

The Bank Guarantees Quality

(When Bad Workmanship Doesn't Pay)

The saying "a complaint runs around in a vicious circle" has gradually disappeared from the vocabulary of the men employed by the "Magadangrazhdanstroi" Planning and Construction Association. The disappearance of this concept came about when, after the transition to a comprehensive profit and loss system of accounting, an industry-wide bank was established.

Now, what sort of link is there between the complaints, which often used to be levied against the builders, and a bank being set up?

"There's a very direct connection," answers the Deputy Director of the Association, V. Shulunova. "You know, one of the functions of the bank is to impose sanctions when the quality of workmanship is allowed to fall. Let's say, for example, that one complaint alone directed against a construction brigade by someone who has just moved into new housing, will cost that brigade five hundred roubles. A cheque for that amount is handed over to whoever deals with the shortcomings in the original work. And now it is no longer the customers with complaints who have to try to catch the "uncatchable" poor-quality workers, but, on the contrary, it is the workers who are on guard and who respond in a twinkling to the wishes and requests of the new tenants.

The financial department of the "Magadangrazhdanstroi" Association was the foundation of the bank. The department puts into circulation cheques to cover the cost of goods and materials,