies as a result the competitors came out with new technologies and BSNL only was following them
- The Officers of BSNL could not come out of the Govt style of functioning. As a result the employees also continued with the same Govt style of functioning. There was no accountability. When the trend of surrendering the lines started, there was practically no attempt to counter it other than requesting customers not to surrender. The policy makers could not evolve any policy or plan to counter the churning, As there was lack of knowledge many contradictory tariff plans were introduced which further complicated the scenario.
- As there was lack of supervision and no accountability at any stage, there has been lots of misuse of store items. In reality only 30% of store items are utilized and the remaining used to be misappropriated in many ways.

For Revival following points may be considered.

- ✓ DOT should extend all positive support to BSNL including Financial help. They should feel that it is their company and decide the policies accordingly.
- ✓ BSNL should be manned by professional managers at all the levels. Time has come to understand that ITS officers are only good technical managers and they should be utilized for that job only. Anybody whose personal growth is not related with the growth of the company should not be posted at any important position.
- ✓ Introduction of accountability at all the stages. At the end of the day everybody has to explain his pending jobs. The responsible officers and officials should be at their desk at 9 AM like all other private players,

Q1 . What are the challenges you face in performing your duties ?

Customer related	1. 4G service is the first need of customer. We are facing challenge to satisfy our existing and prospective customers for not having 4G service.
	2. Non receipt of Telephone Bills /message in time .
	3. Delay in fault restoration
	4. Service during off normal hours/holidays
	5. Inconsistency in GSM service especially for data
	6. Inconsistency in Broad Band service
Administration related	1. Non allocation of fund in time: Funds for Electricity Bills , Imprest expenses, Road restoration charges etc.
	2. Staff amenities and other dues like medical , LTC etc. are not paid in time
	3. HR related problems such as increment , leave etc. are not being done in time without persuasion
	4. Red tape in file processing: Too many persons between proposers and decision takers
	5. Lack of coordination amongst public utilities: We are unable to sign MOU with the agencies like KMC, KMDA , CESC and local administration for which cable laying/restoration process are being delayed.
Technical	1. Delayed implementation of ongoing projects: Decision of NGN project was taken in 2007 which is still under implementation stage
	2. Lack of planning for network expansion: Green field areas are not covered effectively.
	3. Shortage of skilled manpower with a lower age profile: Due to mass retirement, maximum numbers of employee over 50 years.
	4. Lack of demand for landline in the market.
	5. Absence of transparent and discrete clause of tender regarding outsourcing.
General	1. Casual approach/lack of sense of responsibility/sincerity even in the higher level of management.
	2. Lack of punctuality.

Q2. What improvement/changes do you suggest should be made to your department?

Customer related	1. Immediate 4G service is to be started; if viable we should start 5G service to grab the customers with our new services.
	2. Timely dispatch of Telephone Bills and message is to be sent for Bill payment via E-mail and mobile
	3. Responsibility and accountability to fix up and proper monitoring should be done from top to bottom
	4. Proper action for Service during off normal hours/holidays is to be implemented. This service may be outsourced. Working hours of employees may be from 9 A.M. to match other operators
	5. GSM Data downloading/uploading consistency is to be maintained strictly to satisfy our esteemed customers. For this reason number of towers are to be installed especially 3G towers
	6. Broad band downloading/uploading consistency is to be maintained strictly to satisfy our esteems customers. For this cleaning of DSLAMs to remove dust and other preventive measures may be adopted. FTTH service to be popularized
Administration related	1. Fund allocation for Electricity Bills , Imprest expenses, Road restoration charges etc. is to be done for smooth running of Exchanges
	2. For payment Staff amenities and other dues like medical , LTC etc. respective level of management must be made responsible to satisfy internal customers
	3. This part is self explanatory. Moreover all work is being done in ESS / SAP portal side by side in legacy system through pen and paper. This should be avoided.
	4. For removing Red tape in file processing persons between proposers and decision takers are to be kept within three (1) Proposer (2) Evaluator (3) Approving Authority
	5. Lack of coordination amongst public utilities: We are unable to sign MOU with the agencies like KMC, KMDA , CESC and local administration for which cable laying/restoration process are being delayed – this is self explanatory
Technical	1. All the projects should be implemented in a time bound manner. Penalty should be imposed to vendors for delay.
	2. While planning expansion, we should invest for laying and developing infrastructure in the upcoming Housing and Industrial Projects.
	3. Intake of fresh blood with technological advanced knowledge is extremely necessary for the health of the organization.
	4. At present GSM tariff (especially prepaid) of BSNL itself eats up the voice related service of Landline. As for example, Plan 429 of BSNL gives unlimited voice ,2GB data per day for about 6 months, comparing this Landline obviously becomes costly at a minimum rate of 160 per month without any modern facilities.
	5. Imposition of penalty for delay and non performing/under performing should be incorporated in the Clause of Tender to restrict outward money flow.
General	1. As the topmost management is mostly unabsorbed in BSNL , they are DOT staff, they do not own the responsibility of BSNL , hence this type of slackness is seen. Immediately all the top management should be part of BSNL itself.
	2. We have to install Biometric machine in all the establishment side by side it should be connected to presence/absence recording machinery on pan India basis.

Q3. What improvement/changes do you suggest should be made in BSNL in order to turn it around from a sick organization to a profitable organization ?

Proper Policy to be adopted:

1) BSNL is suffering due to wrong policy implementation viz.

- a) Getting mobile license after six years after starting.
- b) When Private marketed 3G, we offered 2G, and now they have captured maximum customers with 4G, still BSNL was not allowed 4G.

2) Wrong policy always experimented with BSNL like

- a) Once installation of DLC Exchanges throughout the country, and then failed to maintain and those exchanges are being dismantled and withdrawn, causing huge loss of money .
- b) Huge loss due to the equipments installed for IPTV and then failed.
- c) Same thing happened with CDMA/WiMax technology.

3) BSNL is always launching a new service without planning proper network, failed to be a market leader

Still we are getting 62% revenue from CFA vertical and the future is FTTH. We are giving GPON connections by drawing hundred/ two hundred meters OH OFC which will be damaged for different reasons. we have not created our UG OFC network for this purpose ,although private operators have built up the UG network first then coming in the competition.

But we start service without investing in developing network first.

Lack of ownership in the Top Management:

BSNL is the only PSU, where top management are not the a part of the organization , hence,their feelings for the survival of this PSU is well understood.

Restructuring of the organization:

Merge Region and Project with territorial Circles,this is required for better utilization of available manpower and planning execution very fast.

Autonomy to BSNL Board:

BSNL Board has to work like a puppet of DoT alias Government of India.As a consequence of it BSNL cannot take any independent decision,like Global tender of GSM equipments,4G rollout, taking Bank loans,3rd PRC implementation. So,many examples are there.This affects the concept of 'level playing field' killing true competition.

Real Estate Business:

1) BSNL can use Training centres to earn money

BSNL may lease out the whole infrastructure with hostel to any commercial/state govt/central govt educational institution and earn a fair amount of money.

2) Renting out of vacant quarters

It is self explanatory.

3) Setting up On line examination centre

Today most of the examinations are online, BSNL may set up such centres without much investment and earn a regular income.

4) All sorts of technical and financial internship/ training may be organized.

It is mentionable that various computer centres in the market is charging 2.5 lakhs per candidate for three month's SAP training and they teach just a few t-codes. Our internal resource can do more than that.

Balance sheet and P&L part

- 1) To identify fixed assets physically against which depreciation is charging. Many assets may be there in our books where depreciation is charging but no existence of assets.
- 2) Unserviceable and obsolete stores to scrape and sale immediately.
- 3) Current asset and debtors to review thoroughly and verify the prospect of recovery. Technical write off may be done to stop unnecessary bad debt provision in every segments.

This steps can improve the health of the balance sheet and show less loss.

Hire out expertise to other organization

Qualified resource of BSNL may be utilized for the purpose of internal audit of BSNL as well as other PSUs. Approval from respective authority may be accorded accordingly.

Rationalizing tariff

- 1) There are so many product of BSNL whose tariff are conflicting, for example BSNL offers Broad Band via Landline of lower speed in higher price that Broad band via OFC in a very low price. As a result FTTH marketing ultimately eating up LL market causing loss in revenue.
- 2) In GSM Mobile service Post paid customers (Loyal Customers) are given lower facilities. And prepaid tariff in cutting the way of Land line voice as well postpaid service. For example for Rs.429 one can get unlimited calling and 2GB data per day whereas Postpaid 525 plan (Rs 525 per month) can not get even unlimited call facility. Similarly, Landline service also comparatively very expensive to prepaid GSM.

Rationalization of network planning

1) Expansion of transmission media

OFC must be laid along all existing routes as well as new routes because, old OFC are damaged fully or, became lossy for expansion of FTTH, BB, BTS & also for NGN. Completion of important Tx rings are necessary.

2) Shutting down of small exchanges in rented premises

A large numbers of small exchanges having very less DELs must be shut down.

Arresting wasteful expenditure

- 1) Management level meeting should be arranged through video conferencing to save huge amount of TA/DA and other expenditure.

- 2) **No transfers except at own cost**
In this policy we can save lot of money in the form of transfer grants.

BSNL still is in a stage where it can be revived. For revival of BSNL, at least three things need to be done urgently.

1) Deal with the crisis of credibility and competence at Board level.

An organization is a shadow of its Head. The personality and intent of the head of the organization start impacting the performance of an organization from day one, even before he has not taken any action. Once people start viewing his positive actions, there is a quantum jump in the performance.

2) Build capacity through massive technical and management training

Build capacity through massive technical and management training of those executives and staff who have the potential capacity to deliver for improving the operational efficiency of BSNL. Quarantine the rest by paying them their salaries either by allocating them peripheral jobs or keeping them in reserve. Excess dis-functional staff not only draws their salary, they spoil the work environment also.

3) Hold on the services where competition is intense

Hold on the services where competition is intense like mobile with quality service and push aggressively on those services where other operators have not committed too much resources so far and which are likely to be future services; for example, Fiber to the Home (FTTH) services. In optical fiber BSNL has still a natural advantage and with increasing paying capacity of consumers, FTTH with private Wi-Fi could be next killer service. BSNL should aggressively and strategically work in this area.

On behalf of AIBSNLEA , CTD Circle



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