



city bank
making sense of money





INTERNSHIP REPORT ON

**THE PROCEDURE OF GENERAL BANKING AND
PERFORMANCE OF THE CITY BANK LIMITED**



REPORT ON

***THE PROCEDURE OF GENERAL BANKING AND
PERFORMANCE OF THE CITY BANK LIMITED***

Submitted to

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Submitted by

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LETTER OF TRANSMITTAL

To
Samina Haque
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Subject: Submission of Internship report on “**The Procedure of General Banking and Performance of The City Bank Limited**”.

Dear Madam,

This is my great pleasure to submit the Internship report of my three months long Internship program in the City Bank Limited in the Customer Service at Narayanganj Branch. The title of the report is “**The procedure of general banking and Performance of The City Bank Limited**”. This report has been prepared to fulfill the requirement of my internship program at my assigned organization in the City Bank Limited.

I have put my best effort to make this report a successful one. It has been joyful & enlightening experience for me to work in the organization & prepare this report. However this has been obviously a great source of learning for me to conduct similar types of studies in the future.

I would like to express my sincere gratitude to you for your kind guidance & suggestions in preparing the report. It would my immense pleasure if you find this report useful & informative to have an apparent perspective on the issue. I shall be happy to provide any further explanation regarding this report if required & please do not hesitate to call me if you have any query on this report or any other relevant matters.

Thanks and Best Regards,

MD. Imran Hossain

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PREFACE

Only the theoretical knowledge is not enough to build up career in real life situation. We the students are given the theoretical basement so that we can face the difficulties efficiently and effectively that comes in our life. As a partial requirement of BBA program each student is required to write a report paper on respective topic as selected by the supervising teacher.

This Program initiate a one to three month internship working in any business organization, which is obviously a matter of admires. It helps the students a lot in achieving practical knowledge and applying the theoretical knowledge in real ground.

In consequence, I was appointed to work in “**The City Bank Limited**” for three months and prepared a report on “**The procedure of general banking and Performance of The City Bank Limited**”. However I believe, this will say about my effort which I had in preparing this report.

ACKNOWLEDGEMENT

There is an English proverb “Two heads are better than one”. That is, no one can obtain a noble objective alone. This internship report is an accumulation of many people’s endeavor. But at the beginning I would like to convey my sincere appreciation to the almighty Allah for giving me the strength & the ability to finish the task within the planned time. Then I like to express my sincere gratitude to everyone who contributed towards preparing & making this study successfully. Major contribution was received from the officers of the City Bank limited as from the Customer Service department. To prepare this internship report considerable thinking & information input from various sources were involved.

First of all I would like to express my Sincere & immense gratitude to my internship supervisor Ms. Samina Haque, Senior Lecturer of BRAC Business School, BRAC University. I am deeply indebted to her whole hearted supervision to me during the Internship Period. Her valuable suggestion & guideline helped me a lot to prepare the report in a well organized manner.

I would also like to thank the authority of The City bank Limited for giving me the opportunity to do my internship in their well renowned bank. The experience & knowledge gained in The City Bank Limited helped me to understand different elements related to my study. I would like to give thanks to:

- Md. Shariful Aziz, SAVP & BSSM
- Md. Allah Baksh, AVP & BOOM
- Md Fazlur Rahman , AVP & SCSM
- Nusrat Jubayda , SO & ASCSM
- Iqbal Ashique, RM

I am also grateful to the other officials & my friends who helped me while preparing the study by giving their suggestions, assistance & supply of information, which were valuable to me. Their helping hand supported me to complete my report successfully. Finally, I want to keep my thanks to my parent who gave special attention to me from the very beginning and during the preparation of report & the internship program.

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EXECUTIVE SUMMARY

This study is conducted with two principal aims, firstly to assess customer satisfaction by measuring customer service quality and second is to theoretical and practical know how that how a bank basically do their business through customer service.

Therefore it is hoped that this study would contribute to the bank's understanding of their clients of quality, service and developing a marketing strategy that will increase their customer's satisfaction and improve their relationship.

Basically in order to complete my Internship program for Bachelors of Business Administration Course, I had a wonderful experience working for a period of three months in The City Bank, Narayanganj, starting from 3rd October 2011 and finished on 30th December 2011 which will ultimately help in my future career a lot.

First part of this report is based on the introduction which includes topics like origin, objective, background, methodology, limitation of the study. Basically it defines the way and background of the study to prepare the report. In the next part of the report highlights a brief background of City Bank Limited, with their mission, vision, objective, business strategies. This chapter also includes topics like organ gram, managerial hierarchy of CBL, their functional coverage and also provides a brief summary all retail product and services offered by the City Bank.

This report is also consists of highlighting the general banking procedure by describing the entire departments associated with general banking. Moreover the different banking practice like account opening, closing of an account, clearing process, loan processing and the reconciliation work has been described to understanding the procedure of the City Bank Limited.

Finally this report also highlights the customer satisfaction level analysis, theoretical judgment on customer service segment of the bank by me during internship period. Moreover this also consists of all the findings of the report provided with some recommendation in order to improve customer service quality as well as customer satisfaction level based on the observation and work experience during internship period.

In brief this report I tried to review the Customer service department and represent information as customer's requirement for the banks. Researcher has also made an effort to identify the problems and limitations of Customer service department, City Bank, Narayanganj branch. Eventually, researcher talks out a sort of findings and recommendation for improvement of Customer service department so that the City Bank's may able to attain common standards for Customer service department.

CHAPTER ONE INTRODUCTION



1.1: INTRODUCTION

Theoretical knowledge does not highlight the reality as clear as practical knowledge. Theoretical knowledge is a guideline but practical knowledge is experience oriented. But both of them are equally important.

The internship report comprises a brief study on “The City Bank Ltd” during three months internship. The report is distributed in many parts according to the constructions of supervisor of report.

The purpose of study is to develop skills through learning various aspects of organization. The study enables to get command on bookish knowledge through practical approach and to understand the difference in both approaches. This thing increases the knowledge and brings betterment in working within organizational environment. It includes practical experiences through which I have gone through the report. City Bank is a top bank among the oldest five private Commercial Banks in the country, which started their operations in 1983. The Bank started its journey on 27th March 1983 through opening its first branch at B. B. Avenue Branch in the capital, Dhaka city. It was the visionary entrepreneurship of around 13 local businessmen who braved the immense uncertainties and risks with courage and zeal that made the establishment & forward march of the bank possible. Those sponsor directors commenced the journey with only BDT 3.4 corers worth of Capital, which now is a respectable BDT 330.77 corers as capital & reserve.

The City Bank wins The Asian Banker "Strongest Bank in Bangladesh – 2010" Award and The City Bank MD & CEO K Mahmood Sattar wins The Asian Banker "Leadership Achievement Award 2010". The program assesses the achievements of leaders in creating strong and sustainable financial institutions in the region. In other words, it is to assess the long term impact of the bank leadership in terms of vision, profitability and sustainability.

City Bank manages its business and operation vertically from the head office through four distinct business divisions namely

- Corporate & Investment Banking;
- Retail Banking (including Cards);
- SME Banking; &
- Treasury & Market Risks.

Under a real-time online banking platform, these four business divisions are supported at the back by a robust service delivery or operations setup and also a smart IT Backbone. Such centralized business segment based business & operating model ensure specialized treatment and services to the bank's different customer segments.

1.2: ORIGIN OF THE REPORT

This research paper has been prepared as a part of the internship program for BRAC Business School (BBS) of BRAC University. The report titled “**The procedure of general banking and Performance of The City Bank Limited**” outcome of three months’ long Internship Program at The City Bank Ltd. The report topic was approved by the faculty supervisor to satisfy the organizational requirements and fulfillment of the internship program. This report has been prepared under both of their direct supervision.

1.3: BACKGROUND OF THE STUDY

Knowledge and learning become perfect when it is associated with theory and practice. Theoretical knowledge gets its perfection with practical application. As our educational system predominantly text based, inclusion practical program, as an academic component is as exception to the norm. As the parties, educational institution and organization substantially benefit from such a program, it’s seems a “win-win Situation”. It establishes contracts and networking contracts. That is students can prepare and train themselves for the job market. Developing country like Bangladesh has an overwhelming number of unemployed graduates. As they have no internship experience they have not been able to gain normal professional experience or establish network system, which is important in getting a job. That’s why practical orientation is a positive development in professional area. Recognizing the importance of practical experiences, BRAC Business School (BBS) has introduced a one to three months practical exposure as a part of the curriculum of Bachelor of Business Administration (BBA) Program. In such of affairs my presentation aim is to analyze my experience of practical orientation by developing as appraisal of City Bank, Narayanganj Branch.

1.4: OBJECTIVE OF THE STUDY

The objective of this internship report means the purpose of the internship program & the learning & finding through the period. Here, I got the opportunity to do my Internship course in The City Bank Limited (Retail Banking), Narayanganj branch. I was appointed there from 3rd of October 2011 and my three months period was finished at 30th December 2011. Within this period of time I have learned and gained knowledge of many different tasks related to banking. But my main task is to deal with newcomer customer under Customer Service department. Basically the study is to gather practical knowledge on banking system and operation. This internship gives us a chance to co-ordinate with the theoretical knowledge and the practical experience.

The followings are the objective for internship in bank:

- To apply theoretical knowledge in the practical field.
- To have exposure to the functions of general banking section.
- To analyze the service procedure of The City bank Limited.
- To know the banking operation.
- To know the area of General Credit.
- To know the process of loan disbursement.
- To know the process of loan collection.
- To know the documents of credit.
- To Review of the City Bank Limited services and products, analysis of the existing services of the City Bank Limited.
- To know and analyze the performance of The City Bank Limited, Narayanganj branch.
- To find out the problems that is facing by The City Bank Limited, Narayanganj branch and possible solution of those problems.

1.5: METHODOLOGY OF THE STUDY

The internship report has been written on the basis of information collected from primary as well as secondary sources. The primary information has been collected from the personnel, in this case I have used physical attendance to get positive, negative both sides of the company. I also collect information from the managers and different personnel of the company.

Sources of Primary Data

The main source of the primary data collection of my report was my discussion with senior officers of the Customer Service (CS) of the City Bank Limited at Narayanganj Branch & their opinions & comments. It helped me to collect the essential & vital information to make my internship report. The people of Customer Service sectors & their face to face information is my primary data. Data and relevant information are collected for this study through an unstructured questionnaire where customers and employees both were given the questions and responses were taken in the answer sheet. The respondents included clients from different occupation, age and gender. Most of the respondents were from the City Bank Limited, those had account on the bank.

Sources of Secondary Data

The secondary data has been collected from several kinds of sources. Great deals of the secondary data were obtained from published records, books, periodic and documents of the City Bank were taken. Some information was collected from the website of the bank. Different banks research reports have been used for preparing the report. Theoretical aspects of the report have been drawn and documented carefully to comply with the requirement of the study.

Necessary data and information has been collected by the following sources:

1. General banking procedure manuals of the City Bank Limited.
2. Circulars, letters and memos issued by the Banks and regulatory organization i.e. Bangladesh Bank and Govt.
3. Prudential Guidelines on General Banking issued by Bangladesh Bank.
4. Annual report of city bank limited.
5. Annual report of Bangladesh bank.
6. News papers and journals.
7. Internet and websites.

1.6: LIMITATION OF THE STUDY

While undergoing the study, I was enthusiastically trying to present the topic in a concrete manner. In doing so, I was confronted with some problems as follows:

- The lack of experience in the research in the field was become a limiting factor.
- Lack of time and resource constraint has also limited the scope to conduct the survey smoothly and so as to prepare the report.
- Sufficient records & publications as well as up to date information are not readily available.
- During my internship period I do not have that much time to visit other branches to collect more data & take interview to the officers & executives of the bank cause they are very much busy with their day to day activities.
- Time duration of my internship period is not sufficient enough to prepare my report the best one but where I tried my best to make it an effective report.
- Another limitation of this report is that the Bank's policy of not to disclose some data & information for obvious reason, which could be much more useful.
- As I was looking to get a job during my internship period and for that I had to go here and there (Narayanganj to Dhaka frequently) for interviews which ultimately results in a less time for me to prepare the report.

In spite of these limitations sincere efforts have been made to fulfill the findings & objectives of this report an effective one.

1.7: SCOPE OF THE STUDY

The report commences with the outline of the organization in focus, presenting the mission and vision, individual department job responsibilities, Customer Service Department. Analysis related issues are discussed in detail along with their results and possibilities. In this report is all the aspect of general banking has been discussed detailed by those the management can take decisions regarding modifying their plans for granting loans and can strengthen the relationship with the business environment as well as service quality provided by the branch.

CHAPTER TWO OVERVIEW OF THE BANK



2.1: BACKGROUND OF THE CITY BANK LIMITED

The City Bank Limited is the first private sector bank in Bangladesh. This brings about qualitative changes in the sphere of Banking & Financial aspects; the bank has been operating since 1983 with an authorized capital of BDT 1.75 billion. Today the City Bank serves its customers at home & abroad with 88 branches spread over the country & about three hundred overseas correspondences covering the entire major cities & business center of the world. The services encompass wide diversified areas of trade. Commerce & industry which tailored to the specific need of customers & distinguished by an exceptional level of prompt & personal attention. Over years the bank has expanded the spectrums of its services. The extensive & ever growing domestic network provides the carries various product & services to the doorsteps of millions.

The CBL was incorporated as a public limited company with limited on the 14th March.1983 & its formal inauguration was on March 27, 1983 under company Act, 1993 of Bangladesh with the primary objective to carry on all kinds of banking business.

Moreover City Bank is among the very few local banks which do not follow the traditional, decentralized, geographically managed, branch based business or profit model. Instead the bank manages its business & operation vertically from the head office through four distinct business divisions namely:

- Corporate & Investment Banking
- Retail Banking (including Cards)
- SME Banking
- Treasury & Market Risks

The bank is also very active in the alternative delivery area. It currently has 88 ATMs its own; & ATM sharing arrangement with a partner bank that has 5 ATMs in place; SMS Banking; Interest banking & so on . Its customer Call Center is in operation to help and assist the card user of the The City Bank Limited. The bank has a plan to end the current year 2011 with 100 own ATMs. Besides this City Bank is the first bank in Bangladesh to have issued Dual Currency Credit Card.

The City Bank Limited has a distinguished Board of Directors which consists of thirteen successful and reputed businessmen. Mr. Aziz Al-Kaiser, a top leading businessman, industrialist, pioneer personality & entrepreneur of private sector's Bank in Bangladesh, is the Chairman of the Bank. Mr. Kazi Mahmood Sattar a dynamic, nationally & internationally reputed Banker is the Managing Director and CEO of the Bank.

The principal place of business is the registered office at the registered office of the bank is at Jiban Bima Tower, 10, Dilkusha Commercial areas, Dhaka-1000. The bank is listed with Dhaka Stock Exchange & Chittagong Stock Exchange. Recently this bank has brought a massive change in their service system & changed its Logo. Now in short this bank is known as “City Bank”.

2.2: CITY BANK AT A GLANCE

<i><u>SL.</u></i>	<i><u>Particular</u></i>	<i><u>Detail</u></i>
<i>1</i>	Name	The City Bank Limited
<i>2</i>	Legal Status	Public Limited Company
<i>3</i>	Date of Incorporation	March 14, 1983
<i>4</i>	Formal launch	March 27, 1983
<i>5</i>	Number of Branch	88
<i>6</i>	Number of ATM Booth	85
<i>7</i>	Number of SME Center	11
<i>8</i>	Total Manpower	3000
<i>9</i>	Authorized Capital (2010)	10,000 million
<i>10</i>	Paid-up capital (2010)	3,889 million
<i>11</i>	Reserve (2010)	7,630 million
<i>12</i>	Net Profit (2010)	1,849 million
<i>13</i>	Total Number of Share Outstanding (2010)	38.9 million
<i>14</i>	Market Value of Per Share (2010)	1,000 BDT
<i>15</i>	Earnings Per Share (2010)	34.59 BDT

2.3: VISSION, MISSION AND OBJECTIVE OF CBL

2.3.1: Vision of CBL:

The main vision of the City Bank Limited is to be the leading bank in the country with best practices and highest social commitment.

2.3.2: Mission of CBL:

- To contribute to the socio economic development of the country.
- To attain highest level of customer satisfaction through extension of services by dedicated & motivated team of professionals.
- To maintain continuous growth of market share ensuring its steady growth.
- To maximize bank's profits by ensuring its steady growth.
- To maintain the high moral & ethical standards.
- To ensure participative management system & empowerment of human resources
- To nurture an enabling environment where innovativeness & performance is rewarded.

2.3.3: Objective of CBL:

Strategic Objectives:

- Achieve positive Economic Value Added (EVA) each year.
- To become the market leader in product innovation.
- To become one of the top three Financial Institutions in Bangladesh in terms of cost efficiency.
- To become one of the top five Financial Institutions in Bangladesh in terms of market share in all significant market segments we serve.

Financial Objectives:

- Achieve a return on shareholders' equity of 20% or more on average

Deposit extreme competition among banks operating in Bangladesh, both local and international the City Bank limited has made a remarkable progress practically in every sphere of its functions. The activities of the City Bank Ltd are very implicit and vast comparing to that of other bank in the country today. The theme of the bank is **“Making Sense of Money”**.

The prime objective of The City Bank Ltd is to create a strong capital base, to earn good profit and pay satisfactory dividend to honorable Shareholders, to achieve the objectives, the bank works for

improving the quality of bank's assets by identifying potential good browsers. And persuade the clients to open an account in the bank through their wit & intelligence as well as it has intention to pursuit of excellence in the climate of continuous improvement. Because is to maintain the reputation through their customer services oriented facilities. To achieve this desired goal it believes **“the excellence is never line of ending”**, it also believes that's its strategic plans and business will its strength in competitive environment.

2.4: PHYLOSOPHY BEHIND NEW LOGO



On 5TH July 2008, The City Bank Ltd changed its brand name into, simply. City Bank. The Philosophy that went behind the creation of new logo is

- The red and silver shape may mean a chess board. Chessboard stands for wisdom & vision. Since we are 25 years old, we are expert, wise & experienced. Chess is the game of the smart people who knows all the moves. Our game is to deal with your money matters and – as wise & experienced bankers, we are experts in that.
- The red & silver shape may also mean something dynamic. It may mean the checkered flag of Formula One Racing. Then it signifies speed & agility & fast pace.
- The red & silver shape may also mean a kite .It's a beautiful colorful kite, nose up, going to reach for the sky. In that case .its mean the bank is soaring high into the skies of many possibilities in order to make customer's financial dream comes true.
- The red and silver shape may also mean it's a flying chessboard. It's a chess-board that has taken wings and is flying. In that case it indicates to what extent this bank can go to serve its customers better

The Logo has a dynamic shape. Such dynamism stands for modernity .the 21st century. That signifies, this is going to be a techno-savvy bank, a state-of-the-art tech-powered modern bank. The color **'red'**

stands for emotion, passion, strength, vitality, action, confidence & courage. The color ‘silver’ symbolizes riches, just as gold does. Silver is glamorous & distinguished. Silver is traditional 25th anniversary color or silver Jubilee color. Another thing is: “Pieces of silver” means money or corn. And our pay-off line is “Making Sense of Money”.

Now the pay-off line “Making Sense of Money”. No money, no bank. We all know how important money can be for any of us. Money is a need all by itself. It is the most precious thing. Money is the port key to any destination. It is everything between a person and his / her dreams & hopes. So, the money which is almost synonymous to life must make sense. And for your money to make sense, it must be handled by an expert. That is where we come in. We say, we make sense of your money because, at City, we are wise men of banking. With 25 years of experience, we know how to make your money more meaningful for you, how to lend you money in times of your needs or how to grow your money safely for you.

2.5: STRATEGIES OF CITY BANK

CBL believes in the practice of Market-Oriented Strategy Planning, developing & maintaining a viable fit between the organization’s objective, skills & resources. The aim of such approach is to shape & reshape the bank’s business & services so that they yield target profit & growth. The Strategic planning of CBL consists of two organizational levels.

- Location Based Strategy
- Business Level Strategy

2.5.1: Location Based Strategy:

Since the growth & profits of banking business largely depend upon the locations of branches where large concentration of other businesses & industries are involved, CBL main Strength is its location based strategy.

2.5.2: Business Level Strategy:

The business strategy of the bank is to strengthen its retail business, following a conservation lending approach. But the Bank’s major portion of the profit generates from its retail banking & SME Banking.

2.6: ORGANOGRAM OF THE CITY BANK LIMITED

City Bank has introduced a strong organization structure under the guidelines of Core risk Management of Bangladesh Bank. The Board of directors is the source of all power which is delegated by the Managing Director and CEO of the Bank. Every Divisions and Departments has a divisional and departmental heads, under the heads an adequate manpower are working there. Officers has to report to their line manager, Line Mangers has to report to their divisional heads, Divisional heads has to report to Deputy Managing Directors, Deputy Managing Director has to report to Managing Director and CEO. CEO has responsibility to Board of Directors. A flow chart of reporting system is shown on caption 2.6 (a) & 2.6 (b).

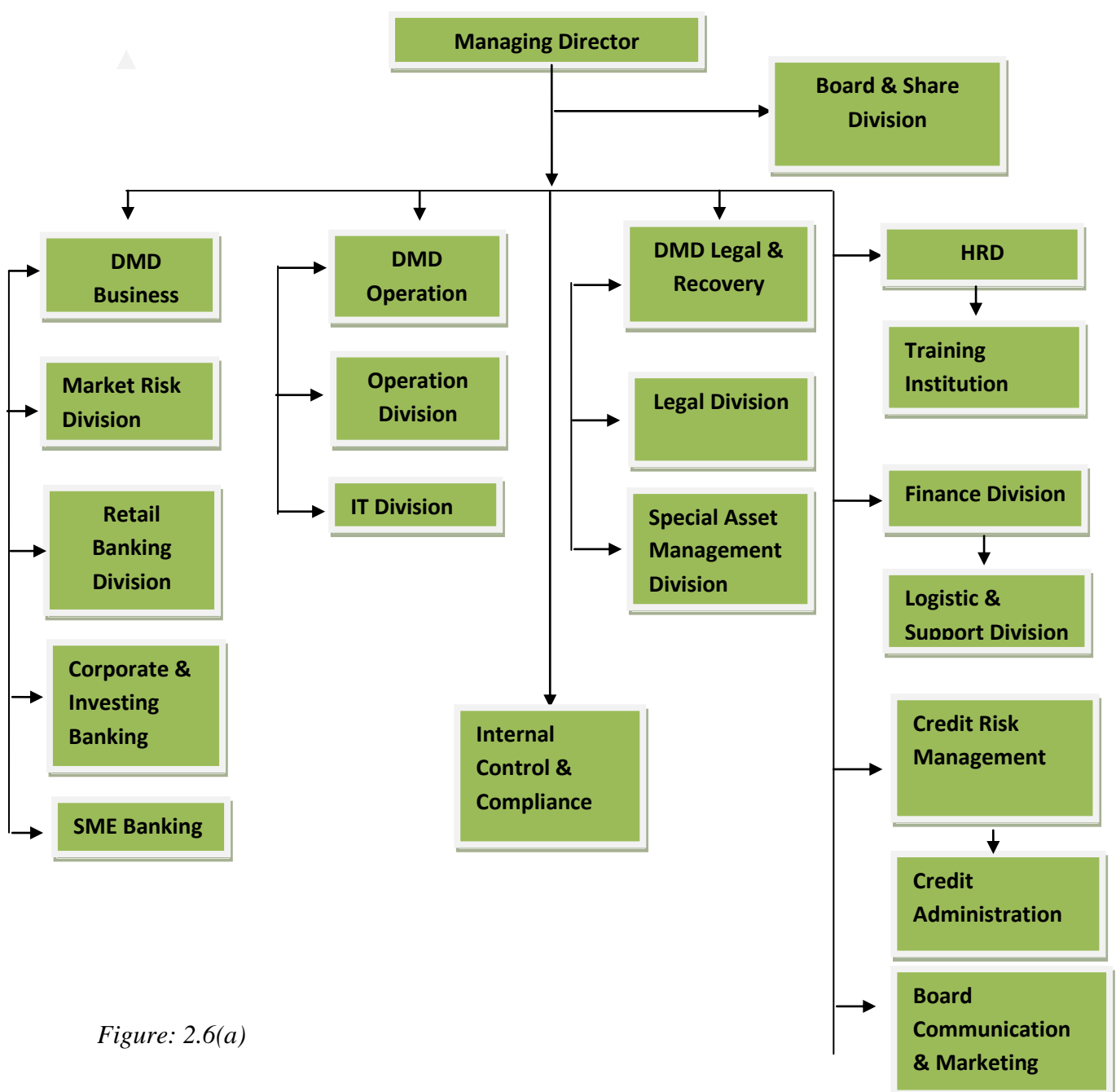


Figure: 2.6(a)

Managerial Hierarchy

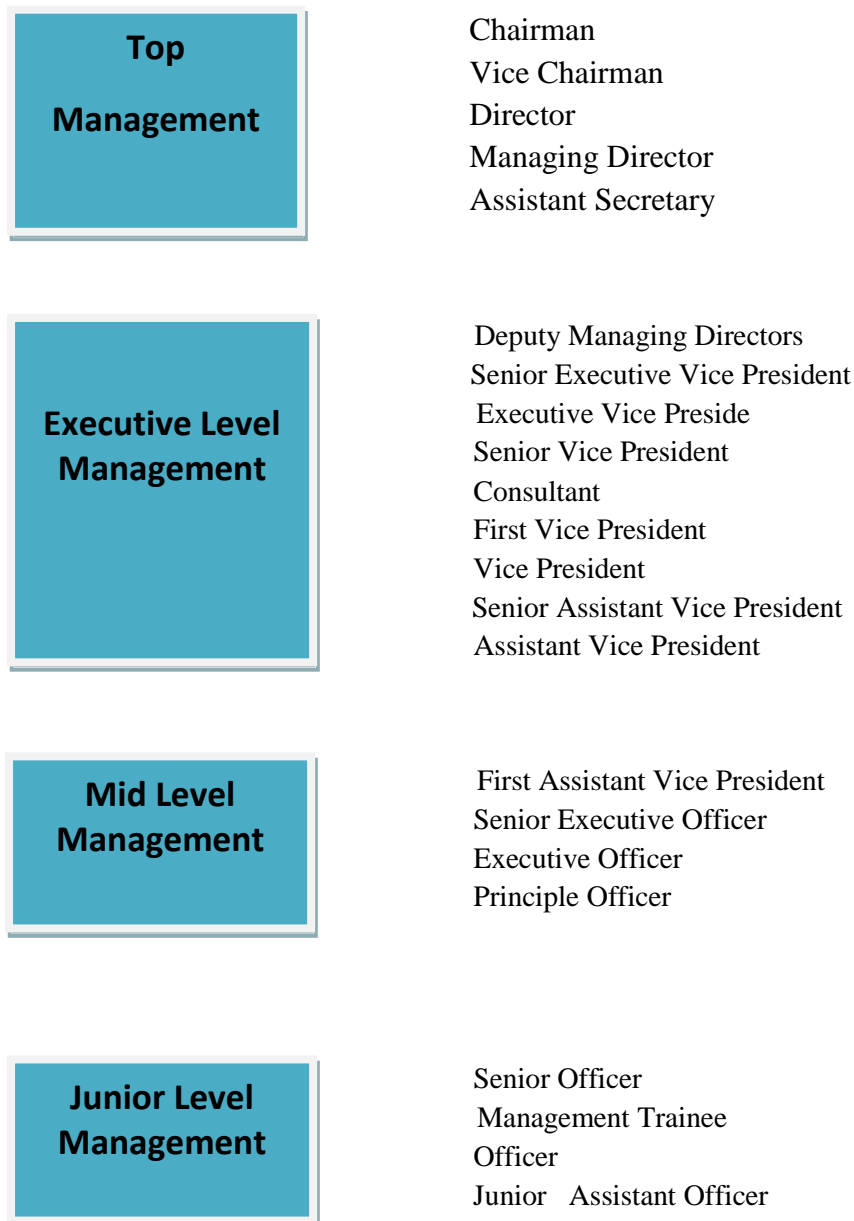


Figure: 2.6 (b)

2.7: EMPLOYMENT STRUCTURE:

To attain a diversified and competent workforce is the human resource policy of City Bank. City Bank has a group of efficient Executive & Officers. Skilled personnel have taken into the Bank as a leading Bank in Bangladesh. As on 31st Dec 2010, 2,685 number of capable and knowledgeable workforce has been working in City Bank. The ratio of Male and female workforce are now 73:27. The ratio of high level, mid level and Lower level are 15%, 35% and 50% respectively.

2.8: DESCRIPTION OF SERVICES OFFERED BY CBL

The services offered by CBL are discussed below

2.8.1: Services of CBL

The CBL concentrates are following categories of banking services

- General Banking
- Retail Banking
- Loans & Advance
 - SME
 - Corporate
- International Trade & Foreign Exchange
 - Export
 - Import
 - Remittance
- Online Banking Service
- Debit Card & Dual Currency Credit Card Facilities

2.8.2: Retail Banking:

The City Bank Ltd recently has started its journey in Retail banking. In CBL more than 700 staffs has been trained so far on the vital concepts of service excellence & sales. In the product side ATM fleet has been launched, Debit card has been issued, SMS banking has been offered, 3 new deposit products has come, worker's foreign remittance business has been launched, new many billboards have come up & our communications of media has increased, manifold in the endeavor to build a retail Banking brand namely "**City Retail Happiness Counts**".

2.8.3: SME Banking:

Considering the potential growth & demand situation the City Bank Ltd has extended credit facilities to small & medium enterprise through SME banking in the year 2006 & 2007. A separate division has established in the Head Office with collaboration of all branches to process & handle loans under SME for attaining a responsible market share & successful operation of the scheme. The bank has organized several training program for development of adequate human resources.

2.8.4: Corporate & Investment Banking:

As a part of its commitment to provide global service, the City Bank Ltd one of the largest local banks has launched its Corporate & Investment Banking Division recently. This shift, from branch banking model to business driven matrix, is the first step of the bank's plan to revitalize its way of doing business in 2008. The C&I Division will comprise of a number of relationship teams centered in Dhaka & Chittagong to provide who will act as one stop contact point for the customer of Bank. This model has been successfully globally to provide better service & create increased customer satisfaction. The relationship teams have been staffed mainly through internal quality resources. The C&I relation teams have already taken over the existing large accounts & servicing the customers to their satisfaction.

2.8.5: Duel currency Credit Card:

Today's customers want services & information to be provided at all times & places. This has become possible by ATMs and POS terminals and helped banks in achieving "**Anytime, Anywhere Banking**". Therefore there is a need for an automated system that will connect the branch through online to provide better services to the customer. The most modern technology based bank product for marketing hassle free financial transaction & drawing of cash money all over the world is given by Credit Card. The City Bank Ltd Is the first among domestic banks to introduce a unique dual currency **CITYCARD** under the logo of **VISA International** in Bangladesh. After obtaining principal membership of **VISA** on 19th February, 2003 the bank is pleasing its commitment to be a leader as card issuer in the arena. Tremendous responses are there form the market for this plastic money.

2.8.6: Computerization and Online Service:

With computerization the bank had gone another step ahead towards providing pragmatic, safe and prompt banking services. All 84 branches including Islamic Banking Branch are brought under computerization net. Bank has implemented online real time banking through an agreement with **Info sys Technologies Limited** for supply of world reputed banking software "**FINACLE**". Within March, 2008 real time banking facilities have been introduced in 37 branches of the CBL. Under this system, client will be able to do the following type of transactions:

- Easy to withdraw or deposit from any online branch
- Fund transfer with one click, no need TT/DD.
- Customer can easily tell which payments have cleared

2.8.7: Islamic Banking:

The City Bank Limited Started its Islamic Banking operation by opening its first Islamic Banking Branch at 9/H, Motijheel, Dhaka. The salient features of Islamic Banking are as follows:

- To conduct all its activities as per Islamic Shariah.
- To conduct its monetary matters free of interest.
- To established banker-customer relationship on the basis of partnership.
- To follow Islamic principle in all its investment port-folio.
- To develop living standard of the poor incoming group.
- To render excellent services to the clients cordially.
- To conduct welfare related activities to the people.

2.8.8: SWIFT Banking (SINCE 2000):

The City Bank Limited is one of the first few Bangladeshi Banks who has become member of **SWIFT** (Society for Worldwide Inter-bank Financial Telecommunication) in 1983. **SWIFT** is members owned co-operative, which provides a fast and accurate communication network for financial transactions such as Letters of Credit, Fund transfer etc. By becoming a member of **SWIFT**, the bank has opened up possibilities for uninterrupted connectivity with over 5,700 user institutions in 150 countries around the world.

2.8.9: Corporate Governance:

The bank recognizes the importance of Corporate Governance and is committed to maintain highest standard. A team of experienced professionals maintains the following committees to run the Bank efficiently:

- Management Committee
- Administrative and Disciplinary Action Committee
- Technical and Audit Committee
- Credit committee
- Procurement and purchase Committee
- Asset and liability Committee

2.8.10: Training Program:

The City Bank Ltd. has launched a huge training program for its staff as part of its restructuring plan. So far, 774 staffs have received training on Customer Service and face to Face Sales; 65 staff received training on Departmental operating Instructions and 268 staff received training on Orientation to Credit. Apart From these regular training are going on with **BIBM, BIM, and CRISL** etc. City Bank Management gives top priority to its peoples learning and development issues. That's why the current training project of City Bank is given a name "**Learning & Development making the winning Moves**".

2.9: FUNCTIONAL DIVISIONS OF CBL

The Bank accomplishes its functions through different functional divisions/ departments. The divisions/departments along with their major functions are listed below:

2.9.1: Financial Division:

- Financial planning, budget preparation and monitoring
- Payment of salary
- Controlling inter-branch transaction
- Disbursement of bills
- Preparation of financial reports and annual reports
- Preparation/Review of returns and statements
- Maintenance of Provident Fund, Gratuity , Superannuation Fund
- Reconciliation

2.9.2: Credit and Risk Management

- Loan administration
- Loan disbursement
- Project evaluation
- Processing and approving credit proposals of the branches
- Documentation, CIB (Credit Information Bureau) report etc
- Arranging different credit facilities
- Providing related statements to the Bangladesh Bank and other departments

2.9.3: Human Resource Division (HRD):

- Recruiting
- Training and development
- Compensation, employee benefit, leave and services rules program and upgration
- Placement and performance appraisal of employees
- Preparing related reports
- Reporting to the executive committee
- Promotional campaign & press release

2.9.4: Information Technology (IT) Department:

- Software Department
- Network management and expansion
- Software and hardware management
- Data entry & processing
- Procurement of hardware & maintenance

2.9.5: Branches control & Inspection Division:

- Controlling different functions of the branches & search for location for expansion
- Conducting internal audit & inspection both regularly & suddenly
- Ensuring compliance with Bangladesh Bank(BB) ,monitoring BB's inspection & external audit report

2.9.6: Retail Division:

- ATM card, credit & system operation & maintenance
- SWIFT operation
- Credit Card operation
- Customer & vendor relationship

CHAPTER THREE

PROCEDURE OF GENERAL BANKING

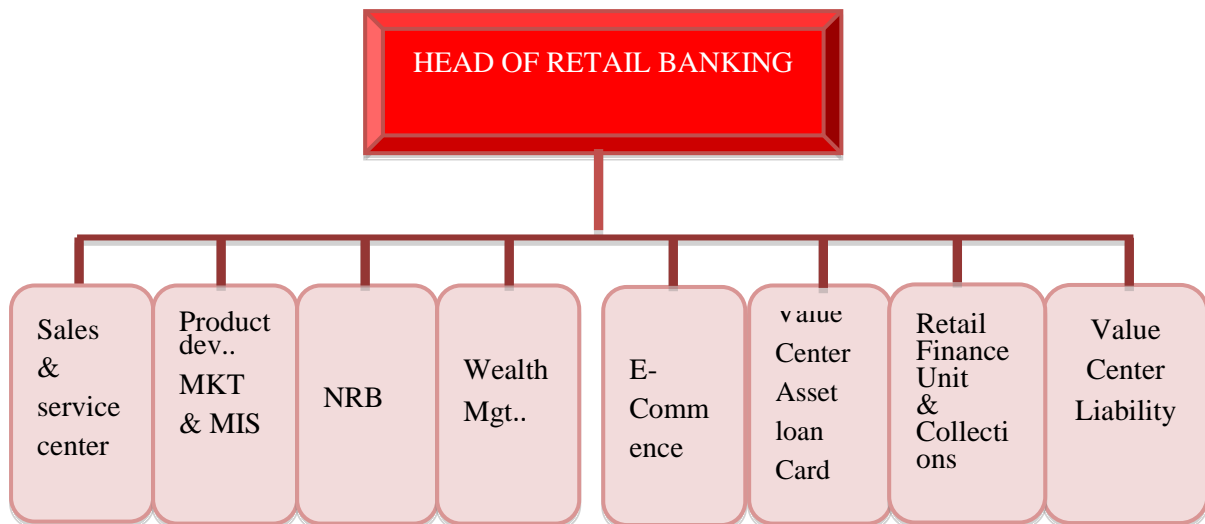


3.1: INTRODUCTION

All business concerns earn a profit through selling either a product or service. A bank does not produce any tangible product to sell but does offer a variety of financial services to customers. General banking is the starting point of all the banking operations. It is the department which provides day-to-day services to the customers. Every day it receives deposits from the customers and meets their demand for cash by honoring cheque. It opens new accounts, remit funds, issue bank draft & pay orders etc. Since bank is confined to provide the service every day. General banking is known as Retail banking.

3.2: DETAIL OF RETAIL BANKING

One of the most remarkable success stories of last 50 years' banking industry globally has been the conceptualization and innovative execution of banking with individual customers, their friends & families. The industry has termed it as Retail Banking or Personal Banking or Consumer Banking; and it has now - at a very rapid pace – become the major revenue line for most of the top banks in the world.



(FIGURE: 2- Departments of City Retail)

“City Retail – add a little city to your life” is the new brand-mantra, the pay-off line for City Retail. It’s aim is clear. It is becoming the most preferred bank to all individual clientele of the country, at least of the cities and towns where it operate. This bank want to provide it’s customers the best-in-class services, innovative products and financial solutions from smart outlets – all with a big smile that conveys and generates happiness all the way.

There are different types and features of products are available in The City Bank Limited, they are given below:

3.2.1: Current Account:

A current account meets the needs of individual and commercial customers through our schedule benefit.

- Minimum Balance: BDT 10,000/=
- Interest Rate: Nil

Customer Benefit:

- Cheque book facilities
- Opportunity to apply for safe deposit locker facilities
- Collect foreign remittance in both T.C. & Taka draft
- Transfer of fund from one branch to another by
 - ✓ Demand Draft
 - ✓ Mail Transfer
 - ✓ Telegraphic Transfer
- Transfer of fund on standing Instruction Arrangement
- Collection of cheques through Clearing house
- Online Banking Service

3.2.2: Saving Account:

It is a sound savings for retail customer. We give the major facilities & services to our customer through 88 branches all over in Bangladesh with our skilled manpower.

- Minimum Balance: BDT 10,000/=
- Interest Rate: Nil

Customer Benefit:

- Cheque-book facilities
- Opportunity to apply for safe deposit locker facility
- Collect Foreign remittance in both T.C. & Taka draft
- Transfer of fund from one branch to another by
 - ✓ Demand Draft
 - ✓ Mail Transfer
- Transfer of fund on Standing Instruction Arrangement
- Collection of Cheques through Clearing House
- Online banking service

3.2.3: City Onayash:

City Onayash is a unique kind of savings account which calculates interest on daily balance and pays interest every month.

It is a major departure from the conventional savings account available in the market. All such accounts calculate interest on the average or lowest balance of the month, while City Onayash does on daily product basis. Not only that, while those conventional savings accounts pays interest only twice a year –in December and June. - City Onayash pays it to your every month.

- Account opening Minimum Balance: BDT 10,000/=
- Interest Rate: 4.5%
- Minimum Balance to Get Interest: BDT 25,000/=
- **Eligibility:**
 - Age: At least 18 years
 - Nationality: Bangladeshi
- **Availability:**
 - All 88 City Bank branches spread across the country
- **Special Feature:**
 - Withdraw and Deposit cash as you wish – without at all having your monthly interest earning eligibility.
 - No hidden or undisclosed fees or charges or Profit-cutting
 - Interest forfeiture rules of a common conventional savings account do not apply here. So, stay tension-free-100%.
 - Every month's interest earning goes into your account automatically. What better way to take care of yours family's recurring monthly expenses.

3.2.4: City Shomridhhi:

City Shomridhhi is an exceptional DPS product that is distinctly more attractive than the prevalent DPS products in the market. It enables Customers to receive a hefty sum at the end of the term against his/her monthly deposit of small installments. It's a perfect way to secure your financial future.

- **Eligibility:**
 - Age: At least 18 years
 - Nationality: Bangladeshi
- **Features:**
 - No initial deposit required
 - Monthly installment deposit ranges from BDT 500 – BDT 20,000
 - Flexible tenor 3, 5, 7 & 10 years.

- On premature encashment, you get the maturity value on nearest term – not the routine savings rate

➤ **Probability Matrix:**

Term	Interest
3 years	8.50
5 years	8.50
7 years	8.50
10 years	8.50

3.2.5: City Projonmo:

City projonmo is a unique monthly deposit scheme that designed to safeguard future to future generations against all certainties and risks.

The most interesting part of this scheme is full insurance protection. This simply means, in case of death or total physical collapse of the parent or guardian, the bank will pay the full value of the scheme for the full term no matter in reality how many months or years have been actually completed by customer.

➤ **Eligibility:**

- Age: At least 18 years
- Nationality: Bangladeshi

➤ **Procedure in opening :**

- Have to having a savings or current account in order to operate City Projonmo account

➤ **Availability:**

- All 88 Branches
- Of City Bank spread across the country

The profitability is same for City projonmo and city somridhi. Only the difference is the tenure of the product. City projonmo offers 8.50% interest with 5, 10, 15 and 20 years tenure.

3.2.6: City Ichchapuron:

The product allows you to earn interest & enjoy interest every month that accrues in your fixed deposit account, no matter what the term of the deposit is. It helps make your financial planning more disciplined and your life more organized. While your fixed deposit remains untouched and well-kept for future, you keep on getting the profit on a monthly basis. What better way to take care of your monthly recurring expenses like children's education or school fees , house tutor's remuneration , until bill payments, saving money in some DPS scheme.

➤ **Eligibility:**

- Age : At least 18 years
- Nationality: Bangladeshi

➤ **Availability:**

- All 88 branches of City Bank spread across the country.

➤ **Procedure to open:**

- Fill up the City Ichcapuron account opening form.
- Deposit money

➤ **Probability Matrix:**

Term	Interest
1 years	11.00
2 years	11.25
3 years	11.25
5 years	11.25

3.2.7: Fixed Deposit Receipt:

Fixed deposit receipt is a very popular to all customers for investing huge amount to get the expected returns or profit. FDR may be for 1 month, 3 month, 6 months, 1 year. The rate of interest is fixed for mentioned duration .Most of time bank can change their rate of interest on the basis of amount. Most of the organization can negotiate to the bank to get high rate of interest. Customer can get the loan facilities by keeping the FDR on lien to the bank.

➤ **Probability Matrix:**

Term Deposit	Interest Rate
1 month duration:	
• Below BDT 1.00 crore	11%
• BDT 1.00 crore to Below BDT 10.00 crore	11%
• BDT 10.00 crore & above	12%
3 month duration	12%
6 month duration	12%
1 year duration	12%
More than 1 year to 5 yrs 6 months	12%
5 years 6 months (Digon prapti or Double scheme)	Doubled the deposited amount

3.2.8: City Double:

City Double is a unique loan facility where your fixed deposit in City Bank or in any other financial institution will now allow you to avail two loans at the same time from us – one as overdraft (up to 95% of FD value) and other as an EMI loan (up to BDT 10 lac). It's fully secured loan in the form up to 95% of FDR value and zero processing fees for the overdraft facility.

Minimum Income

Category Requirement:

- Salaried executives -----Min BDT 15,000/- per month
- Self employed professionals -----Min BDT 25,000/- per month
- Businessperson, landlord -----Min BDT 30,000/- per month

3.2.9: City Solution:

City Solution is a personal loan scheme rating from BDT 50,000 to BDT 10,00,000

➤ **Feature:**

- Loan amount rating from BDT 50,000 to BDT 10,00,000
- Loan tenor 12 to 60 month
- No guarantor required for the loan amount up to BDT 3 lac
- No hidden charges
- Competitive interest rate
- Processing fee 1%

➤ **Eligibility:**

- Age: 22 to 60 years
- Experience: Salaried executive total 1 year including 6 months with current employer
- Experience: Business person 2 years
- Experience: Professional 1 year
- Minimum monthly income:
 - ✓ Salaried executive BDT 15,000
 - ✓ Self employed BDT 25,000
 - ✓ Business person BDT 30,000

3.2.10: City Drive:

City Bank introduces City drive, a tailor made auto loan scheme for individuals.

➤ **Features:**

- Loan amount ranging from BDT 300,000 to BDT 20,00,000
- Car financing up to 90% of reconditioned new vehicle price
- Loan tenor 12 to 60 months
- No hidden charges
- Competitive interest rate
- Loan processing fee 1% of loan amount

➤ **Eligibility:**

- Age 22 to 60
- Monthly income minimum BDT 30,000
- Experience: Business person/Professional 1 year

3.2.11: SMS Banking:

City Bank gives 24 hours access to the key financial information of City Bank Account. It is the simplest way of finding out accounts daily/monthly-end balance. With City SMS neither have to wait for statement to arrive through mail nor have or call up branches to inquire about balance and last few transactions.

➤ **Facilities:**

- Enables to access information like balance transaction and a range of other financial information by typing predefined letter with 4 digits PIN (personal identification number). Presently following functionalities are available through City SMS banking:
 - Balance inquiry
 - Transaction inquiry
 - PIN change

➤ **Eligibility:**

- All account holder of the city bank limited having account in online branches are eligible to apply for SMS banking service.

3.2.12: City Visa and Master Electronic Debit Card:

Now here comes the Visa and Mater Debit Card from City Bank. Your life, therefore, becomes hassle-free and safe; and it is Visa and Mater Electron branded, which makes you the proud owner of a meaningful plastic.

➤ **Features:**

- Cash withdrawal from 500+visa ATM s
- Balance enquiry
- PIN Change
- Mini Statement
- Cash withdrawal @ BDT 25 per transaction at 583 DBBL ATMs
- Cash withdrawal @ BDT 10 per transaction at 110 Q-cash network ATMs

➤ **Eligibility:**

- Have to have a savings, current or STD account in CBL

3.2.13: MasterCard Platinum International Debit Card:

Experience the power of Platinum. MasterCard Platinum International Debit Card from City Bank is the first dual currency platinum debit card in the country. Its debit card totally redefined.

➤ **Features:**

- International Dual Currency Debit card-available both in Taka & USD
- Get access to your funds at over 1.9 million MasterCard ATMs world wide
- Access to 32 million outlets worldwide that accept MasterCard

➤ **Eligibility**

- Minimum monthly balance of BDT 10 lac or net monthly income of BDT 2 lac and above (salary account to be maintained with City Bank)
- Annual Fee: BDT 1,000 + 15% VAT

➤ **ATM Transaction charges:**

- Free at City Bank ATMs
- Q-cash ATM: BDT 10
- Any other Local ATM : BDT 55
- Any International ATM : 2% or USD 3 per transaction, whichever is higher as foreign exchange mark up fee

3.2.14: Visa Credit Card:

This is a local Visa Credit Card, which is valid only in Bangladesh. It can only be used in local currency (BDT) within the country. This type of credit card has a limit ranging from BDT 10,000 to BDT 49,999. This type of card has designed for medium earner category customers.

Usage

- Local Classic/Silver Card (For Domestic use only)

Limit

- Local Classic/Silver Card BDT 10,000 – BDT 49,999

➤ **Dual Classic/Silver Card**

This is basically one plastic that has dual options to make transaction in two currencies. Its acceptance jurisdiction is in country and outside country in BDT and USD respectively. Classic dual is for the medium earner category customers. Its credit limit is USD 100 to 1000 and BDT 10,000 to BDT 49,999.

Usage

- Dual Classic/Silver Card (For both International & Domestic use)

Limit

- Dual Classic/Silver Card BDT 10,000 – BDT 49,999 + US\$ 500 – US\$ 1,999

➤ **Gold dual**

This is a high value dual card remaining other features same with classic dual. Gold dual is also for the higher earner category customers and its credit limit is USD 1,001 to 4000 and BDT 50,000 to BDT 500,000. A secured dual card's limit will be maximum USD 28,000 against lien on RFCN or ERQ account.

Usage

- Dual Gold Card (For both International & Domestic use)

Limit

- Dual Gold Card BDT 50,000 – BDT 500,000 + US\$ 2,000 – US\$ 3,000

3.2.15: NRB – (Non-Residence Business):

The city Bank's Foreign Remittance unit meets growing customer needs for fast, secure & easy money transfers to an extensive range of destinations. Being a committed bank to its customers, we go all the lengths to remit your hard earned money safely to your loved ones. With us, apart from a range of high-class modern remittance solutions, you will get peace of mind which we believe counts to most.

Facility

City Bank Limited has 83 online branches across the country; besides, the Bank has a strong remittance network with other major banks of the country. Therefore, wherever your account is, we are able to send your money instantly.

If you are a City Bank account holder, then please visit any of our branches. Our Foreign remittance service personnel will be there to help you out. If you are not an account holder, then please open an account of your choice with us to receive your remittance at earliest convenience.

I understand the value of your precious time. That's why we have made the payment procedure simple & easy. You have the privilege of encashing the remitted money instantly from your branch counter without going through any hassle. That is to say, if you are an account holder of City Bank, we can instantly credit the money to your account or pay cash to the receiver. So, place your trust with City Foreign Remittance Service. Send your money to your loved ones & achieve peace of mind.

3.2.16: NSB (Student File):

Any student going abroad for higher studies needs to submit some documents confirming his admission / offer at foreign educational institution, passport etc to City Bank branches. City Bank, keeping all the attested photocopies, opens a 'City Student file' in the name of that particular student. To meet all the foreign currency requirements related to his/her education & accommodation under that admission, City Bank then remits to the institution (or in favor of him/her) the foreign currencies as the file opening bank. Any Bangladeshi passport holder student can apply for City Student File Needs to have an account relationship with City Bank.

Required Documents

- Letter issued by the foreign educational institution in support of admission
- I-20 for USA based institutions
- Details of tuition fee & living cost
- Refund policy
- Educational certificates completed in Bangladesh
- Details of the nominee
- Original valid passport
- Photograph of the student

3.2.17: i-Banking

I-banking is newly introduced online service. This service enables customers to check their a/c balance by simply signing in the web.

➤ Process to open:

- Fill up the form or i-banking
- Change the password and signing to receive service

➤ Eligibility:

- Have to have a savings, current or STD account in CBL

3.3: CLEARING:

3.3.1: Functions of Clearing

- Clearing stands for mutual settlement of claims made in among member banks at an agreed time and place in respect of instruments drawn on each other.
- Clearing is an arrangement under which member banks agreed to meet, through their representative, at the appointed time & place to deliver instruments drawn on them.
- The net amount payable or receivable as the case may be is settled through an account kept with the controlling bank (Bangladesh Bank, if not present then Sonali Bank will act as Bangladesh Bank)

Types of Clearing:

- Outward clearing
- Inward clearing

Types of Return:

- Outward Return
- Inward Return

3.4: CITY BANK PRODUCT LIST AT A GALANCE

City retail	
DEPOSIT	Current Account Savings Account City Onayash City Shomridhdhi City Ichchapurun City Projonmo City Projonmo City Youth School Plan City Youth College Plan
FDR	Loan City Scholar City Drive City Solution City Express City Double
NRB	NON RESIDENT BUSINESS
NSB	Student File Medical File City Wallet i-Banking Locker Service
CARD	<u>Debit Card</u> Visa Debit Card MasterCard Debit Cards <u>Credit Card</u> The American Express® Card VISA Classic Local VISA Classic Dual VISA Gold Local VISA Gold Dual

(Table 2 – Source: WWW.The City Bank Limited.bd.com)

However all the products and features are not available in every branch of the City Bank due to the customer patterns and demand along with the business policy of the City Bank at different place. Moreover the products and feature are more available in Dhaka and Chittagong rather than other branch outside of Dhaka like Narayanganj.

CHAPTER FOUR JOB DESCRIPTION



4.1: INTRODUCTION:

During the twelve weeks working period as an Intern in The City Bank Limited at Narayanganj branch, I had the opportunity of working in each and every department of the Narayanganj Branch. As soon as I joined the company for my internship, a schedule of the internship program was given to me which consisted of the working schedule along with the departments in which I would be working. The management of the organization and specially the manager of that branch believes that an intern should work in all the departments rather than concentrating on only a specific department because the main motto behind an internship is learning and that can be achieved greatly by having an exposure of all the departments together. It is so because it gives an intern a broader perspective of how an organization really works all together. However, as my main field of study and interest lies in Retail banking division of the Narayanganj branch. Basically I worked under the Customer service department of the particular branch and for that reason I got longer time to gather knowledge about that particular segment.

4.2: RETAIL BANKING DEPARTMENT:

I worked in the retail or general banking division of the Naarayganj branch at The City Bank Limited. Under the retail banking division, I had to work in customer service, card divisoin, remmittance & clearing segment of the branch. The tasks that I was engaged in while working in each of these departments are discussed below.

4.2.1: Customer Service Department:

On the first day of my work in the Customer Service department, the person in charge of the department explained all the things related to the operations of the department to me. He showed me how the total customer service department works in the branch. He also made me familiarized with the various terms and tools like different application form, procedure, software system that are used by that departments to make the life of employees easier. He also gave a brief description that how an account can be open and the rules regulations for opening any kind of account in The City Bank Limited. I worked for 5 weeks with the department, and it was a time well spent as I learnt a lot of new and interesting things from this department specially the way of handling the different kind of customer over there.

4.2.2: Card Division:

I worked in the card division for 2 week which gives me the general knowledge about how actually card division work in a branch and how they maintain their cards by giving service to the customer. The City Bank Limited has the luxury to have American Express credit card under their basket, thus the card division activity is much more important for them. At first the customer service manager introduced me with the other employees who were working under the card division of the Narayanganj branch. At the first stage of my work, responsible person gave me the general overview of the card division that how actually it works. There were four register note book for maintain the cards; two is for new issue cards and rest for lost and stolen card. In the both cases cards and pins maintain by two separate individual for security purpose. There were two people in the hold of card and pin of that branch. They have to maintain the existing card user with increasing large number of new card user day by day. Moreover The City bank Limited have an account opening system named “accelerated banking”, under this system City bank provides the debit card instantly to the every customer. For that reason the card user are increasing every day and becomes an important factor to the bank.

4.2.3: Clearing Section

I spent more than 2 week to learn Clearing activates. It was very hard task for any newcomer as I had no idea of it. So as an intern it was very difficult at primary stage and due to this I faced lots of difficulties to maintain clearings. However, by learning from the mistake I did a good job in clearing task with the help of proper guidance and strict provision done by the supervisor of that particular segment.

Clearing is one of the magical parts of banking. I really enjoyed this part of the accounts department and banking sector. At first The City Bank Limited, Narayanganj branch, clearing in charge Mr. FazlurRahaman (SCM), gave me a brief overview of clearing process and showed me how to do the clearing process in Sonali Bank where we had to go for clearing purpose. From then I had to work with him in the clearing section of The City bank Limited, Narayanganj branch and sometimes I had to keep record of inward and outward clearing and calculation of whole day clearing.

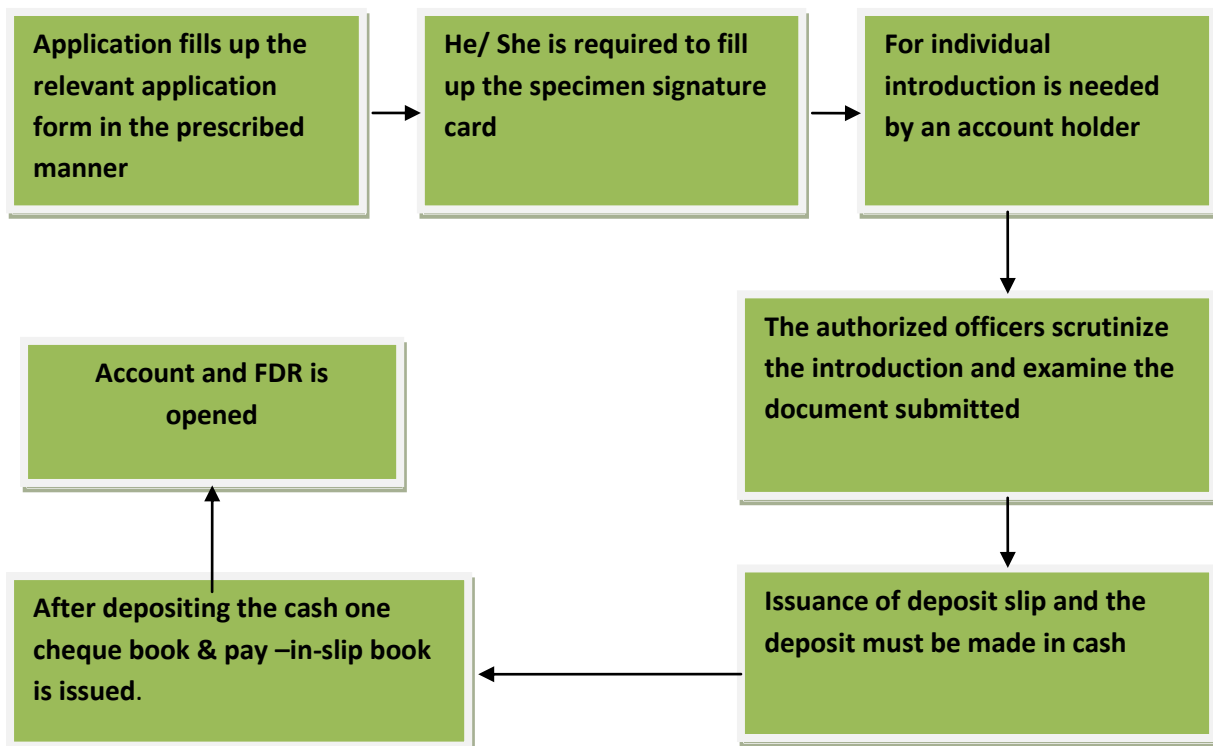
4.3: SPECIFIC JOB TASK

During my internship period I had to do several task like account and FDR opening, closing of an account, loan application form fill up etc, here is some of the task that I had to do frequently.

4.3.1: Account and FDR Opening:

It is said that there is no banker customer relationship if there is no a/cof a person in that bank. By opening an a/c banker and customer create a contractual relationship. However, selection of customer for opening an account is very critical for a bank. For opening an account a person needs to follow the below pattern.

Account Opening Procedure in flow chart-



Before opening of a current or savings account, the following formalities must be completed by the customer:

- Application on the prescribed form
- Introduction
 - The following person can introduce an a/c opener
 - An existing current/savings account holder of that branch

- A respectable person of the society or locality who is well known to the manager/2nd man of the branch
- Furnishing photographs
 - Sign by the introducers and account holder in the backside of photo
 - Account holder needs to sign in the backside of the nominee photo
 - Banker will supply a set of printed forms required for opening the account, which will normally include
 - Specimen Signature Cards
 - Deposit Slip Book
 - Check book Requisition slip
 - Customer should carefully read full-fill the application form
 - Putting specimen signature in the specimen
 - Any special instructions with regard to operation of the account should be noted on the relevant signature card boldly duly authentication by the account holder should be obtained
 - The required account number for the new account from the account opening register should be obtained
 - Obtained the signature & account number of the Introducer on the advice of new accountant the place meant for the purpose & gets the signature properly verified by an authorized official of the bank
 - The deposit slip properly filled in & signed by the customer
 - Then the new account number should be written at the appropriate place of the deposit slip and mark new account on both the copies of the deposit slip and request the customer to deposit the money at the cash customer
 - Place the signature cards, advice of new a/c , a copy of deposit slip , photographs & other necessary papers/ documents etc in a file
 - Obtain approval of the authorized officers for opening the new account on all relevant papers. While giving approval for opening an account the Authorized official should be satisfied about of the Introducer
 - The Authorized officer on the advice of new a/c & on the specimen signature of the new a/c holder
 - After approval of the opening of the a/c , get the check book requisition slip signed by the customer
 - Deliver the check book to the customer after properly marking the account number name & place of the branch on each leaf of the checkbook

- On completion of account opening open a file for the new a/c holder & file all relevant papers forms etc. Signature cards, copies of advice, Deposit slip, debit ticket etc is distributed to concerned department
- To fill up the KYC (know your Customer) form dully.

Additional document are to be obtained for opening some special account.

➤ **Sole Proprietorship:**

- Photograph of all authorized signature
- Trade license & Tin Certificate
- Permission under 18-A from Bangladesh Bank
- Photo Identification National Id Card/ Current valid Passport /Valid Driving License.
Where Photograph is also attested/Employee Photo ID card of any multinational or listed company or organization

➤ **Partnership concern:**

- Trade license & Tin certificate
- Certified true copy of partnership deed of the partnership concern
- Nationalization copy of partnership deed of the partnership concern
- Certificate of registration of the partnership concern
- List of partners with their address
- Permission under 18-A from Bangladesh Bank
- An explanation of the nature of the business or partnership should also be ascertained
- 2 copies of Photograph & identification Document of all partners & all Authorized Signatories

4.3.2: Dormant Account Reactivation:

Dormant account is an account which is inactive. Under the City bank policy, if an account remains inactive for 3 months then accounts will be considered as a dormant account. If the account becomes dormant then account holder won't be able transaction with the dormant account. For transaction customer needs to the mother branch where he or she opens his or her accounts and with certain process accounts can be active again.

Process of Activation of Dormant Account:

At first account holder needs to come to the mother branch and then has to fill up a form named dormant account reactivation. Account holder needs to sign and fill up the form and submit it the customer service officer. Customer service officer will verify the signature and sent the request to the head office through centralized system to reactivate the account. Then it takes 2 to 3 days for reactivate the account and then account holder can transact with this account.

4.3.3: Other issue of Account:

There are several issues like nominee change, signature change, address change etc work regarding existing account. All this work was done by me and here is a brief description of the work I did,

Nominee and Signature Change:

In necessity of the customer, it is frequently asked in the bank to change the nominee. Nominee is the person who is the authorize person in behalf of the account holder. Basically after the death or any such cases nominee will have the right to take any kind of decision regarding that account.

The process of nominee change is quite simple but it takes time as file needs to process to the head office. To change the nominee customer needs to come to the mother branch of the account and then fill up a form named nominee change form. In the nominee form, one copy of nominee photograph is needed and account holder has to sign the form that he or she wants to change his or her accounts nominee. Then files need to submit to the responsible officer and responsible person will verify the information and sign. This whole process takes 2 to 3 days.

In terms of signature change, account holder has to fill up the signature change form and then needs to submit to the customer service department. Responsible officer verify the signature and the information with photograph change, in some cases account holder needs to provide a photograph of his or her own if the previous photograph is not match with the present photograph. This whole process also takes 2 to 3 days.

There are many other cases like account holder name change, address change, and many other factors. All the factors for changing works as same almost, except the address change process.

In terms of address change accounts holder needs to provide the NID, which has to match with his present address then the account holder can change the address. The remaining process is same as other like has to fill up a form then submit it to the customer service department and then responsible officer will verify the account and signature passed to the head office. This process also takes 2 to 3 days as well.

4.3.2: Closing of an Account:

Upon the request of a customer, an account can be closed. After receiving an application from the customer to close an account, some procedures are followed by a banker. The customer should be asked to draw the final check for the amount standing to the credit of his account less the amount of closing and other incidental charges and submit the unused cheque leaves. The A/C should be debited for the account closing charges etc. and an authorized officer of the bank should destroy unused cheque leaves.

In case of Joint A/C , the applicant for closing the A/C should be signed by all the joint holders' A banker can also close the account of his customer or stop the operation of the account under following considerable circumstance :

- Death of Customer
- Order of Court
- Customer's insanity & insolvency
- Specific charge for fraud forgery

Ensure that:

- Application for closing a/c receivable & signature verified
- Account closing be referred to manager
- All charges are realized
- All the instruction is checked & no instruction remains unattended
- A/c "closed" is marked in AOF.
- "Closed AOF "is duly filled in the closed file.
- Close marking is red color in a/c opening register is done & destroyed cheque must be mentioned.
- After debiting all charges a pay slips is issued to debit the account for final payment to the a/c closer.

4.3.3: Issuing Cheque to the Customer:

Fresh cheque book is issued to the account holder only against requisition on the prescribed requisition slip attached with the checkbook issued earlier, after proper verification of the signature of the account holder personally or to his duty authorized representative against proper acknowledgment.

Procedure of Issuing of a Fresh Cheque Book

- A customer who opens a new account initially deposits minimum required money in the account.
- The account opening form is sent for insurance of a cheque book.
- Officer then sealed it with branch name.
- In-charge officers enter the customer's name & the account number in the same Register.
- Officer also entry the customer's name & the account number in the same register.
- Account number is then writing down on the face to the cheque book & on every leaf of the check book including requisition slip.
- The name of the customer is also written down on the face of the cheque book and on the Requisition slip.

4.3.4: Clearing House Process:

From the 9th week of my internship at The City Bank, Narayanganj Branch, I was busy to maintain cheque clearing task. This task was maintained by me for almost 3 weeks which includes a number of steps. These steps are explained as follows:

Step 1: Preparing outward book

Outward book is a sort of record book where I records each and every cheque's detail such as bank name, account number, cheque number etc. All these cheques are received in cash counter from customers.

Step 2: Arrange and attach delivery receipt with each cheque according to bank's name

Step 3: Preparing clearing house book

In the clearing house book, I write the total amount from each delivery receipt. This book has two columns named 'received from' and 'delivered to'. In these columns, amounts are written under different bank's name and calculated the total amount.

Step 4: Collecting cheques from different bank representatives in clearing house

In this step, my work is to collect cheques from different bank representatives in Sonali Bank. In absence of the Bangladesh bank, Sonali Bank maintain clearing task in favor of all other banks. Every bank's representative exchange delivered cheques among them according on bank name and record the total amount in the 'received from' column of clearing house book. Then the clearing house book was verified by the senior manager of Sonali bank.

Step 5: Verifying all received cheques

All received cheques are given to the second branch manager of City Bank for verifying. He may refuse received cheque for several causes. These are as following;

1. Insufficient fund
2. Amount in figure & word differ
3. Cheque out of date/post dated
4. Drawer's signature differ
5. Payment stopped by drawer
6. Cross cheque to be present through a bank
7. Other specific reason not mentioned above

If there is any issue raise to return the cheque then second manager attach Cheque Return Memo with refuse cheque by mentioning a cause as I point out above. And then it was sent it to the Senior Customer Service manager for further processing.

Step 6: Recording return cheque to Clearing House Book

In the similar way return cheque amount are also posted in delivered column of Clearing House Book. Then again exchange return cheque with the bank representative in Sonali Bank clearing house.

Step 7: Preparing debit & credit voucher

Debit and credit voucher prepared based on the net total amount of clearing house book and send it to the second branch manager for verifying. Second branch manager verify the net amount and posted it to the City Bank main account.

4.3.5: Automated Clearing House:

Bangladesh Bank launched the newly introduced Automated Clearing House, as part of its move to digitalize the country's banking system. Under the new automated system, banks will not need to send their cheques physically to the clearing house at the central bank for effecting fund transfer. Now the banks can do the job online from their own offices using machine-readable cheques and the funds will be transferred electronically. However, the banks can also drop their cheques at the Automated Clearing House at Bangladesh Bank where the machine can take image and data of 300 cheques per minute. Different banks to integrate with the new system have already introduced the new magnetic ink character recognition encoded cheques. The encoded cheques will reduce the cheque clearance time to only two hours from the two days required so long (Mr Fajlur Rahaman, Clearing in charge, October 28, 2010). But still Automated Clearing house function is not start in Narayanganj.

4.3.6: Loans and Advanced Department:

Banks collect deposit for lending & investment, this function is performed by Loans & Advance Department. Sanctioning of loan proposal starting from party's request for a loan collection of necessary papers, information & financial statement, analyzing of those information, preparation of loan proposal, security analysis & valuation, inspection, lending risk analysis, setting terms & conditions have also known to us. I have also seen sanction Advises & their terms & conditions. In this department I didn't able to work in total procedure, except helping the customer to fill up the application form. However by seeing and getting information from the responsible person came to know the procedure of loan sanction.

Sanctioning Procedures

Step #1

A customer who has willed to take loan from bank has to write an application along with following documents:

- Two copies of photographs,
- Valid trade license has to be deposited by the party,
- There must be description of collateral in the application. The collateral must not be the home state land out of municipal or vacant land,

- Physical inspection of collateral must be done and market value from the locality has to be determined. It must done by B.Ss Engineer,
- Confidential report from other banks is also needed,
- Declaration form is needed
- Balance sheet is needed

Step #2

Proposal has to be sent to the Head Office by the branch along with the letter of hypothecation & other different types of certificate as per circular.

Step #3

Head Office confirms the sanction with some terms and conditions and if the party agrees with this, he signs on the duplicate copy.

Step #4

To legalize the collateral panel lawyer will complete the documentation and will give letter of satisfaction.

Step #5

After signing the charges documents the loan is created and the limit is ready for disbursement by giving the party a cheque book.

Step #6

Some steps that must be taken after the disbursement:

- Stock must be submitted by the party on monthly basis
- Sudden inspection is necessary

In every 45 days the loan should have to be adjusted.

Selection of Borrower

In extension of bank credit, nothing is more significant than selection of borrower, While choosing a borrower, Bank must study three things: Character, Capacity, and in Capital or in other words Reliability, Responsibility, Resourcefulness of a party.

4.3.7: Dispatch Department:

I had to work in the dispatch department; basically dispatch is one of the primary departments of banking activities. Dispatch can be categorized into two parts:

- **Inward Register-** (a)By Courier
(b)By Post
- **Outward Register-** Responsible branch person
(b)Courier

Inward Register

In inward register all the incoming documents are received and I had to register according to date. Then documents are transferred to different departments according to their destiny with date and sign by the responsible person.

Outward Register

The documents, which are needed to mail to different branches of City Bank Limited in Bangladesh or outside Bangladesh, then I had to register in outward register and took the sign from the person supposed to deliver it to the dispatch department in the head office of The City Bank Limited. This work was done once or twice in a week. However the courier service is not used as banks like to do it by the responsible person and then with the dispatch department.

4.3.8: Reconciliation Work during Internal Audit:

I was fortunate to get the opportunity to see the work done by internal audit that how they basically co- ordinate all the facts and the reconciliation process of the different department in the branch of The City Bank Limited. During that time I passed a hard time for helping the different department officer to reconciliation of their work. To run the operation smoothly, the branch maintains registers to keep the proper count to the custodial things that the branch keeps. Thus it needs to maintain proper books of how many items in each category enters each day and how many goes out. The registers whose reconciliation was prepared by me are:

- i) Cheque Book reconciliation
- ii) Debit Card reconciliation
- iii) Captured card reconciliation

i) Cheque Book Reconciliation

There are mainly two types of cheque books current cheque books, savings cheque books. The cheque books issued by the current account holders fall under the current check books and similarly the cheque books issued by savings account holders fall under the savings cheque books. All these forms of cheque book are reconciled in one format. Firstly the previous days balance is written, then the cheque book that have been received through the courier are added, then the cheque books that has been delivered to the clients are deducted and if any cheque book has been destroyed, then that is also deducted. At last the day end balance is calculated with all the adjustments. The cheque books that have not been issued two months before and not yet been collected are sent for destruction.

ii) Debit Card reconciliation

Debit cards are the cards which are used in the ATM machines for cash withdrawal or used in POS machines. Guests issue new debit cards and pin when their current card is lost/stolen or damaged or when it has expired. Similar to the cheque book reconciliation, the debit card and pin reconciliation is done in same manner. It is still doing by writing each detail which leads to a difficulty towards calculating the total at last. Moreover The City Bank Limited has a policy that after every two years from opening an account, City bank card division issue debit card and pin to every customer automatically. During the Audit, both inward and outward calculation needs to be error free and needs to calculate the total card and pin. There are some common mistakes that card holder or the

responsible person who issues the card forgets to sign in the register book of card and pin. In case of not signed by the responsible person, I had to find out such cases and had to take the sign from that person. Similarly in case of card holder, I had to call to the card holder and ask them to come to the branch for taking a sign in the card and pin register. In addition to that debit card and pin has been destroyed after one month if not received by the customer. For that reason needs to adjust the total card and pin end of every month and that was done by me.

iii) Captured card reconciliation

The cards which get stuck in the ATM booths are known as captured cards. There are a few reasons for which cards can be captured in the booth. If the customer gives wrong pin number three times then the card can be captured. If the customer doesn't take back the card after transaction in due time, then the card can be captured. Cards can also be captured if there is a network problem in the ATM machines. If a card is being captured, it can be collected from the card holder's mother branch after three working days. The mother branch is the branch where the account was initially opened. If the card gets captured in ATM booths other than that of The City Bank Limited then it might take 7 to 10 working days to recover the card.

The reconciliation of captured card is done in similar fashion like debit card or cheque book. The branch similarly maintains a register for the captured card. Captured card at time also came from different branches besides the head office. If a customer requests the branch to bring his or her captured card from his mother branch for the convenience of the customer, then that can be done. In such cases, other branches may send the respective captured card to The City Bank Limited, Narayangnj Branch. Therefore always needs to make the entry in the register book during inwards or outwards of captured cards. For that reason during Audit, I had to manage the inwards and outwards of captured card and needs to make sure of every captured card in the register. The card holder needs to sign in the register during receive the captured card which an important issue for the Audit. To make error free in the register I had to calculate the total inwards and outwards from June 2011 – December 2011, and if there was any problem then I had to make it correct with the help of responsible person. The common problem was that the card holder took the card but by anyhow authority forgets to take sign in the register. In this case, I had to call that person and make sure that card holder gave sign in the register. The other common mistake was not signed by the responsible person in the register during taking the captured card by the card holder. In that case, I had to find out such case and had to take sign from the responsible person.

CHAPTER FIVE FINDINGS & ANALYSIS



5.1: INTRODUCTION

During my internship in The City Bank Limited at Narayanganj branch, I have analyzed various aspects of that particular branch. I did a qualitative analysis of satisfaction and performance level of customer towards Narayanganj branch of The City Bank Limited from a customer point of view. I conduct a probability random sampling which is random in nature to collect the data from customer to measure the satisfaction level. With the research software SPSS, I did the analysis through chi square test with descriptive analysis. Moreover I did a descriptive analysis by observing the different aspects of The City Bank Limited, Narayanganj branch regarding different services and features offered by the City Bank.

5.1.1: Sample Size:

The sample size used in this study is 20. The sample size was low assuming that the homogeneity prevails in customers perception related to service quality. The respondents were the regular customer of CBL visiting Principal branch on regular interval.

5.1.2: Sampling Technique and Procedure:

The sampling technique used in this study was random probabilistic in nature. More accurately convenient sampling was used. The sample was taken randomly.

To analyze the customer perception about City bank ltd, I conducted

5.1.3: Chi-square Test:

Chi-square is a statistical test commonly used to compare observed data with data we would expect to obtain according to a specific hypothesis. For example, if we expected 10 of 20 offspring from a cross to be satisfied and the actual observed number was 8 satisfied, then we might want to know about the "goodness to fit" between the observed and expected. Were the deviations (differences between observed and expected) the result of chance, or were they due to other factors. Basically the difference that how much deviation can occur that must conclude that something other than chance is at work, causing the observed to differ from the expected values. The chi-square test is always testing what scientists call the null hypothesis, which states that there is no significant difference between the expected and observed result.

The formula for calculating chi-square (χ^2) is:

$$\chi^2 = \sum \frac{(O-E)^2}{E}$$

That is, chi-square is the sum of the squared difference between observed (O) and the expected (E) data (or the deviation, d), divided by the expected data in all possible categories

To test the customer satisfaction level the hypothesis would be

H_0 = Customer are not satisfied with city bank services

H_1 = Customer are satisfied with city bank services

All the analysis is done through using software named SPSS. Additionally a time series analysis of lending deposit relationship is also shown.

5.1.4: Analysis of Customer Satisfaction Level of CBL:

Descriptive statistic

	N	Mean	Std. Deviation	Minimum	Maximum
Communication with Customer	20	1.2500	0.44426	1.00	2.00
Service Offered	20	1.5000	0.68825	1.00	3.00
Market Reputation	20	1.4000	0.68056	1.00	3.00
Public Confidence	20	1.3500	0.67082	1.00	3.00
Deposit account Service	20	1.5500	0.75915	1.00	3.00
Credit Facilities	20	1.7500	0.85070	1.00	3.00

Note: Variables – Communication with customer, Service offered Market reputation, Public confidence, Deposit account service, Credit facilities.

I designed the questionnaire for every respect regarding the employee behavior and overall environment for CBL to find out customer satisfaction level. Expected answer was designed according to – Yes, May be, No. Findings of the analysis are the Mean 1.75 indicates that more than half number of respondents select satisfied answer. Standard deviation is .759 which means the distance of the respondent answer is not that much far from one respondent to another respondent.

Test Statistics

	Communication with customer	Service offered	Market reputation	Public confidence	Deposit account service	Credit facilities
Chi-Square(a, b)	5.000	7.600	12.400	15.700	6.700	2.500
Df	1.000	2.000	2.000	2.000	2.000	2.000
Asymp. Sig.	0.025	0.022	0.002	0.000	0.035	0.287

Note: Variables – Communication with customer, Service offered Market price, Public confidence, Deposit account service, Credit facilities.

From the following analysis find the result are significant for Delivery/ Responsiveness of employee, communication with employee, service offerings. Both of the variables reject the Null hypothesis (Ho) and accept the alternative hypothesis (H1) can conclude that customers are satisfied with the CBL present condition. Though there are some significant differences found in case of quality of staff and over all environments. However we can conclude that overall customer is satisfied with the CBL bank's performance.

5.2: PERFORMANCE ANALYSIS

The performance of a branch depends on many factors like the people in the branch, the services provided, the technological and infrastructural backings etc. The performance of The City Bank Limited, Narayanganj branch will be analyzed according to four criteria:

- i) Products and Services
- ii) People
- iii) Head Office evaluation

5.2.1: Products and Services:

The City Bank Limited, Narayanganj branch provides most of the services that are provided by other The City Bank Limited branches. Most important factors are in the bank to provide the services efficiently and properly to the customers. However it is being tough for the employees to provide the service efficiently and properly to the customer due to centralized system of the bank. Due to the centralized system, file has to be processed from the head office which takes more time than usual for every case like account opening, card activation, account closing, cheque book requisition, and during FDR opening and closing as well. The problem I faced mostly during my internship period that some customer were dissatisfied with the fact that they were getting the FDR cheque after 4 working days from the opening of the FDR and were able to withdrawn the FDR maturity money after 5 days from the maturity date as well due to the centralized system of the bank. Ultimately centralized system gets more time for any kind of file processing which is a dissatisfaction factor to the customer. Moreover there are few services that The City Bank Limited, Narayanganj branch is not currently offering. From that Credit card cheque book, NSB (Student file) and Home loan services and International debit card are the most important. Every day customers come to avail these services and has to be forwarded to other City Bank Limited branches mostly to Dhaka branches. This decreases the business opportunity of the branch. Most importantly credit card cheque facility is very much demanded from the customer point of view. The credit card cheque holders can issue cheques to other banks accounts which give the clients a wider use of their credit card.

Moreover The City Bank Limited doesn't have any DPS scheme like round lump sum amount. Like some other bank is offering such product like BDT 5,000 per month will lead them to BDT 200,000 after 19 months with an 8.3% interest rate. However The City Bank Limited is offering 8.5% interest on DPS from 2 years to 12 years which is larger than 8.3% interest but not giving round lump sum. As the customer in the Narayanganj area are not so much educated and they are more interest on getting a round up amount rather than fractional amount. Basically most of the customer regarding DPS product, want to create a DPS account for their family members especially for the children. On that

case they want a lump sum amount after a DPS maturity period which is not offering by The City Bank Limited. For that reason many of the potential customers especially at Narayanganj branch are not getting interest on DPS scheme of The City bank Limited in spite of having a positive view towards the bank.

Another important factor I have noticed during my internship period that some of the customers were dissatisfied after waiting for a long time in the line for withdraw the cash by cheque but at last came to know that they have insufficient fund in their account. Moreover sometimes customer asked the different officer in the bank to check their account that whether there is sufficient fund or not. This ultimately results in a disturbing factor for the employees and sometimes they ignore those types of question from the customer as they have to work under huge pressure to maintain all the things properly. In both cases customers are getting dissatisfied with the service which is very bad for any bank reputation in the market.

One of the most important factor is the file processing of the City Bank limited is much more complex which takes time and tough for the employees to maintain sometimes. Basically for every case especially for any kind of account opening, National ID (NID) card is a very important issue for documentation at present. However most of the NID has some error which causes problems for opening of any kind of account. On the other hand City Bank follows a very strict rules and regulation regarding documentation which results in customer dissatisfaction. As most of the NID has some kind of error like father name spelling mistake or birth date mismatch and so many other types of mismatch factors. Due to the strict policy and rules, City Bank doesn't allow the error in the NID, if there is any error then customer has to correct the error with justification which makes the customer dissatisfied.

Last but not in the least is the factor regarding printer and photocopier machine of the Narayanganj branch of the City Bank Limited are not working properly. Customer feels dissatisfied as they had to go somewhere else to make the photo copy of the document as photo copier machine is out of order at present. On the other hand the customer who came to take the statement gets dissatisfied as the current printer is not working well.

Except all the factors mentioned above, City Bank is doing really good in providing services to the customers with the help of "FINACLE" software as work can be done without any error. On the other hand introduction of new service like i-banking, sms banking bought new dimension in customer service Moreover City Bank at Narayanganj branch has the sufficient workforce in the branch that can provide the service properly. Most of the employees work in the Narayanganj branch of the City Bank Limited tries their best to provide the better services patiently which ultimately can satisfy the customer and also can achieve the trust of the customer as well. As a result of the better services provided by the City Bank, Narayanganj branch got the highest rank among the "C" grade branch of The City Bank Limited in the first quarter of year 2011.

5.2.2 People:

The City Bank Limited, Narayanganj branch has a very efficient bunch of employees who gives better dimensions in the performance of the branch as a whole. The Branch Manager, Md. Shariful Aziz is a highly experienced individual with a huge experience in Standard Chartered Bank and Eastern Bank and has a very good knowledge of marketing. He drives the branch in performing so well. Then there is the Customer Service Manager, Md. Abdur Rahman & senior customer service officer Nusrat Zubayda who has been working in The City Bank Limited for more than six years, thus having very good knowledge of the practices of The City Bank Limited. Branch operation manager, Md. Allah Baksh along with customer service manager makes sure that the branch runs smoothly. Another important member of the branch is the Chief Cash and Client Service Officer, Md. Fazlul Haque, He has been working in The City Bank limited for the past fifteen years or so. He is the head teller and is responsible for the smooth functioning of the cash section and the vault. Thus the main responsibilities of the branch lie in the hands of these three individuals. Except some miss management, all this people are doing very good to keep the service at satisfaction level.

Other than the three heads of the branch, there are really efficient Relationship manager and other employees who are the backbone of the branch. They ensure that the clients get their required services. These members are very efficient with huge experience. This combination of branch employees has worked very well till now for Narayanganj branch of The City Bank Limited. However due to less knowledge in computer software system as they are efficient with manual work is hampering the process of doing the service a lot in The City Bank Limited Narayanganj branch. The City Bank Limited is a centralized banking system and the personnel working their need to work in software like “FINACLE” which sometimes lead them to problem as less computer knowledge and ultimately towards miss management in the branch. For this reason customer feel dissatisfied with the service provided by the officer which is a major concern for the branch. But the things are changing as young people are entering into the banking sector and to The City Bank Limited with proper computer software knowledge. With the proper computer knowledge these people can give better services and can make sure the satisfaction factor of the customer in The City Bank Limited, Narayanganj branch.

5.2.3 Head Office Evaluation:

The Head Office of The City Bank Limited evaluates each branch in two main criteria. These are the Audit report and the service quality report.

Audit Report

The audit report is the evaluation of a branch that is being done on the basis of the smooth and efficient functioning of the branch. Each year, the audit representatives come two to three times to evaluate the functioning of the branch. The main concerns of the audit are proper book keeping, maintaining the vault accurately, proper arrangement of vouchers, error free inputs etc. In a scale of 6, Narayanganj branch has been able to achieve “Satisfactory” from the Audit Report.

However I was fortunate to get the opportunity to see the work done by internal audit that how they basically co- ordinate all the facts and the reconciliation process of the different department in Narayanganj branch of The City Bank Limited. During that time I passed a hard time for helping the different department officer to reconciliation of their work. After all the effort given by the every personnel specially the manager of the branch, was able to done the task satisfactorily. Moreover by hard work and patient attitude shown by the employees of Narayanganj branch will lead them to one step further by attaining “Good” grade in the Audit Report for next evaluation.

Poor	Marginal	Fair	Satisfactory	Good	Excellent
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Service Quality

Service Quality Report as the name suggests is the performance of a branch in respect to the quality of services it is providing. Generally representatives of the service quality team visits the branch without notice and checks on the way the employees are providing services to the clients. There are many sectors on which the employees are given points and later these points help evaluate the employees and the branch as a whole. At times, the service quality members come in disguise and take services from the employees and grade them accordingly. Narayanganj branch of The City Bank Limited since its inception has been successful in attaining average points in service quality. Out of a scale of 6, Narayanganj branch of The City Bank Limited has been able to secure a grade of “Average”.

Very Poor	Poor	Average	Good	Very Good	Excellent
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5.3: FINDINGS OF THE REPORT

The City Bank Ltd is one of the leading banks in the banking sector of Bangladesh. It was a great opportunity for me to be a part of this bank. During my internship period in the CBL I have the opportunity to work in almost all the departments associated with general banking. This report is basically the outcome of my experience and observation during the internship period.

Major findings of the report are as follows:

- In terms of service, CBL follows centralized banking system which enables it to reduce operating cost & provide better service although it needs more time to serve a customer which sometimes leads to customer dissatisfaction.
- The bank has a diversified retail products & services with attractive features except some products and features like NSB (Student file), International debit card and home loan.
- The bank designed its general banking departments in a way to provide prompt service to the customer with the trust from the customer have in the mind for the branch.
- Use of “FINACLE” software and online branch banking system enables the bank to provide error free service with proper maintaining of the document.
- Introduction of new service like i-banking, sms banking bought new dimension in customer service.
- Employee’s sincere interest in solving customer’s problems has a positive impact on customer satisfaction & in building long term relationship.
- Though the centralize banking system reduce the operating cost but this system increase the time period in processing a file which has a direct negative impact on customer satisfaction.
- In some cases charges for a service a higher than the competing banks which also have a negative impact on customer satisfaction.
- The procedure of opening an account sometimes seems difficult for the customer who doesn’t have proper knowledge regarding account opening. Moreover due to strict policy and others barrier like NID, chairman certificates sometimes customer has to suffer a lot for opening and account. This factor ultimately causes customer dissatisfaction s from the analysis customer are not very satisfied with the service provided by the responsible person of the bank.
- Due to centralized system file processing takes time which ultimately leads to customer dissatisfaction sometimes, as we can see from the analysis that services offered to the customer is the only fact that the customer feels less satisfied.
- In terms of captured and newly issued card, customer gets trouble as it takes at least 3 days to active the card from card division of The City Bank Limited. In some cases it takes more than

5 days where customer suffers a lot. Mainly due to miscommunication with the card division it takes longer time, and the responsible person face difficulties in many cases and face problem to give better service. This problem ultimately leads to customer dissatisfaction.

- As The City Bank Limited keep the records using manual register, it seems difficult for maintaining all the facts properly. During the Audit, branch faced several problems regarding this matter which also hampers the better quality service as well.
- The products offering by the City Bank Limited especially for the DPS is not getting attention from the customer as they are not getting lump sum amount after maturity of DPS. All other bank has a product like that which leads to potential customer to invest in any other bank in spite of having positive outlook towards The City Bank Limited.
- Due to the problem in most of the NID, sometimes it seems very annoying and dissatisfaction factors to the customer for any kind of account opening in the City Bank as Bank follows a strict rules and regulation.
- Customer feel dissatisfied when they came to know that there is insufficient fund for withdrawn after long time waiting in the line for receiving cash by the cheque.
- The file processing time takes longer time due to NID problem, strict rules and regulations followed by the City Bank along with the centralized system of the bank.
- Both photocopier and printer machine is not working properly which ultimately results in a poor service provided by the Narayanganj branch of the City Bank.
- Based on City Bank policy, if any accounts remain inactive for 3 months then it considered as a dormant account. Many customers like house wife, accounts holder who lives in abroad, accounts holder who only transact if someone send money from abroad face a huge problem for this policy. This type of customer doesn't do regular transaction but when they feel the need of transaction through account, certainly they are unable due to dormant.
- In terms signature, nominee etc change, account holder has to wait for more days than it required which ultimately results in customer dissatisfaction. This problem arise as the responsible person working in the branch doesn't have proper knowledge of the software they are using named "FINACLE".

5.8: SWOT ANALYSIS OF CBL

The Strength, Weakness, Opportunity and Threats (SWOT) analysis of CBL is describe in the table:

S	<ul style="list-style-type: none"> -Large corporate client base -Quality Product & service -Company reputation & goodwill -Large number of Branches all over the country
W	<ul style="list-style-type: none"> -Lack of adequate marketing effort -Lack full scale automation -Lack of Trained employees -More time needs to provide services
O	<ul style="list-style-type: none"> -Value addition of product & service -Increasing purchasing power of people -Increasing trend in international business
T	<ul style="list-style-type: none"> -Default culture of credit -National & global political unrest -Market pressure for lowering of lending rate -Increased competition for market share in the industry

CHAPTER SIX RECOMMENDATION & CONCLUSION



6.1: RECOMMENDATION

Based on work experience during the internship period and outcome of the survey result the following recommendation can be given for better customer service and satisfaction.

- In order to improve the level of customer satisfaction is should give more emphasize on processing the task within promised time and give personal attention to each customer.
- In case of determining the charges and fees the bank should follow the least price strategy, at least initially, while staying competitive in the market.
- The written /postal enquiries should be good enough to serve their customer.
- The loan sanction process should be easier that the client can feel convenient to take loan from the bank.
- Should offer more attractive interest rate to the client to attract more customers.
- Some new investment schemes are to be introduced for socio economic development and welfare of the distressed humanity.
- The bank should improve supervisory and monitoring capabilities at branch and head office to avoid undue situation.
- The head offices of City Bank Ltd will not only a controlling unit of bank, but also a support-center for the branches.
- HR department should organize regular training facilities based on employees need or demand.
- Regular customer could also be conducted with an aim to find out the customer's expectation or to know about their satisfaction on bank's performance.
- HR department should developed a system of personal problem solving, counseling to individual employee it will help to get and retain maximum motivated employees than ever'
- Finally, heavy marketing and promotional campaign should be conducted to popularize the product and make people aware of the service.
- The City Bank Limited needs to give more emphasis on customer services especially regarding the card department. For the miscommunication customer gets trouble regarding card and to remove that The City Bank Limited needs to more communicative. Moreover for newly issued card, The City Bank Limited can use an automatic software system where cards will be active within a shortest possible time period.
- The City bank Limited should follow a structure way of maintain the issue like cheque book, debit card and pin rather maintain it manually.

- The City Bank Limited needs to offer such products especially for DPS that will pay a lump sum amount after the maturity date. All other banks are providing this type of product which ultimately results in a loss of potential customer to other banks in spite of having positive view towards the City Bank Limited.. Thus the product which will offer lump sum amount at maturity date will be able to attract more customers.
- Both the photocopier and printer machine needs to fix for giving the services to the customers as quick as possible.
- In terms of NID, City Bank needs to give little consideration as almost all of the NID has error in somewhere.
- The City Bank introduces centralized system for the customer benefit, however sometimes feels dissatisfied with this factor as file processing needs more time than required. Based on that centralized system should be used in a way that can minimize the file processing time and make customer happy about the service.
- Based on customer pattern and demand, City Bank needs to setup computer system in every branch that will allow the customer to check their account whether there is sufficient cash is available or not in the account for withdrawn before standing in a line for receiving cash.
- The procedure of opening an account sometimes seems difficult for the customer who doesn't have proper knowledge regarding account opening. Moreover due to strict policy and others barrier like NID, chairman certificates sometimes customer has to suffer a lot for opening and account. So my recommendation would be to revise the procedure of the account opening process and needs to make it easier as possible.
- To facilitate the Customer City Bank policy needs to revise in terms of dormant account. It is very frequently case that an account holder doesn't make any transaction for 3 months which it makes their account dormant. As it is very common case then it will be much better if City Bank can extend the maximum period for becomes any account dormant to facilitate the customer like house wife, accounts holder who lives in abroad, accounts holder who only transact if someone send money from abroad.
- The "FINACLE" software used for all the procedure sometimes seems difficult for the responsible person especially in Narayanganj to work as they don't have vast knowledge of the software. To make the responsible person more efficient and effective to provide better service, City Bank needs to arrange training on software frequently.

6.2: CONCLUSION

Banking is a dynamic business. Today is beset by momentum changes in virtually every facet of industry activities by assessing the current position of the bank, any hindrances is seen as challenges and not as a threat. Any such problem must be tackled accordingly. The Bank should maintain a well-structured communication from top to bottom level. Each official should be valued and motivated as a part of the Bank and they must have the privilege to share suggestions regarding decision-making or any other activities.

Service quality is a critical element of customer perceptions. In this case of pure services, service quality will be the dominant element to the customer's evaluations. In case where customer service or services are offered in combination with a physical product, service quality may also be very critical in determining customer satisfaction.

In case bank it is a pure service oriented product, not a physical product. For that the quality of service provided by banks has a big impact on the customers mind. Every bank has its own guidelines to serves its best to its customers. If every banker follow the guidelines it will be beneficial to the bank to build a strong relationship to the customer. A customer should be then become a loyal customer of that particular bank which serve them most. Mainly the bank reputation depends on banker customer's relationship. Sometimes becomes costly for business organization including banks. Good behavior may buy reputation for bank. The friendly behavior and sympathetic treatment may create the values upward. So in selecting members of executive and staff, the authority should take care about the manner and behavior of the applicants. So by delivering different banking product to the honorable customer, the banks may able to achieve the desired goal efficiency. So every bank must follow some golden rules, which create the internal reflection to each and every human mind.

The above contentions are realizations. As this is my first experience of working in o private organization like a very potential The City Bank Limited, I will remember it. It will have far reaching affect in my career.

CHAPTER SEVEN

APPENDIX



QUESTIONNAIRE

1) Communication with Customer

- Are the City Bank's facilities attractive?
- When there is in problem in account, does the bank resolve the problem quickly?
- Is it easy to talk senior bank officer, when customer has any problem?

2) Service Offered

- Do you think the service of ATM booth of this bank is good from the other Banks?
- Can the loan officers explain clearly various charges related to the loan?
- Does the cash department provide their service properly?
- Is "online Banking" service beneficial for the customer?

3) Market Reputation

- Does the bank have a good reputation in market?
- Are bankers behaved politely to the customer?
- Do you think CBL is more secure from other banks?

4) Public Confidence

- Does the bankers are acting busy ob being rude, when the customer asked question?
- Do you recommend this branch to your friend or business associate?

5) Deposit Account's Service

- Do you think the interest of this Bank on "Deposit" is satisfactory?

6) Credit Facilities

- Is credit card safe from unauthorized use?
- Does the bank highly charge to use their "Visa Debit Card" or "Credit Card"?
- Is CBL's Credit facilities are easy to understand

Does the Bank easily provide "Business Loan"? Do you think the bank takes highly interest from customer, when they provide "Personal Loan?"

Comments:

Others facts:

Communication with Customer

	Observed N	Expected N	Residual
yes	15	10.0	5.0
may be	5	10.0	-5.0
Total	20		

Service offered

	Observed N	Expected N	Residual
yes	12	6.7	5.3
may be	6	6.7	-.7
no	2	6.7	-4.7
Total	20		

Market Reputation

	Observed N	Expected N	Residual
yes	14	6.7	7.3
may be	4	6.7	-2.7
no	2	6.7	-4.7
Total	20		

Public Confidence

	Observed N	Expected N	Residual
yes	15	6.7	8.3
may be	3	6.7	-3.7
no	2	6.7	-4.7
Total	20		

Deposit account's service

	Observed N	Expected N	Residual
yes	12	6.7	5.3
may be	5	6.7	-1.7
no	3	6.7	-3.7
Total	20		

Credit Facilities

	Observed N	Expected N	Residual
yes	10	6.7	3.3
may be	5	6.7	-1.7
no	5	6.7	-1.7
Total	20		

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ACRONYMS

- | | |
|-------|---------------------------|
| ▪ CBL | City Bank Limited |
| ▪ BB | Bangladesh Bank |
| ▪ A/C | Account |
| ▪ CD | Current Account |
| ▪ SB | Savings Account |
| ▪ FDR | Fixed Deposit Receipt |
| ▪ DD | Demand Draft |
| ▪ PO | Pay Order |
| ▪ PS | Pay Slip |
| ▪ TT | Telegraphic Transfer |
| ▪ STD | Short Term Deposit |
| ▪ KYC | Know Your Customer |
| ▪ CIB | Credit Information Bureau |
| ▪ NID | National Identity Card |