

# Scottish Widows Jobs Going To India

**T**he threat of the exodus of thousands of jobs from Scottish Widows to India has begun. Ron Whatford, Managing Director Operations, announced today that a Scottish Widows pilot was being set up in India which would involve up to 50 roles.

Scottish Widows has said that "There will be no job losses within Scottish Widows as a result of the pilot.". However, we know from bitter experience that the success of the pilot is a foregone conclusion on cost grounds alone. Scottish Widows undertaking that no jobs will be lost for the duration of the pilot is worthless without any guarantees about what will happen in the future. LTU is concerned that eventually the Scottish Widows India Operation will be expanded and that thousands of jobs in Edinburgh and Chatham will be sacrificed in pursuit of even greater profitability.

Scottish Widows is one of five business units, the others being Group Operations, Telephony, General Insurance and Cheltenham & Gloucester, reviewing their activities to see how much work could be transferred to Bangalore and Hyderabad.

## 1000 Jobs Lost In Newcastle

Staff in Scottish Widows will be aware that staff in Newcastle were recently told that the Contact Centre would be closed down with the loss of up to 1000 jobs. Lloyds TSB has said that it intends to shut the Centre in phases and entirely by the

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end of 2004. The first tranche of 150 jobs will go by the end of March next year, followed by four further tranches until all the jobs have been moved to India.

## Key Issue For SW Staff

It is important that staff in Edinburgh and Chatham understand the potential impact of the Group's proposals to move jobs abroad. In one of its previous briefings the Group had indicated that the work selected for transferring abroad will be chosen on the basis of a mixture of both existing work and new work resulting from business growth. There will also be a considerable focus on where the Group employs large numbers of temporary staff and finds it hard to recruit and retain staff at current salaries. In Edinburgh, Scottish Widows still employs a large number of temporary staff, some 400 at the last count, and it has said previously that recruitment and retention are a problem.

## How Many Jobs?

Though the initial focus of the Group wide announcement in September was the creation of 1500 jobs in India to handle work transferred from the UK, many more jobs will inevitably follow. According to the Group itself some 25,000 are already employed in the types of activity that could eventually be transferred to India or any other country where the Group can obtain low cost labour. In Scottish Widows up to 2,500 staff are employed in activities which could be transferred overseas.

Scottish Widows is already trying to play down the significance of the announcement today. They are saying that it's only a pilot and no decisions have been made. However, staff should remember that in Lloyds TSB a pilot is just phase one and it is inevitable that many more jobs will go to India . It is also worth remembering that Managers in one part of the Group have been told that ".....it is the Bank's intention to transfer 60% of its operations to India with 40% remaining in the UK."

## LTU Campaign

We have been vehemently opposed to the Group exporting jobs to India since we first learnt what it was planning through leaked information.

LTU has been a lone voice in recognising the very real threat that exporting such work to India poses for every member of staff throughout the Group who has a non-customer facing role.

The closure of Newcastle Contact Centre if it is allowed to proceed would not be the end, indeed it would give the green light to further closures.

Have we been scare mongering? Look at the facts:

- "We have no plans to outsource work to India." Lloyds TSB June 2002.
- "Only a toe in the water". Lloyds TSB on its plans to pilot the transfer of 250 non-customer facing jobs to India September 2002.
- "Only new not existing work will go to India." Lloyds TSB September 2002.
- "Up to 1,500 jobs from 5 Business Units by

end of 2004." Lloyds TSB September 2003.

- "All other parts of the Bank to review which work can be done in India." Lloyds TSB September 2003.
- "Complete closure of Newcastle Contact Centre by end of 2004 with the loss of 960 jobs". Lloyds TSB October 2003.

Sadly, but not unpredictably we have been proved right all along. The loss of any job, be it in Edinburgh, Chatham or the Newcastle Contact Centre, is one too many in these circumstances and only LTU can be relied upon to oppose the Group's decision.

Staff need to be in no doubt, if the Bank does not drop this policy then there will be no end to the work that will go to India or any other country which can do processing and administrative jobs for a fraction of the cost.

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.

## Customer Support

LTU's campaign against the transfer of work abroad is winning overwhelming support from customers.

The Union has established teams across the country to approach customers outside branches. Customers have been invited to sign a petition stating that:

"I am a customer of Lloyds TSB and I object to any aspect of the management of my account(s) being transferred to India or any other overseas location. To do so would be bad for Customers, Staff and the UK economy."

The support of customers could not be clearer. LTU estimates that around 90% of customers who have been asked to sign the petition have been happy to do so. No-one can therefore be under any doubt that customers are overwhelmingly opposed to the transfer of work abroad.

## Exceptional Media Interest

Because LTU is the only trade union to have successfully involved customers in campaigning to reject the transfer of work abroad, the Union's campaign has attracted substantial media interest.

In addition to national newspaper coverage, over 80 local newspapers and radio stations have also reported on LTU's campaign. On every single occasion, customer reaction has been reported as being fully behind the campaign to stop work being transferred abroad.

Typical customer reaction reported in the media has included:

"We need all the help we can with jobs in this country and the quality of service will definitely suffer if our calls are taken abroad" (Gloucestershire Echo)

"From my point of view I am against it. This country is short of jobs as it is; the last thing you want to start doing is palming them off to other countries" (Halifax Courier)

"It's taking jobs out of the country so it's bound to be a bad thing" (Bristol Evening Post)

"If Lloyds TSB does transfer its Worthing jobs to India, they can kiss goodbye to my accounts and, hopefully, millions of others who would also condemn such a shameless pitch for increased profit on the back of cheaper labour" (Worthing Herald)

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## On Target For 500,000 Signatures

LTU's campaign is already making excellent progress in its initial goal of collecting half a million signatures from customers opposed to Lloyds TSB transferring work abroad.

That the overwhelming majority of customers

approached have agreed to sign the petition - at times queuing for the opportunity to do so - should leave the Lloyds TSB Group with no doubt whatsoever of the unpopularity and commercial risks of transferring work abroad.

Mark V Brown  
Assistant General Secretary