CHAPTER FIVE
RECOMMENDATIONS LIMITATIONS

5.1 Retaliation from Employees And Employee Unions

Some banks have been trying to outsource functions carried out by their employees to other entities under the guise of globalisation, competition and efficiency. As a result, the Federation of Trade Unions of Employees in the Banking and Financial Institutions general secretary J. Solomon was concerned that the above was done without any discussions or consultations with the unions.

As a result of the outsourcing, 30,000 employees may eventually lose their status as bank employees and the union is unhappy over the move. According to Solomon, "Some banks are doing this without any regard to the morale of the staff, the disharmony being created and worst of all, the effect of services to the public and the confidentiality relating to bank customers' secrecy information under section 97 of the Banking and Financial Institution Act 1989. (BAFIA)

As the custodians of public funds, banks, he said, should not comprise banker-customer confidentiality as the outsource entities do not fall under the supervision of Bank Negara and were not governed by BAFIA.

5.2 Skilled Workforce

Due to the large dependability on the various systems, the total workforce would have to be skilled and trained accordingly. The standardization and the consolidation of systems and technologies have created a highly complex operation, which requires special skills. The high level of operational
complexity may create various challenges due to the difficulty in hiring employees who are high reliability