

# The Remote Future For Group IT

LTU has received hundreds of responses from IT staff regarding the Group's decision to set up a Strategic Development Centre in India. A representative sample of the responses we have received from members is published overleaf. The overwhelming feeling of Group IT staff is that this is the 'thin end of the wedge' and that hundreds of more jobs will be transferred to India when the SDC has proved to be a success, which it will be on cost grounds alone.

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**"Shameless, how can management motivate us "to get onto the pitch" when it is obvious that they are playing a different game themselves. "**

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In its Q&A briefing accompanying the announcement, Group IT made it clear that the success of the Indian SDC will be assessed and, if it proves successful, then it will be expanded to take on more development work. **According to the Bank between 240 and 361 full time equivalent staff in Application Development are involved in the type of work that can be done in India. If there is an expansion of the Indian operation, then the likelihood is that those staff will be the first to see their jobs going to India.**

But it is also naive to think that offshoring jobs to India will stop with the writing of code. The range of IT work being performed in India is constantly expanding. Indian IT firms such as Infosys and Wipro are aspiring to be full service providers able not only to write code but also run major projects from start to finish. And then there are the giant global professional-service companies such as IBM, Ernst and Young and our old friends Accenture, who have set up their own Indian operations to offer services to their clients in Europe and America. **Barclays Bank recently announced that it was outsourcing its Application Development Division, which employs some 2000 staff, to Accenture. The likelihood is that up to 1000 jobs in the Application Development Division will then be outsourced to the Accenture operation in India.**

Application Development could just be the beginning. In a recent article, "Reinventing IT Services", McKinsey & Company said that "Some 80% of the work of Applications Management can now be performed remotely ...".

**Only LTU has been campaigning against the Bank's policy of exporting jobs to India. And only LTU can be relied upon to keep up the pressure and not simply posture once announcements are made.**

**LTU is campaigning for Lloyds TSB jobs to be kept in Britain, but we need your support. If you are not already a member of LTU then join today to help our Campaign.**

## **COMMENTS**

I am concerned that the expected cost benefits of implementing the Improving IT programme will not materialise as expected. I subsequently feel that there is more likelihood of further jobs being created in India and a reduction of staff in the UK. This would provide the benefits/savings that Accenture have promised.

This is just the beginning of a mass exodus of jobs to India. I am no longer secure in my job at Lloyds TSB and I feel worried about the future, not to mention totally demotivated. It is nothing short of scandalous - profit before people.

**This is the thin end of the wedge.**

When will it stop? Will we be going into a branch and video linking to a "customer facing staff member" in India?

**I'm really worried at the direction the bank is going with outsourcing to India and the pace. In less than 12 months, major areas of the bank have/or will be outsourcing jobs to India. What will happen in the next 12 months?**

It comes as no surprise to me at all. After the announcement from Group Operations that it was just going to "dip its toe in the water" when it announced call centre work going offshore and then announcing further jobs losses "due to the success" in India. I deal with outside suppliers who use an Indian IT development arm and some of the code receives does not work as it should.

**Surely they should be looking at the overbearing bureaucracy within Group IT and remove that layer (too many Chiefs and not enough Indians in my view). I feel there are inherent risks involved in IT work going to India. Back doors to data and applications could cause untold damage to the reputation of the bank and be a fraudsters paradise. Watch the customers leave in droves .....**

Why is it that C&G Group IT staff only find out about this from LTU Newsletter? With no sight of Igor Andronov's letter.

**Next time LTU staff stand outside C&G distributing leaflets, would they consider collecting signatures for the LTU petition at the same time. Even if it's really designed for customers, a large amount of us are customers as well as staff.**

I am totally against this strategy. Although it does not directly affect me I am concerned that this profit related move will have long term negative affects on LTSB as a whole, not to mention the long term affects on the British workforce if this trend continues.

**Very worrying. My job is at risk.**

Shameless, how can management motivate us "to get onto the pitch" when it is obvious that they are playing a different game themselves.

**Lloyds will lose custom and business by going down this route. Has someone weighed up the loss against the profit made by cheaper staff in India - long term they will lose. Perhaps they should concentrate on keeping it British - advertise the fact and their business and custom will grow!!**

Igor's letter states that 'demand for certain application development skills exceeds the number of staff available in IT to do the work'. Why are we not recruiting (either externally or internally) I have not seen any job adverts for AD roles. Why are we not training existing IT staff to help them acquire these 'certain development skills'?

**Not directly involving IT jobs but: are account personal details "held" in India protected by the Data Protection Act? If not how can the Bank 'transfer' these abroad without my permission?**

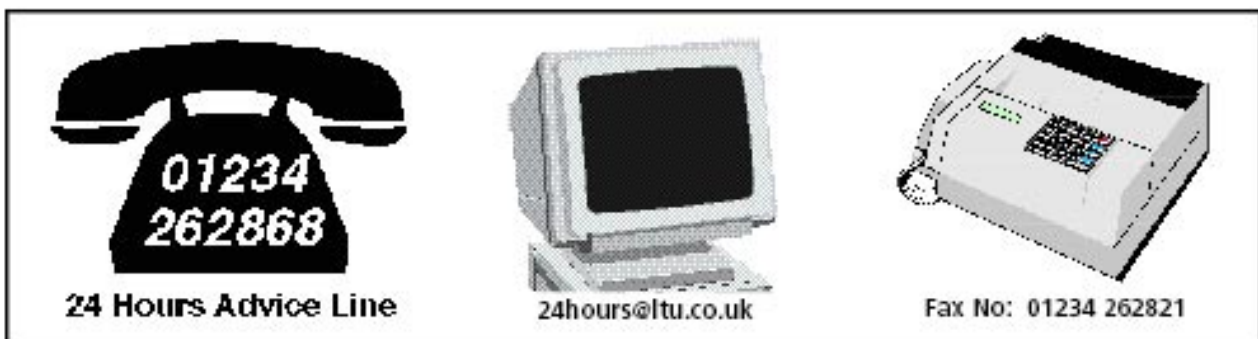
If Group IT can get jobs done cheaper in India, will it affect our pay? Group IT may not be inclined to pay market rate if they think the job can be done cheaper elsewhere.

**What announcement? Group IT in Gloucester still haven't had an announcement of any kind. The first we've heard about an Indian SDC is from the LTU newsletter! As of the afternoon of 23rd Feb, there's still been no announcement, letter, e-mail, etc.**

If cost savings could be achieved by transferring senior management jobs to India would this be done? In the interest of increasing profits and shareholder value? Or, is it easier to wield a sword rather than to fall on it.

# Contacting LTU

Members with any questions can contact the Union's Bedford Office as follows:



**Mark V Brown**  
Assistant General Secretary