

**INTERNSHIP REPORT
ON**

“Errors in Account Opening Forms: A case of Rupali Bank Limited”





BUS: 400

INERNSHIP REPORT ON

“Errors in Account Opening Forms: A case of Rupali Bank Limited”

Submitted To:

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APPROVAL OF COMPLETION OF INTERNSHIP

April 19, 2017

BRAC University

66 Mohakhali, Dhaka – 1212

Subject: Completion of Internship under Rupali Bank Limited.

To Whom It May Concern,

It is my pleasure to report that Fahim Abid Bin Ismail, ID: 12304078 of BRAC University has successfully completed his internship under the Accounts Opening Section of Rupali Bank Limited.

In short time he has worked with our team engaging in the assistance of opening accounts in our branch. Moreover, he also assisted us in data entry, check book registration and updating customer's information. Fahim used his skills and knowledge to provide promotional activities of our branch. On some occasions he got the chance to display his talents to such an extent that the employees applauded for him.

It was a pleasure supervising Fahim these 3 months. Fahim's hard work and contribution to our branch was greatly appreciated and our office staffs and co-workers enjoyed working with his wonderful personality. We pray that he achieves further success in his future.

Sincerely,

Md. Afzal Hossain

Assistant General Manager (In charge)

Rupali Bank Limited

Mirpur Corporate Branch

Approved By:

Academic Supervisor

ACKNOWLEDGEMENT

First of all, I would like to convey my deepest gratitude and sincere submission to Almighty Allah for giving me the opportunity for the accomplishment of preparing my internship report.

Then, I would like to express my heartiest gratitude towards all those people who helped me for completing my internship report. Firstly, I would to thank my internship supervisor Mr. Md. Afzal Hossain, Assistant General Manager of Rupali Bank Limited of Mirpur Corporate Branch he was more like a mentor rather than my supervisor. I would also like to all of those staff and employees especially Principal Officers, Ishrat Jahan and Rany Khanom who helped me any time whenever I need any help or advice from them.

In addition, I would like to express my gratitude towards BRAC University, where I have finished my required courses to be eligible for preparing this report. The education I received from the teachers and throughout my university life, truly increased my competency level and thoughts during my learning period.

Last but not the least, I convey my cordial gratitude towards my academic supervisor Mr. Saif Hossain for his guidelines and suggestions during the preparation of the report.

In short, I want to say that I am very thankful to Rupali Bank Limited for giving me a first-hand job experience and the essence of being in the job field. I honestly believe that these Three-month internship experience will become a foundation for my successful career in future.

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LIST OF ABBREVIATIONS

AGM – Assistant General Manager

CD – Current Deposit

DPS – Deposit Pension Scheme

FDR – Fixed Deposit Scheme

I.T – Information Technology

N.ID Card – National Identity Card

P.O – Principal Officer

RMSS – Rupali Monthly Savings Scheme

RSSA – Rupali Students Savings Account

SBA – Savings Account

STD – Short Term Deposit

T.P – Transfer of Payment

EXECUTIVE SUMMARY

This particular report is mainly based on the internship program which is partial requirement for the Bachelor of Business Administration (BBA) Program, BRAC University. The report discusses about identifying the errors customers make while filling the Account Opening Forms, why they make errors and how to find the optimal solution for reducing the errors. It also includes how the customers can be helped or conveyed in efficient ways. Moreover, the job I had to do while working at the Rupali Bank Limited. The report includes the interviews taken with the Assistant General Manager, Principal Officers and Customers. The Assistant General Manager told about the policy and procedures of the current account opening system as well as what the bank is going to do to be more efficient to convey or help the customers in an effective way. The principal officers shared the information about the present IT infrastructure and what measures they are taking to improve the infrastructure and how they can relay the account opening information in an efficient way for the betterment of the customers. In addition, they shared the customers' point of view while opening an account and gave some directions what they are going to do to reduce these errors customers make; how they can give the information needed to open an account in an effective manner. The customers shared the problems they have to face while opening an account as well as some suggestions what the bank can do to reduce or minimize these errors they make while filling up an account opening form and how the bank can help them to be more effective to convey or help them. This report concludes with some recommendations about what they can do for the betterment of the bank.

OVERVIEW OF BANKING INDUSTRY IN BANGLADESH

Our country's financial sector is mainly dominated by banking industry. The domination of banking sector marks out the crucial importance of this sector in resource mobilization and economic growth. The role of banking sector in accelerating growth is contingent upon the soundness and depth of the sector. In our country this sector has travelled through several experience of up and down in this sector. Reforms measures are being taken over the past few years so that the Central Bank can have more control over all the banks. Though the banking sector has been performing well in terms of generating employment, remunerating and business during the last two or three decade, in the stock market the market price of bank shares is consequently high. However, this sector's performance has been deteriorating during the last few years. The primary business of this industry is investing the money they receive from their account holders to different business sectors' of our economy (Khatun, 2016).

OVERVIEW OF RUPALI BANK LIMITED

Rupali Bank Limited was established with the merger of three banks on March 26, 1972 and they are Muslim Commercial Bank Limited, Australasia Bank Limited and Standard Bank Limited. Till December 13, 1986 Rupali Bank Limited had worked as a national commercial bank. At December 14, 1986 Rupali Bank Limited had come known as one of the largest Public Limited Banking Company of the country (Rupali Bank Limited, 2017).

At present their capital is Tk. 7000 million or USD 88.66 million and paid-up capital is Tk. 2760.39 million or USD 35.39 million. Of the paid-up capital the government controls 90.19% and private controls 09.81 %. At present the bank has a total number of 276038812 share, the amount of shares demitted by shareholders are 275452502. Rupali Bank has a total of 562 branches in our country. Around 5500 employees are working at this bank (Rupali Bank Limited, 2017).

BACKGROUND OF THE STUDY

During the last few years the performance of banking industry of our country is not so much satisfactory. Although the customers provide necessary documents, they make mistakes in the account opening forms. The report titled **“Errors in Accounting Opening Forms: A case of Rupali Bank Limited”** can give a better picture of why the errors are made by customers and the optimal solution for the errors in Accounts Opening Forms. This report is important because if the customers do not open an account then the banks cannot use the customers’ money to utilize it properly or give loans to a company or business to earn revenue.

THE PROBLEM STATEMENT

The banking service provided by the bank has not improved which is why the barriers to provide loans to business industries has increased. One of the reason is that to correct the errors customers make in an account opening form takes time. As a result, the barrier to provide loans increases for the bank.

THE PURPOSE OF THE STUDY

The purpose of this study is to identify the errors customers make in an Account Opening Forms and the optimal solution to reduce or minimize the errors customers make in a form so that the bank can meet their target of opening new accounts on behalf of the Accounts Opening Section. In addition, the objective is to know the present accounts opening policy and procedures and the current IT infrastructure of the bank and improve it for reducing these errors customers make in an Account Opening Form.

OBJECTIVES OF THE STUDY

The following are the specific objectives of the study –

- To know about the present account opening system at Rupali Bank Limited.
- To know the present IT infrastructure and its use for opening new accounts.
- To know how the present account opening system can be improved.
- To identify the errors customers make in an Account Opening Form.
- To find the optimal solution for the errors to be minimized or reduced.
- To know how the customers can be conveyed or helped in an efficient way.

METHODOLOGY

This report contains both the primary data and secondary data especially the first one among the two which are properly cited. The methodologies used to meet the objectives of this report are given below –

- In order to know the current situation of opening new accounts Mr. Md. Afzal Hossain, AGM (Assistant General Manager) and P.O (Principal Officer) Abdullah-Al-Mamun, Mirpur Corporate Branch of Rupali Bank Limited has been interviewed.
- In order to know how the development of IT infrastructure can help both the customers and the employees AGM Mr. Md. Afzal Hossain, P.O Mrs. Rany Khanom and Md. Mohiul Islam has been interviewed.
- To know how the current account opening system can be improved and what the bank can do for them to help while opening an account 10 customers has been interviewed. Also the AGM Mr. Md. Afzal Hossain and P.O (Principal Officer) Md. Mohiul Islam, Mirpur Corporate Branch of Rupali Bank Limited has been interviewed.
- Reviewed 40 account opening forms consisting errors.
- To find the optimal solution to minimize the errors in an Accounting Opening Forms, 10 customers and the P.O (Principal Officer) Ishrat Jahan and Abdullah-Al-Mamun, Mirpur Corporate Branch of Rupali Bank Limited has been interviewed.
- To know how the customers can be conveyed or helped, 10 customers and the AGM Mr. Md. Afzal Hossain, Mirpur Corporate Branch of Rupali Bank Limited has been interviewed.

THE TIMELINE OF THE STUDY

The timeline for the study was for 3 months starting from 22nd January, 2017 till 20nd April, 2017. It is conducted of the following steps –

- First Month (January to February) – Collection of Secondary Data.
- Second Month (February to March) – Analysis of Secondary Data.
- Third Month (March to April) – Collection and Analysis of Primary Data.

LIMITATIONS OF THE STUDY

This study is mainly based on primary data where the data mostly collected by interviewing both customers and the employees most of them are descriptive and subjective. Another issue is that since it is a commercial bank, in context to this report, a Public Limited Company Bank maintaining confidentiality is very important for their business. Moreover, the report has been made from the information being available and given from interviews as per the scope of an intern.

ANALYSIS

After reviewing 40 errors made account opening forms and after interviewing the AGM and the P. O's I have found that the branch office is not currently meeting up the target they have to fulfill which is not so satisfactory. Also, the errors customers made in the account opening forms reflects that the bank lacks the usage of their IT infrastructure and conveying the information they need to open an account is not so good. They relay the information customers need to open an account orally as a result customers cannot remember all the information told to them by the staff or employees. So the customers make these errors as a result the branch office cannot meet the target they have to fill in a month. For this, the customers deposit or the bank cannot utilize the money in a proper way to increase their revenue. If this goes on the bank performance will decrease more they are now in the nearest future.

FINDINGS

The current account opening system

The AGM Mr. Md. Afzal Hossain and the P.O Abdullah-Al-Mamun in the interview they told that the customers complain about having an introducer while it helps them to an introducer as a backup if anything goes wrong. They complain about so information they have to give to open an account. The customers tell them to provide less information while opening an account. The interviewee argued that it helps them to feel secured or safe. Mr. Mamun in his statement told that many people come to our branch to open an RMSS account while the condition is to open an SB account before the RMSS account so the customers complains about it also (Appendix A – 02). Similarly, the AGM replied that having an SB account helps the customers to transfer the money from the RMSS account to SB account easily without worrying to walk around with a large amount of money in cash when the RMSS account matures after 3, 5 or 8 years as per the policy of the bank (Appendix A – 01). He also added that customers can gain an interest of 3.5 percent from their SB

account. But for FDR account the customers do not need to open an SB account (New Interest rate on FDR, STD, SB, Student Savings and Festival Deposit Schemes, 2017).

The errors customers make in the Account Opening Forms

After reviewing the 40 errors made account opening forms the identified errors customers made are given below –

The Errors customers made in an accounting opening form	Number of Errors
No Introducer of the customers.	9
Different signatures at different parts of the form by the customer's	5
Nominee is under 18 years old.	3
Introducers N.ID card photocopy.	7
No signature of the customer at Nominee's part of the form.	5
No Introducer's signature at the Introducer's part of the form.	2
Giving wrong SB/RMSS/FDR account number of the Introducer by the customer's	4
Giving wrong present address by the customer's	5
Total	40

Table 1- The errors customers made in an account opening form

For the Optimal Solution

During the interview with the P.O (Principal Officer) Abdullah-Al-Mamun and Ishrat Jahan I have found that the IT infrastructure is undergoing development so that the customers can not only see the benefits information but also the information they need to open an SB/RMSS/FDR account in order to convey or help the customers. Also he stated that to convey or help the customers the bank will provide the necessary information needed to open any account will be given through brochures or in a paper in order to save time for both the customers and the employees like, Islamic Bank Limited. In addition, they told that the customers think that the information they give about an introducer is quiet irrelevant but the reality is it is for their safety and security. For those who cannot read or write they orally tell what documents they need and they employees fill up the forms for these customers. Also, after opening the accounts if there is an error they instantly tell the customers to correct the error in front of them. Even after opening the account if there is an error they contact the customers via mobile or telephone to come and meet them at the office to correct it. Then they stated that

if any customers do not have an introducer then an employee or a staff acts as an introducer for them so it helps them to open an account at the bank (Appendix A – 02, 03).

How the customers can be conveyed or helped

After interviewing 10 customers I have found that the customers have to give too much information and they should not have to give an introducer who has an account at a particular branch. In a sense having no introducer. They also suggested that anyone can become Nominee it should not be those who are 18 or more than 18 years old because some of them wants to give Nominee to their children who are less than 18 years old instead of giving it to their husband or wife. They also suggested that the bank can provide necessary information in a paper, it can help them to understand what documents they need to give and how they can fill up the form (Appendix A – 06).

While the AGM of the Rupali Bank Limited, Mirpur Corporate Branch in his statement told that if there is no introducer for a certain customer the employees fill up the introducer part or acts as an introducer. Also, for providing necessary information to open an account the IT infrastructure is going to be developed to give the customers all the information they need to open an account (Innovation Plan-2017, 2017). A particular reason is that there is no one who does not use internet so from the internet people can get the information they need without coming at the bank it saves them time also they can read it by taking more time to understand the contents (Appendix A – 01).

Mrs. Rany Khanom in her statement told that the IT infrastructure of the bank is not so developed that is also a reason customers do not get the information they need as a result they have to visit the branch and understand the information orally. The development will add a boost both for the customers and for them to save time without any need to explain in details. It can also help them to do their work more effectively because the customers can get the information from the internet and download it (Appendix A – 05).

Mr. Mohiul Islam from his point of view about the development of IT infrastructure said that development of IT is much needed because we are now using internet, computers etc. if there is anything customers do not understand then we can help them to understand that particular part instead of having to explain every details about opening an account. So it helps us and the customers to help them to open an account. It can also help the customers to make errors in an account opening form (Appendix A – 04).

CONCLUSION

In conclusion, I want to say that the bank can improve their service by providing the information to open an account at the front page of the forms including the brochure and the paper. It can help the customers to know which documents they need and which part will be filled for whom. Moreover, it can help the employees to convey or help in an effective manner. As we have discussed before the banking industry plays a significant role towards a strong economy for a country. Not only a country but also the business and commercial industries and the government rely on their banks. Still the main reason the banks are not performing well is due to non-productive investments by the banks. The business or commercial industries take loans from the banks, they should be utilizing the money they give to these industries but the question arises “Where the money does comes from?” The answer is simple and we all know it comes from the money clients and customers saves or deposit at the bank. The more customers saves money; the more the bank can utilize the money to earn revenue. So the account opening system of a bank should be more efficient and effective so that the customers can easily open an account at the bank without making any errors. Even if there are errors the bank can help them to find a solution to their problems.

SIGNIFICANCE OF THE STUDY

The significance of the report is that no one or nobody has made any report similar to the topic of this report **“Errors in Account Opening Forms: A case of Rupali Bank Limited”**. As this report’s objectives are to identifying the errors customers make in an account opening form, the optimal solution and how the bank can convey or help the customers in an efficient way; the study of this report can be helpful especially for the banks whose performance are not so good even for those who are performing well. From this study the bank can understand the loop holes they have and what measures they can take in order to overcome the loop holes for the satisfaction of the customers and how they can improve their policy and procedures to open an account as well as to increase their performance level both from the service perspective as well as financially to earn more revenue by utilizing the money customers deposit or save at the bank. As I stated before the banks earns revenue from the money customers save or deposit because the bank can give loans to those business industries who needs money to run their business. If there are no customers then the bank cannot utilize that money in order to perform well at their respective industry.

RECOMMENDATIONS

As there is nothing perfect in this world, the Rupali Bank Limited has some scope to improve their Account Opening policy and procedures as well as the development of their IT infrastructure also to reduce or minimize these errors. There are some recommendations that I would like give from my findings which are given below-

- First of all, the bank can give the information customers need either in a brochure or in a paper. It will help the customers to understand more specifically what documents a customer need to bring and which part of the part they should write. It saves time and the employee can be more efficient for the customers and their work as well.
- Then, they can develop their IT infrastructure in order to relay specific account opening information for a specific account in order to save time for both the customers and the employees. Also there can be an option of “Download” so that if the customers cannot understand something the bank can help them to understand the specified information.
- However, for those who cannot read or write convey the information in a specific manner. As they are not so much educated.
- The Account Opening Forms can be corrected as in the Nominee part written “Guardian’s Signature”. But it is not mentioned that the customers have to give their signature besides the “Nominee’s Signature” part for those nominees who are more than 18 years old. It can be mentioned or add “Guardian’s Signature/Customer’s Signature” in the Nominee part. As the customers make error in that part.
- Before an employee acts as an Introducer for a certain customer, the bank should verify the information customer given by National ID (N.I) card if it him or her via using a N.I card verification software.
- For the introducer to bring his or her N.I card photocopy, this specific information can be written at the top of the Introducer’s part so that the customers can see it.
- As for the Nominee part, it can be written that the nominee should be 18 years old or more than 18 years not less than 18 years. It helps the customers not to make error as well as the bank.
- The Nominee can act as an Introducer if he or she has an account in a particular branch. Also the Introducer can do the same.

LIST OF APPENDIXES

Appendix A: List of interviews conducted

A – 01: Interview on Md. Afzal Hossain, Assistant General Manager, Rupali Bank Limited, Mirpur Corporate Branch.

Interview Date: March 15, 2017

Question: What is the current situation of opening new accounts at your branch?

Answer: As you know that every branch of our bank has to open on an average 180 new accounts per month which is the target we have to fill. But we can see that every month on an average 70 to 80 new accounts are opened at our branch which is quite a blow for both our branch and the bank.

Question: Don't you think that current system of opening new accounts is responsible for this matter?

Answer: No, I don't. Because current account opening system is very efficient like, without an introducer we do not open any SB account or RMSS account. Having an introducer helps the customers to feel safe and secured. Also the introducer acts as a guarantor for the customers. The current system helps us to minimize opening any fraud account.

Question: What is it the bank can do in order to help the customers when they open an account?

Answer: We fill up the forms to help the customers so that they do not make any errors while filling up the account opening forms. We have given a proposal to our Head Office to give information in a brochure or in a paper it helps us to save time without relaying information orally to every customers.

Question: What is opinion about your bank's current IT infrastructure? Don't you think it needs to be developed in order to help both the customers and the employees?

Answer: The current IT infrastructure is not well developed. For your second question, yes, it needs to be developed. The IT system section of our Head Office are now working to add the account opening information along with the benefits for different account services. The customers can read at home or at office by taking more time and the employees can check the information or download it from our official website.

A – 02: Interview on Abdullah-Al-Mamun, Principal Officer, Rupali Bank Limited, Mirpur Corporate Branch.

Interview Date: March 12, 2017

Question: From your point of view what is the optimal solution to minimize these errors?

Answer: From my point of view the optimal solution to minimize these errors would be to give information about opening an account in a paper or in a brochure because the customers cannot remember all the information via orally. We are trying to hang the information need to open an account on the notice board. If

the customers cannot understand something we can help them. Also who cannot read or write will give the information orally.

Question: What is the current situation of opening new accounts at your branch?

Answer: As you have been working with us and saw that customers complain about too much information to give or they have no introducer. Also you have seen that most of the customers are not so much educated and they see that a lot of information to give. So they do not open an account, what they do not understand is that it is for their own safety and security. As a result the target are not meet up to the task. For a certain incident the bank changed their policy which is now maintained at every branch of our bank.

A – 03: Ishrat Jahan, Principal Officer, Rupali Bank Limited, Mirpur Corporate Branch.

Interview Date: March 13, 2017

Question: In order to reduce these errors what can be the optimal or sustainable solution from your point of view?

Answer: If there are errors in the forms after reviewing we correct it instantly for example, Customers, Nominee or Introducers signature, T.P. Even if there are errors after, then we contact the customers via mobile or telephone to come at our branch. As we have to relay information via orally it takes time to tell the customers what documents they need and which part will be filled by whom. It hinders our work also the customers memorize everything. So providing information in a brochure along with the benefits for different accounts can minimize these errors while opening an account.

A – 04: Md. Mohiul Islam, Principal Officer, Rupali Bank Limited, Mirpur Corporate Branch.

Interview Date: March 14, 2017

Question: What are the benefits that the customers and the employees can get if the IT infrastructure is developed?

Answer: The benefits the customers can get is that they can download the information needed to open an account without coming at the bank. They can read it via computer, mobile or laptop as we all use them now. Also if the customers cannot understand a particular part, we can help them to understand that part better. It saves time for them. Also by downloading they can read it any time they want. Moreover, the customers can choose which 2 languages they prefer either Bangla or English language. As for the employees we can download it from our official website and print a document of it to help us know the process better also it saves our valuable time. For those who cannot read or write we can help them by seeing the document.

A – 05: Mst. Rany Khanom, Principal Officer, Rupali Bank Limited, Mirpur Corporate Branch.

Interview Date: March 16, 2017

Question: How can the development of your bank IT infrastructure help both the customers and the employees?

Answer: As you know now that the bank's IT infrastructure is under development. It can help the employees to know what documents the customers need as well as we can provide them with 100 percent accurate information. In addition, it saves our precious time in order to help the customers. It can help us to download the necessary information the customers need to know like, informing them about the interest rate for SB or RMSS or RSSA or FDR account and in which date they have to deposit the money.

A – 06: 10 customers were interviewed.

Interview Date: March 14 to March 16, 2017

Question: How can the bank convey or help customers like you in an effective way?

Answer: Mr. Shibli Mahmud in his statement told that there should be no introducer because it takes our valuable time to find an introducer in order to open an account. The bank needs two photos of the account holder while other banks need only one photo.

Mrs. Mariyom said that the Nominee can be anyone including who are less than 18 years old. She also included that she had to provide too much information which is unnecessary for the bank.

Anita Saha from in her interview mentioned that the bank can provide the information in a paper which can help customers like her to understand better what documents are needed to provide and how they can fill up the form.

Appendix B: Business Cards of the Interviewees

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