

Report On
**Training of Foreign Trade Department Employees in Trust
Bank**

By

Safkat Sadique
14204001

An internship report submitted to the BBS Department in partial fulfillment of the
requirements for the degree of
Bachelor of Business Administration

BBS
Brac University
July 2020

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Safkat Sadique

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BRAC Business School

Letter of Transmission

19th June, 2020

To,
Shihab Kabir Shuvo
Lecturer, BRAC Business School
BRAC University
Dhaka, Bangladesh

Subject: Submission of internship report on **Training of Foreign Trade Department Employees in Trust Bank.**

Sir,

It gives me immense pleasure to be able to say I am submitting my internship report titled **Training of Foreign Trade Department Employees in Trust Bank.** The process of creating this report as well as the internship at Trust Bank has been an educational experience for me and I thank you for the having the patience for guiding me. This report is the outcome of my internship at Trust Bank's Millennium Corporate Branch's Foreign Trade Department. The report would be impossible without your supervision and consultation as well as my supervisor at Millennium Corporate Branch of Trust Bank Mr. Shahabuddin Ahmed Shoaib, as well as Ms. Kazi Sabina Akhter.

I hope you will find this report to be of the standard demanded by BRAC University and await your reviews and evaluation on this matter.

Sincerely Yours,

Safkat Sadique
ID: 14204001
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Dhaka Bangladesh

Acknowledgement

I would like to take the opportunity to acknowledge all the people who have played a vital role in completion of the report and my internship at Trust Bank. First of all, I would like to thank my supervisor Mr. Shahabuddin Ahmed Shoaib, as well as the employees of the Millennium Corporate Branch's Foreign Trade Department Ms. Kazi Sabina Akhter, Ms. Neelima Akhter and Minhazul Jeson for guiding me and helping me during my internship. I would also specifically like to thank Mr. Shahabuddin Ahmed Shoaib, Assistant Officer 1, of HR Services and Ms. Neelima Akhter, Principal Officer for assisting me with gathering necessary information to create this report. Additionally, I would like all the faculties I had the fortune to be able to learn from over the years. Finally, I would like thank my internship supervisor, Lecturer Mr. Shihab Kabir Shuvo and the internship coordinator Senior Lecturer Mr. Zaheed Husein Mohammad Al-Din for all their academic guidance and moral support. Without the assistance and guidance from each and every one of the personnel mentioned here, this report would not be possible and I am thoroughly grateful to all of them.

Executive Summary

Training and Development has become a key factor in determining the success of an organization, especially in terms of its performance and competitiveness in its industry. Just a few decades ago Human Resource Management was seen as unnecessary and cast off as an unwanted source of expense. Times have changed and now organizations have realized that to achieve their internal organizational goals they should not only focus on their business model process and procedures but also the employees to get the best performance out them and ensuring that the organization as a whole can perform to its fullest potential. As this report is the outcome of my internship at Trust Bank, this report focuses on the training received by the employee of the foreign trade department of trust bank. In addition, the report also includes Trust Bank's organizational profile, vision, mission, range of banking and financial services provided by the bank, the overview of the banking sector of Bangladesh, competitive analysis of Trust Bank, Trust Bank's HR activities, knowledge base training designed for foundation training and foreign trade related training with key findings, recommendation and conclusion.

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1.1 Internship Overview

1.1.1 Introduction

All BBA undergraduates of BRAC University are required to complete an internship program in order to complete their degree. It is an imperative aspect of the program as it allows students the with vital real life experience in working environment under the supervision of professionals. This is not only a great source of experience but also an exceptional opportunity for them to learn from veterans in their fields as well as apply all the academic knowledge they have accumulated prior to the internship. This report is the outcome of the internship at Trust Bank’s Millennium Corporate Branch titled “Training of Foreign Trade Department Employees in Trust Bank”. The internship started from 2nd of March 2020 but was reduced to 4 weeks after the COVID-19 Pandemic.

1.1.2 Student Information

Name: Safkat Sadique
ID: 14204001
Major: Human Resource Management
BRAC Business School,
BRAC University
Dhaka Bangladesh

1.1.3 Internship Information

Organization: Trust Bank
Branch: Millennium Corporate Branch
Address: Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206

1.1.4 Information regarding Internship Supervisor

Name: Shahabuddin Ahmed Shoaib
Designation: Assistant Officer 1, HR Services
Department: Human Resources Division

1.2.1 Duty and Responsibility

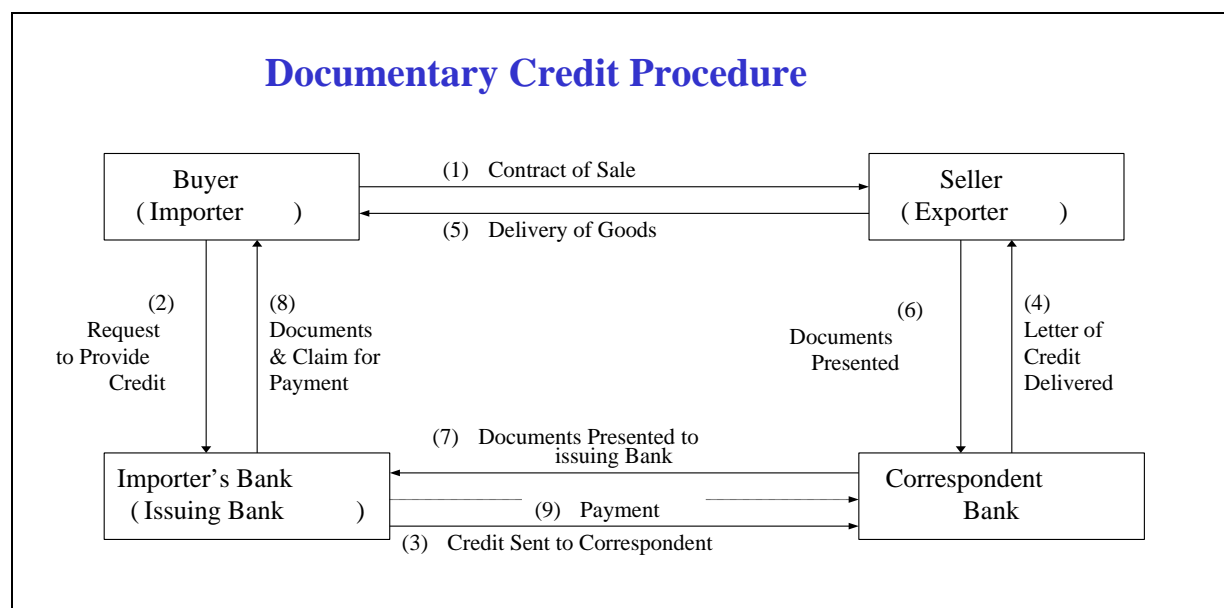
During my time as an intern at Trust Bank's I was appointed at the foreign trade department of the branch. During this time my responsibilities consisted of

- Sorting FDBC or Foreign Documentary Bills for Collection
- Creating individual folders for FDBC documents with designated EXP
- Formatting and editing of form letters, updating of information regarding buyer, seller and buyers bank.
- Registering of FC account with foreign currency amount, location and bank information.
- Creating pro-forma invoice form on Excel.

1.2.2. Learnings from Internship Experience

Although a major of HR, the appointment as an intern in the foreign trade department was an incredible experience to learn about foreign trade process and procedures. As my duties mostly revolved around documentary bills for collection. I managed to get detailed idea involving foreign trade, letter of credit or LC, LC procedures and importance of LC in foreign trade.

Letter of Credit: A documentary letter of credit is a written undertaking by an issuing bank on behalf of the buyer or importer to pay the beneficiary or the exporter a given sum of money after complying with the terms presented on the letter of credit.



Documentary Credit Process consists of following steps

- (1) Buyer and seller conclude sales contract and agree on method of payment (LC).
- (2) Buyer instructs issuing bank to issue LC on his behalf in favor of the seller.
- (3) Issuing bank issues LC and requests advising bank to confirm credit to beneficiary.
- (4) Advising bank authenticates and sends LC to LC beneficiary.
- (5) Seller prepares and Dispatches goods
- (6) Seller presents documents to the nominated bank
- (7) Nominated bank checks documents presented against LC terms and forwards to the issuing bank
- (8) Issuing bank realizes payment from the applicant against credit compiled documents.
- (9) Issuing bank pays the negotiating bank.
- (10) Nominated bank credits the net proceed to the sellers account.

Importance of LC and Documentary Credits: During my time I saw the first hand the importance and role LC play in promoting and facilitating trade.

- Safe procedure to follow for international trade.
- Promotes international trade by providing a safe mechanism
- Lack of credit risk for seller.
- Guarantee of payment in case of disputable transactions.
- No commitment of cash resources required (Advantages and Disadvantages of Letter of Credit).

1.2.3 Difficulties Faced Due to Major and Appointment Mismatch: There are some difficulties I faced during my internship program which were mainly due to the mismatch between my majoring subject and the department I was appointed to. As a result it had difficulties understanding some of the processes are procedures which the employees of the FTD graciously taught me despite being busy with their day to day duties and responsibilities.

1.2.4 Recommendations for Future Internships: During my internship period, through my experience, I have recognized a few possible steps that can be taken to improve the internship program of Trust Bank –

- If possible avoiding mismatch between intern major and appointed department
- Granting a dedicated time 1 hour per week to conduct interviews and gather information from employees without having to disrupt their work.

1.2.5 Scope

As I was appointed at the Foreign Trade Department, this report will focus on the training regimen of potential appointees in the Foreign Trade Department of Trust Bank's Millennium Corporate Branch as well as some of the more broader organizational human resource related policies and procedures. The decision to limit the scope of the report only to the foreign trade related training of trust bank is in order to create a more focused overview of the knowledge based training

received in the foreign trade department. This is due the fact that Trust Banks dedicated facility for trading and development ran 41 training programs in 2018 as per the annual report of 2018 and to create a more focused and concise report.

1.2.6 Methodology

Methodology in broad terms refer to the methods or approaches taken to create a report or dissertation. Methodology allows the consumers of the report a glimpse into the techniques used and approaches taken to produce the report which in return allows them to assess its credibility. For this report, qualitative approach was preferred over a quantitative one as a qualitative approach is more suitable for the nature of this particular report as it is more suitable for describing the subject matter in depth and putting them in context.

1.2.6.(a) Methods of Data Collection: The data collection process namely the primary data collection process involved:

(i) Participant Observation: As I was assigned to the Foreign Trade Dept. of the branch I was able to observe the dept. officials in person. The observation location was the Corporate Millennium Branch, Shadhinata Tower (Level 2), Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

(ii) Interview and Discussion: The other method of getting primary data was face to face interview, questioning and discussion with officials.

1.2.6.(b) Data Sources: The sources of the data used to construct this report both primary and secondary data are:

(i) Primary Data: Participant observation, face to face questioning and discussion.

(ii) Secondary Data: Annual reports, official website, intra-web bulletin board, press releases and brochures.

1.2.7. Limitations

During my brief time at the organization, there were several factors that I identified which can be considered to cause hindrance to my overall intention of gathering the information needed to construct the report although I do appreciate all the help I received during my time there from everyone. The most evident obstacles that I had identified during my period as an intern were:

(a) The internship was originally designed to consist of three months but due to the outbreak of the COVID19 epidemic it was cut short further reducing my ability gather information I would have liked to present in this report.

(b) Although, my supervisors and the professionals around me were more than gracious and helpful, they were most of the time busy with their duties which did not grant me frequent opportunities to ask them questions without imposing or disrupting their work.

2.1 Overview of Trust Bank

Trust Bank is one of 42 Private Commercial Banks or PCB operating in Bangladesh. Founded in 17th June 1999 backed by the Army Welfare Trust of Bangladesh, it has come a long way, now boasting an impressive 112 branches and SME centers across Bangladesh, with 65 POS in 55 of the branches.

Trust Bank has always valued and strived to implement new technologies to its banking services to ensure customer satisfaction and meet the ever growing expectations of its customers as it unequivocally considers itself to be customer oriented financial institution.

2.1.1. Vision

The vision of Trust Bank is to build a long term sustainable financial institute that prioritizes financial inclusion and aspires to deliver maximum value to all stakeholders, doing so with the highest possible level of compliance.

2.1.2. Mission

Trust Bank has identified and categorized its missions in the following order.

- Long Term Sustainable Growth through diversifying and management of risks.
- Bringing financial inclusion to those of the population who are out of the scope of receiving banking services by reducing cost.
- Bringing accountability to all associated parties – stakeholders, customers and employees.
- Compliance and clarity regarding all levels of operations.

2.1.3 Business Ethics

Trust Bank considers business ethics as crucial part of its organizational identity that helps them with the evaluation of actions and decisions in regards to the social standards.

- **Management Organogram:** The bank has set up its hierarchy in a manner that clearly specifies the functions and responsibilities of the management personnel.

- **Financing Decisions:** The financing decisions of the bank is revolved around the ability of the bank to successfully assess and manage the risks associated with a specific industry, market, product or service.
- **Fair Return:** Trust Bank is committed to ensuring the safety and return of all of its depositors.
- **HR Mission:** The bank sees its employees as assets and invests accordingly to ensure training and development of their employees. It also promotes the idea of employees bring able to express their opinions and concerns regarding either workplace or their own development and performance and further rewarding them with professional degrees.
- **Safeguarding Customer Information:** Trust bank acknowledges the privacy concerns of customers understands the value of the information shared by its customers and is committed to ensuring the privacy and safety of sensitive information in every step of operations.
- **Conservation of Environment:** Despite being a financial institution, Trust Bank discourages supporting projects that may prove to be either negative to environment or exacerbate pollution. The bank also continuously tries to develop and implement environment friendly technology within its operations.
- **Prevention of Money Laundering:** The bank is fully committed to ensure that no money laundering or illicit transactions are taken place by its financial services and distribution channels.

2.1.4. Banking Services and Products Provided by Trust Bank

Since its incorporation, Trust Bank has expanded to provide a number of different banking services to its customers –

- Retail Banking
- SME Banking
- Islamic Banking
- Corporate Banking
- International Banking
- eServices

Retail Banking: Retail banking refers to the banking services rendered to individuals, also known as consumer or personal banking. With a population of 170 million, Bangladesh has a huge potential market for retail banking especially considering the increasing purchasing power of people (Retail Banking: Making Luxuries Affordable, 2019). Trust bank have identified this prospect and provides numerous retail banking services such as

- Deposit Products:
 - (a) Savings Account
 - (b) Current Account
 - (c) Fixed Scheme
 - (d) Special Notice Deposit
 - (e) Trust Unfixed

- Loans:
 - (a) Apon Nibash Loan
 - (b) Car Loan
 - (c) Doctor's Loan
 - (d) Loan Against Salary
 - (e) Personal Loan

- TBL Cards:
 - (a) Platinum Card
 - (b) Visa International Classic
 - (c) Visa International Gold

SME Banking: SME banking is aimed at financing small and medium enterprises. For a country like Bangladesh, SME banking can provide the much needed funding that prospecting entrepreneurs need to take the first step in setting up their own businesses or get the necessary funding required to keep them operational which is imperative for the economic growth of the country.

- Agriculture Loans
- Engineering Loans
- Entrepreneur Loans
- Women Entrepreneur Loans

Islamic Banking: Islamic Banking is the banking process that is governed by sharia law where the banking is conducted without any interests. Naturally as a Muslim majority country, Bangladesh presents a big scope for Islamic Banking –

- Savings Deposit

- Schemes Deposit
- Defense Personnel
- Investment
- SME Investment

Corporate Banking: Corporate banking also known as business banking refer to the banking services banks render to their corporate clients. The corporate banking services provided by Trust Bank are –

- Trade Finance
- Offshore Banking
- Term Finance
- Working Capital Finance

International Banking: Trust bank also provide multiple international banking services to NRB or non-residential Bangladeshis and residential Bangladeshis such as –

- RFCD Account
- US Dollar Investment Bond
- US Dollar Premium Bond
- Wage Earners Bond

eServices: Electronic services provided by Trust Bank to its clientele –

- iBanking
- Passport Payment Receipt
- Help Desk

2.2 Banking Industry of Bangladesh

Banks play a pivotal role in the economy of a country, especially when considering a growing economy such as of Bangladesh. A functioning banking system is must for flourishing trade and commerce. If Bangladesh were to maintain its economic growth and keep up with the ever-changing and fast paced developments made by economic powerhouses of the first world, a lot of it would depend on the success of the banking system.

2.2.1. History of Banking in Bangladesh

Following the independence of Bangladesh, the sector included 6 state-owned commercial banks which were formed by nationalizing the 12 operating commercial banks before independence, 3 foreign banks and 2 specialized banks. The banking sector saw expansion with the emergence of PCBs or private commercial banks in addition to the national commercial banks and specialized banks.

2.2.2. Types of Banks in Bangladesh

The current array of banks operating in Bangladesh are divided in two groups namely scheduled and non-scheduled. To be classified under scheduled, these institutions must follow and be maintained by the Bangladesh Bank Order, 1972 and Bank Company Act, 1991.

According to resources published by Bangladesh Bank, there are 60 scheduled banks operating in Bangladesh under 6 different categories.

- State Owned Commercial Banks: Currently there are 6 state owned commercial banks under full or majority ownership of Bangladesh government.
- Specialized Banks: 3 specialized banks dedicated to specific development purposes aimed towards agricultural or industrial sectors.
- Private Commercial Banks: 42 operating private commercial banks which are either private entities or privately owned. 34 of the 42 are conventional PCB and 8 are Islami Sharia based PCBs.
- Foreign Commercial Banks: there are currently 9 operating foreign commercial banks in Bangladesh according to Bangladesh Bank (Annual Report July 2018 - June 2019, 2019).

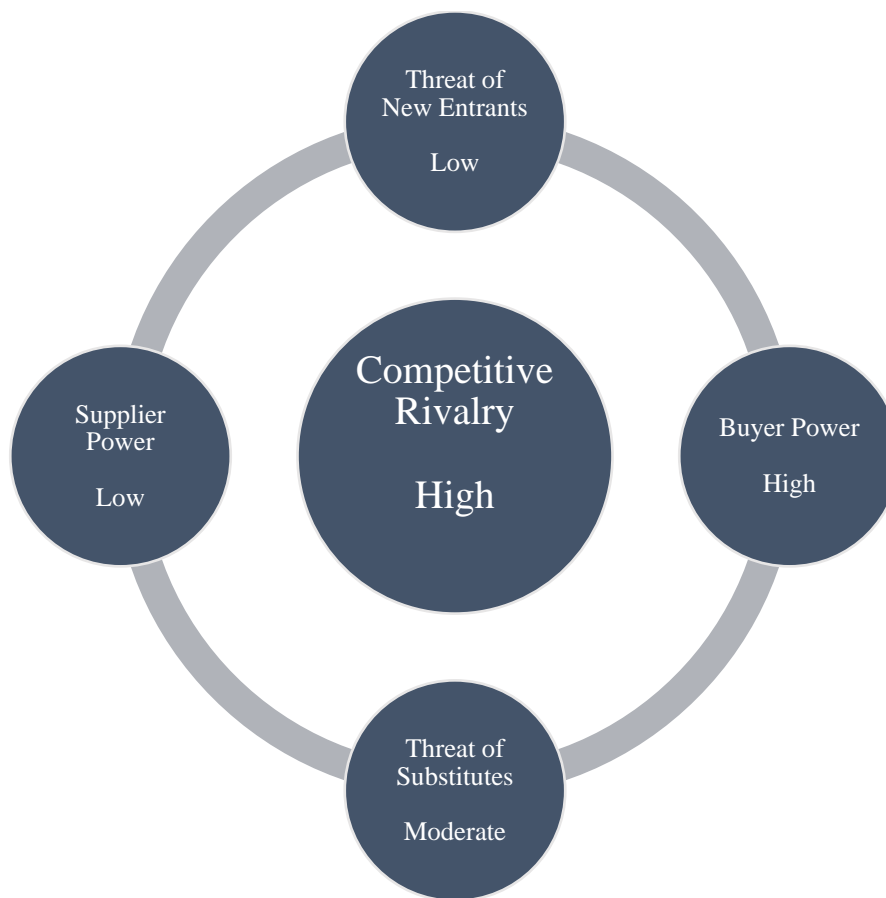
The banking sector of Bangladesh presents numerous scopes and opportunities as well as threats and risks for all associated parties. An Industrial analysis consisting of Porter's Five Forces Model and SWOT analysis will give a broader and clearer sense of the current state, scopes and opportunities of the banking sector of Bangladesh.

2.3 Industry and Competitive Analysis

In this section an industrial and competitive analysis will be conducted to understand and get clear idea about the banking sector of Bangladesh and Trust Bank's position in the industry and the opportunities and the risks that it may face.

2.3.1. Porter's 5 Forces Model

Porter's 5 Forces Model, developed by Michael Porter of Harvard Business School is one of the most used and trusted analytical tool as it helps identify the level of competition within a specific industry and therefore the profitability of said industry now and potentials in the future. Porter's 5 Forces Model consists of 5 elements called Threat of New Entrants, Buyer Power, Supplier Power, Threat of Substitutes and Competitive Rivalry. The following analysis is going to be done in respect of the banking sector in Bangladesh and how it might affect Trust Bank.



Competitive Rivalry: Competitive rivalry explores the level of competition between existing participants within an industry. The level of competition is determined by the number of existing competitors, their similarities and dissimilarities, size etc. In the banking sector of Bangladesh the level of existing competition or the competitive rivalry is high. According to the report published by Bangladesh Bank, in 2018, 41 PCBs or private commercial banks accounted for holding 67% of all the assets held by banks operating in Bangladesh. (Banks and Financial Institutes, n.d.) Another key factor is that the similarities of the services or the banking products provided by the banks. The variation comes ever so slightly in the form of either interest rates or marketing. PCBs also account for the 66% of the total deposits compared to the 26.6% by 6 state owned commercial banks, 2.6% by 3 development financial institutions and 4.8% by 9 foreign commercial banks. So the level of competition faced by the likes of Trust bank is high (Bangladesh Bank, 2019, p. 33).

Threat of New Entrants: The threat of new entrants refer to the level of difficulty for outsiders to enter the industry. It focuses on the time and cost of entrance. In case of Bangladesh the banking sector happens to be highly regulated and supervised making it a relatively lengthy process to become a new entrant in the industry.

In addition to the time required to fulfill all the due requirements the cost in and of itself can also be considered as a strong deterrent to new entrants. As per the requirements of Bangladesh Bank, PCB or private commercial banks are required to have an initial minimum capital of 400 crore BDT. According to the annual report published by Bangladesh Bank for July 2018 – June 2019, there were a total of 57 Banks in 2017 increasing to 59 in 2018 with an addition of 1 Development Financial Institute and 1 Private commercial Bank. As of 2020, the Number is 60 in total, which shows the interest of potential interest but the high barrier of entry clearly acts as an effective constraint that helps to keep the threat of new entrants low. As a result Trust Bank is relatively safe from facing completion from new entrants as of now (Bangladesh Bank, 2019, p. 33).

Buyer Power: Buyer power describes the number of customers, customer reaction to price sensitivity and their ability and cost of changing options. In banking sector, the buyers are the consumers and customers. The buyer power does not come on individual customers but from the risk of deterring a large number of customers especially in retail banking. As a result, the interest rates of retail banking ranged is closely from 9-16%. High sensitivity to change means consumers are free to choose from banks in terms of interest rates when it comes to loans or credit with no cost of their own. As a result, consumer bargaining power is strong.

Supplier Power: The suppliers in the banking sector are mainly depositors. In the banking sector, specifically in Bangladesh, the bargaining power of suppliers are low. This is due to the near consolidated rates by banks due to high competition as well as the financial situation of the country. For example, as of February 2020, surplus funds in banks of Bangladesh exceeded 1 trillion BDT meaning and over flow of cash and reducing the bargaining power of suppliers even further as

banks are not facing any issues involving liquidity or in any need of increasing deposit rates to solve liquidity issues (Islam, 2020). As a result Trust Bank like other private commercial banks are likely to face less of a threat from suppliers.

Threat of substitutes: Threat of substitute in the banking industry is low as far as retail and corporate banking is concerned. In addition to the scheduled banks, there are 34 financial institutions operating in Bangladesh. The threat of substitute has become more significant with emergence of mobile based financial transaction services like bKash when considering transaction, payment and remittance. As a result the threat of substitution is moderate for banking sector in Bangladesh specially when concerned with transaction and payment services.

2.3.2. SWOT Analysis

SWOT analysis is a widely used tool in business analytics as it helps to determine both the strengths and weaknesses of an organization against both external and internal factors. In this segment the SWOT analysis of trust bank can help us understand where it thrives and where it lacks as well as identifying some of the potential opportunities and threats it might be facing in the near future.

Strengths: Strengths refer to the internal factors or attributes of an organization that are considered positive and set it apart from the rest of the competitors. Some of the strengths of Trust Bank are:

- **Network:** Trust Bank is currently operating with a strong network of 112 branches and SME centers and 65 POS in 55 branches spanning Bangladesh. In addition to they also have 222 ATMs. Combination of all these give Trust Bank a strong base to operate from and will significantly assist them further in the future when it comes to expansion in other regions and broadening their existing network.
- **Performance:** Trust Banks operating profits increased from 5,812 million BDT in 2017 to 6,301 million BDT, an increase of 8.43%. Earnings per Share went up from 3.14 in 2017 to 3.35 in 2018. The loaning portfolio grew by 12,224.29 million or 6.61% from 184,910.70 million BDT in 2017 to 197,135.64 in December 2018 improving performance and statement of the increasing appeal of the bank to customers (Trust Bank Annual Report and Statement, 2018).
- **Customer Confidence:** The growth of consolidated deposits by 6.12% from 200,274.20 in 2017 to 212,535.03 in 2018 and 537.37 million inward foreign remittance compared to 327.06 in 2017 resulting in a 64.30% growth in remittance inflow point to the increasing customer confidence in Trust Bank (Trust Bank Annual Report and Statement, 2018).

- **CSR:** CSR or corporate social responsibility refers to the self-governing model used by organizations to increase their contribution in society. It is seen a way for corporate organizations to give back to the society through the means of charity, funding, ethical and environmental friendly practices etc. Trust Bank has been conscious and aware of their social responsibility and in 2009 they created a special reserve fund called “Trust Bank Special Reserve Fund” where an amount that is not exceeding 5% of the banks operating income is annually transferred for CSR activities. In 2018 the bank provided financial assistance of BDT 77.15 million in education, disaster relief and other sectors (Trust Bank Annual Report and Statement, 2018).

Weaknesses: Weaknesses refer to the internal factors that are either holding back the performance and potential of an organization. Some of the potential weaknesses of Trust Bank are –

- **Marketing and Promotion:** Marketing and promotion can be identified as a potential weakness for Trust Bank. Compared some of the other PCB, despite its success, Trust Bank lack in the marketing and promotion sector, solving which can launch it into broader public awareness.
- **Retail/Individual Customers:** As the PCBs of Bangladesh are already operating in an extremely competitive environment, it would benefit trust bank to ensure it is bringing in new customers and growing its clientele.

Opportunities: Opportunities refer to the external factors that promises to be a potential prospect that needs to be addressed and can benefit the organization in the future. Some of the opportunities Trust Bank should look into are

- **Mobile Financial Service:** Mobile Financial Service or MFS can be a great opportunity for growth that Trust Bank should look into. A great example of this is the success of bKash. Started in 2011, bKash is now the largest MFS provider in Bangladesh with a clientele exceeding 3 crore in 2019 (UNB NEWS, 2020). Trust Bank also introduced an MFS of their own named Trust Bank Mobile Money in 2010 and later rebranding it as “t-cash” from April 01, 2018. Becoming a major player in the MFS sector might be hard now with all the competition from bKash, Rocket etc. but if utilized properly, the MFS sector can provide Trust Bank the much needed exposure and expansion of its clientele.
- **Unbanked:** According to World Bank and findings in the study Global Findex Database, in 2018 half of the total population were unbanked (Bhuiyan, 2018). In 2020 Bangladesh came in second behind only Sri-Lanka in terms of households with access to services such as credit, savings or insurance from banks or MFIs or mobile financial institutions, still leaving a large proportion of the population unbanked. It would be wise of Trust Bank to

look into the unbanked populace and see if they can bring them to banking through the Trust Banks existing MFS or otherwise.

Threats: Threats are external factors that are likely to have a detrimental effect in the future if not managed properly. Some of the possible threats that Trust Bank is likely to face in the coming days are –

- **Non-Performing Loans:** NPL or non-performing loans are a huge problem for the banking sector of Bangladesh. Non-performing loans refer to the loans where borrower is default and has not paid or incapable of making payments. In the first quarter of 2019 NPL loans climbed to 110,874 crore with a new addition of 16,962 crore (Uddin, 2019). Trust Banks loaning portfolio is heavily dependent on corporate and retail financing; taking up 18.60% and 11.5% of the loan portfolio respectively with of the as a result they are highly susceptible to the NPL loans if not managed with caution (Trust Bank Annual Report and Statement, 2018).
- **Cyber Security:** IT security is a major issue for the banking sector of Bangladesh as in 2019 a study conducted by Bangladesh Institute of Bank Management saw that 62% of the scheduled operating banks are susceptible to cyber-attack while an alarming 28% is not well equipped to face them (A New Threat to Banking Sector, 2019). Trust Bank has identified the dangers possessed by cyber-attacks and emphasized IT security as a concern. They have introduced next generation firewall with built in IPS and IDS features (Intrusion Prevention and Detection Systems), IT risk control and monitoring feature in addition to keeping up date with the ICT Risk Management Guidelines published by Bangladesh Bank. In spite of the actions taken by Trust Bank, cyber security will likely remain a risk and a threat for the banking sector in large and will require constant monitoring and updating of preventing measures.
- **Covid-19:** Covid-19 pandemic possess a huge threat not only for Trust Bank and the banking sector of Bangladesh but for all the countries around the world. The pandemic has surpassed the threat possessed by previous outbreaks such as Ebola and SARS and continues with no sign of stopping. The pandemic is hampering economic activity as a business are incapable to function and might result in a predicament as trade and manufacturing is halted which in return is going to affect banks with a possibility of increasing non-performing loans skyrocketing.

2.3.3 Conclusion: In conclusion it can be said that Trust bank is in a fairly competitive position but to remain competitive in the coming years they need to take advantage of their opportunities such as expanding the banks services to reach new clientele, managing risks and becoming more innovative to cope with the threats that are present and might occur in the future.

3.1 Training in the Foreign Trade Department of Trust Bank

3.1.1 Introduction

The project proportion of the report is titled “Training of Employees of the Foreign Exchange Department of Trust Bank” where the training procedure and of the foreign exchange employees are going to be discussed.

3.1.2 Concept of HRM and Training & Development

Human Resource Management has changed the way organizations look at their employees; often seen as just another component of operation to now being considered as an internal asset. The concept of HRM is associated with acquiring, training, retaining, developing, motivating, compensating and managing of personnel in an organization to get the best performance out of the employees as well as developing them for future roles. All these branches of HRM are designed to make an organization more effective in their process of managing employees, as nowadays employees are no longer seen as expendable but rather an integral factor to performance and success.

Training and development is an integral part of HRM. Without proper training and developing it not possible for an organization to perform to their full potential. Although training and development are often used interchangeably, conceptually there are a few key difference between training and development. Training refers to the leaning process where employees of an organization are imparted the specific necessary knowledge and skills required to do their jobs. Training focuses on a specific job and the KSAs or the knowledge skills and attitude required to do that job efficiently. On the other hand, development refers to the educational process that is concerned with the growth of employees with emphasize being given to future rather than the present. Development is not done with a concern to any present performance issues rather to prepare employees for the challenges in the future.

In this paper the focus is going to be on the training of the newly recruited in the foreign exchange/trade department of Trust Bank.

3.1.3 HRM in Trust Bank

Trust bank like most organizations have recognized the importance of HRM functions and have their own dedicated HRM department that oversees manpower management related matter such as recruitment, selection, training, development, deployment, performance evaluation, motivation and compensation, employee retention and employee welfare and benefits.

Trust Bank tries to nurture an environment that promotes employee empowerment and engagement. Their efforts become clearer with some of the institutional steps and measures they have taken such as –

HR and Operations Partnerships: HR is partnered with each operational/business units such as branches to ensure seamless integration of HR practices and services.

Colors of HR: A dedicated platform where contents are posted and published in order to motivate and inspire employees to make them become more creative and engaging.

Human Resource Business Lyrics: HRBL is another internal platform where employees can share their ideas and opinions about business ideas and concepts, process and procedures, risk management etc. Employees are encouraged and rewarded for innovative ideas that they share.

Suddhachar: An internal policy that dictates and promotes the customs and etiquette required to operate in a professional environment while staying in compliance with the guidelines published by Bangladesh Bank to practice and promote integrity in the work environment.

Compensation and Benefits Strategy: Trust Bank as their own compensation and benefits strategy that is updated when required. Trust Bank has been able to identify the importance of a well-functioning compensation and benefits strategy in order to promote organizational culture as well as staying competitive in the market for talent and employee retention. Benefits include any purpose loan, loan against salary, provident fund, housing loan, gratuity and hospitalization benefit schemes.

Training and Development: Trust Bank sees training and development as an investment rather than an expense. They have recognized that in order to get the best performance and in order to meet their organizational goals, training and development of employees and new recruits are going to be a key factor. To ensure the proper training and development of employees Trust Bank has developed its dedicated training and Development facility called the Trust Bank Training Academy.

3.1.4 Steps to Develop a Reliable Training and Development Program

Creating a reliable training and development program can be a painstaking task. In order for the program to come to fruition, organizations have pay maximum attention to detail and find out what is required and of whom and how to get the best performance out of them.

- **Analyzing Training Need:** The first steps organizations must take is to analyze the training needs requirement. The training needs requirement becomes evident from performance gaps where employees or the organization is performing below their expectations. These gaps can become evident from previous evaluations, surveys and employee appraisals. After such gaps have been identified, the organization can determine the appropriate actions and whether the problem can be solvable with training as well as who will be the recipient of the training, who will conduct the program, where will it take place and most importantly what will be covered.

- **Designing Phase:** After the need assessment, the organization needs to move to designing the actual training program such as materials, equipment, personnel, facilities required to successfully conduct the program. This step should be done with consultation of the supervisor of the employees who will be the recipient of the training as well as the employees themselves in order to get a thorough idea about requirements.
- **Developing Phase:** After the designing phase is complete the developing phase begins. In the developing phase the actual development of the training equipment and materials are produced or procured. For example the instructors manual, employee manuals, handouts, lecture and lecture notes are created during this phase.
- **Implementing Phase:** In this phase the organizations conduct the actual training program and try to ensure that the program is following the course and objectives set in the first place. If the program deviates from the outline or schedule, it is important that necessary adjustments are made to compensate for the deviations.
- **Evaluation Phase:** The success of a training program cannot be determined until the evaluation phase where the organization evaluates the result of the training program. The evaluation is mostly done through performance assessment of the organization and the employees, supervisor and employee feedback through survey etc. If the performance gap is rectified, then the program is considered to be successful.

3.1.5 Significance of Training and Development at TBL

Trust Bank is performing and operating at a pace that makes them a competitive entity in the already compact segment of PCBs. To stay competitive and to achieve its organizational goals and targets the bank needs expansion and new employees as well as to fill empty positions. In 2018 alone, Trust bank recruited 109 regular employees and 86 contractual employees with 34 Management Trainee Officers, 5 Junior Officers and 9 Trainee Assistant Cash Officers.

To ensure the training of new recruits and the development of existing employees, Trust Bank Training Academy plays a vital role. In 2018, there were 41 separate training programs held at the banks in house training academy with 1880 participants in total. The academy oversees training that involves enriching the basic knowledge, latest banking theories, practices and regulations which the employees required to know. In addition to the knowledge based training at the training academy, there are orientations and on the job training and developmental courses for existing employees.

3.1.6 Training Concepts Covered

Trust Banks Training program is not excluded to only the knowledge based training that is received in the programs held at the banks dedicated training facility. Employees receive on the job training as well as training in real life work environment as well. There were over 41 training programs run in the Trust Bank Training Academy in 2018 as well as on the job training. **As a result, this report will cover only the knowledge based foundation and foreign trade related training excluding the on the job training, simulations and training received in real life work environment.**

3.1.6(a) Foundation Training Course: The Foundation Training course is designed to give new recruits the much needed knowledge regarding the banking system as well as the banking process and procedures that are run at the bank itself. The foundation training course is given in order to familiarize the recruits with the operating process and procedures of the bank as well as the theories, laws and regulations employees need to know. The foundation training course covers the following concepts

Sl	Topics	Speaker / Guests	Location
01	Artha Rin Adalat Act 2003 and Bankruptcy Act 1997	Redacted	Undisclosed
02	Product Features & Operational Methodology of Investment. Foreign Trade & Foreign Exchange under Islamic Framework. Operational Methodology & Guidelines of Islamic Investment	Redacted	Undisclosed
03	Preparation of ISS Forms	Redacted	Undisclosed
04	Overview on Managing Six Core Risks in Banking Business	Redacted	Undisclosed
05	Loans and Advances: Definition, Different forms/types of Loans and Advances in TBL and Distinguishing Features.	Redacted	Undisclosed
06	Preparation of ISS Forms (General & Accounts Part)	Redacted	Undisclosed
07	Writing for Effect: Banking Communication and Correspondence	Redacted	Undisclosed
08	Project Financing and its Aspects	Redacted	Undisclosed
09	Credit Memorandum: An overview of Syndication Financing and Large Loan Proposals	Redacted	Undisclosed
10	Types of Securities for Loan & Advances: Primary & Collateral. Mode of Charging the Securities	Redacted	Undisclosed
11	Preparation of ISS Forms (Credit Part)	Redacted	Undisclosed
12	Preparing Loan Proposal Formalities, Principles of Sound lending, Selection of Borrower & Processing of Credit Proposal	Redacted	Undisclosed

13	Concepts of BASEL III, Description of Pillar I(MCR), Pillar II (SRP), Pillar III (Market Discipline), CAMEL Rating	Redacted	Undisclosed
14	Marketing / Service Industry, Customer Relations	Redacted	Undisclosed
15	Loan Supervision, Monitoring & Follow up of Loans, Early Alert Process.	Redacted	Undisclosed
16	ISS Training (Foreign Exchange Part) EXP & IMP online Reporting	Redacted	Undisclosed
17	Foreign Exchange & Foreign Trade Import Policy. GEFT 2018	Redacted	Undisclosed
	Import Documents, Lodgment of Import Bills, Matching Bill of Entry, Import-Export Financing, Mode of International Trade payment,	Redacted	Undisclosed
18	General Problems & Technical Error in ISS Reporting and its solutions.	Redacted	Undisclosed
19	Inco-Terms, Widely used Inco Terms as per Guideline and Import Policy.	Redacted	Undisclosed
	Back Office Operation, Foreign Exchange-Market Management and Money Market, Payment of Cash Incentives, Export Development Fund (EDF) of Bangladesh Bank	Redacted	Undisclosed
	Private and Commercial Remittance as per Guide Lines for Foreign Exchange Transactions (GFET)-2009, Inward and Outward Remittance, Reporting to Bangladesh Bank	Redacted	Undisclosed
	Dispute and Settlement International Trade Transactions.	Redacted	Undisclosed
20	EXP form, Export Bill Negotiation, Collection of Export Bill,	Redacted	Undisclosed

21	Operations of FC Accounts (FC, NFCD, RFCD, NITA account etc.) Wage Earners Development Bond, Investment facilities for Wage Earners, Opening and Maintenance of Student File.	Redacted	Undisclosed
22	Motivation: Motivation for work & Morality with case study	Redacted	Undisclosed
23	Trade Based Money Laundering (TBML), Checking Point of Foreign Trade Business. Different indicators of TBML. STR/SAR Reporting Procedure related to TBML, Duties and Responsibilities of Branch Foreign Exchange related employees.	Redacted	Undisclosed

3.1.6(b) Training on Foreign Trade: In addition to the foundation course training the, the potential appointees for the foreign trade department receive specialized training that is designed to give them an in-depth understanding regarding involving the various process and procedures in foreign trade.

The concepts covered in the training regarding foreign trade are –

Sl	Topics	Speaker / Guests	Location
01	<p>Basic Concepts of International Trade, Import & export of both Commodities & Services, Basic document required for an Importer & Exporter & their Issuing Authority & Authentication, Commodity Index & Currency Index</p> <p>Basic Law of Land related to Trade Transactions</p>	Redacted	Undisclosed
02	<p>International Trade Payment Method: Payment in Advance, Open Account, Documentary Credit (Letter of Credit) & Documentary Collection. Trade Payment Method & their Uses in Perspective of Guideline/ICC Rules, Risk Associated in Different Mode of Payments.</p>	Redacted	Undisclosed
03	<p>Sales Contract: Different Types of Contracts in International Trade. Contract, PI, Indent, Purchase Agreement /Sales Agreement, Format. Contents of Sales Contract, Obtaining Credit Report of Buyer & Seller</p>	Redacted	Undisclosed
04	<p>SWIFT: What is SWIFT (Society for Worldwide Interbank Financial telecommunication), Operations of SWIFT, Code Meaning & its Importance, Risks Associated with Operation of SWIFT and Mitigation Measures. Practical Class: Operation of SWIFT (Society for Worldwide Interbank Financial Telecommunication).</p>	Redacted	Undisclosed

05	Practical Class: Preparation of Exchange Position and Exchange Rate.	Redacted	Undisclosed
06	Export Procedures: Exp. Mechanism, Scrutiny of Export LC/Contract, Handling of export documents, Documentary Collection & Advance Payment System, Formalities of Cash Incentives, Export Development Fund (EDF), Exporter's Retention Quota (ERQ) Account, Negotiation of Export Bills and Issuance of PRC. Obtaining suppliers Credit Report & How to understand a Credit Report.	Redacted	Undisclosed
07	Import Procedures: Letter of Credit: Definition, Types, Parties to L/C, Responsibilities of Parties, Uses of L/Cs, Sources of Fund to Effect Payment, Documents Required for Opening of L/C, Mechanism of Import without Opening L/C, Lodgment & Retirement of Shipping Documents in Consideration of Post Shipment Import financing, Accounting Procedure Related to L/Cs, Obtaining Buyer Credit Report & How to Understand a Credit	Redacted	Undisclosed
08	Practical Class: Online Reporting of IMP & EXP, C-Form & TM Form. L/C Monitoring System (A Practical Approach), Maintaining Appropriate Register.	Redacted	Undisclosed
09	Demand Guarantee: Letter of Guarantee, Types of Guarantee, Risk & Obligations of Different Parties Under Demand Guarantee	Redacted	Undisclosed
10	Documentary Credit Operations: Insurance Documents & its Interpretation, Various Risks Covering Clause, Claiming Procedure. Custom Assessment Procedure, Custom Formalities & Procedure to Release Goods.	Redacted	Undisclosed

11	BTB L/C Operation: BTB L/C Operation, Fixation of Entitlement, Sources of Payment Using EDF, Import through Advance Payment System Specifically RMG Sector, GSP Related Issues, Cash Incentives Provision. Reporting: Back to Back and Deferred L/C.	Redacted	Undisclosed
12	Offshore Banking: Guideline for Offshore Banking Operation, Sources of fund of Offshore Banking, Offshore Discounting Process, UPAS (Usance Payment at Sight), Deferred Payment Related Procedure & Regulatory Formalities/Role of BIDA.	Redacted	Undisclosed
13	AML Trade Based Money Laundering with Case Studies	Redacted	Undisclosed
14	Remittance: Opening & Operating of Different Types of Foreign Currency Account, Required Documents, Eligibility, Operating Procedure, FATCA & Reporting System, Private & Public Remittance, Ceiling of Travelling Abroad, Opening & Maintenance of Student File etc.	Redacted	Undisclosed

3.1.7 Key Findings Regarding Training and Evaluation:

Over the period of time gathering information for this report and during my time as an intern at the Millennium Corporate Branch of Trust Bank, the key findings that I have identified are listed below –

- a. Trust Bank values training of new recruits and development of existing employees. They do not see training and development as an expense rather an investment
- b. All new recruits go through the knowledge based training respective to their positions.
- c. After the completion of the training program the, trainees sit in written examination administered and evaluated by the Trust Bank Training Academy.
- d. Although Trust Bank has a dedicated training facility of their own, as per the Annual report of 2018, sometimes training programs are conducted at BIBM or Bangladesh Institute of Bank Management and other organizations.

3.1.8 Recommendation

Trust Bank is a well renowned PCB or private commercial bank of Bangladesh that has been operating successfully since 1999 with over 20 years of experience in the banking sector. As an undergrad I lack the experience to be able to recommend the organization anything unlike a professional with necessary experience in the banking sector. With my limited time at the organization and during the period of creating this report, some points of consideration that I have identified are –

- a. Trust bank should look into new methods of reaching to those who are still unbanked. Considering the success of bKash, this presents Trust Bank an opportunity to utilize the full potential of their own mobile financing service and internet banking service.
- b. Trust Bank has been operating in Bangladesh for over 20 years now. This level of experience and considering all their achievement and success in banking, they ought to have a larger clientele than they have at the present. Reviewing of the marketing strategy can prove to be vital for the bank its quest broaden its clientele.
- c. ICT and cyber safety has always been a concern of banks all over the world. Trust bank should in addition of continuing its ICT and cyber safety training and update their cyber safety measures and protocols by updating to latest software and hardware available.
- d. Many of Trust Banks competitors provide options for their employees to work from home. Integrating this into the banks operational repertoire might prove to be vital especially considering the COVID-19 pandemic.
- e. According to the annual report of 2018 as well during my time at the foreign trade department, it became evident that Trust Bank like many other corporate banks of Bangladesh are heavily relied on the garments sector. Diversification of their loan portfolio might be an option to consider as according to the reporting of CNBC, due to the current international and economic turmoil caused by the pandemic, many foreign buyers have cancelled orders on Bangladeshi garments manufacturers. Diversification of their portfolio is going to help them manage risk better under the current circumstances (Choudhury, 2020).

3.1.9 Conclusion

By creating new capital, banks play an undeniable role in the economic development of a country. Without a functioning banking system economic growth is unimaginable. While Check and balances are necessary for imposing government regulations, it is either impossible or counterproductive to have them at every step of the way. As a result it is key that in addition to all the rules and regulations, banks themselves broaden their accountability and accept their responsibility. Trust Bank, being such a significant contributor to the banking sector of Bangladesh for the past two decades, have managed to do so with careful corporate governance and management. Their ability to identify the importance of Training and development process of their employees have no doubt contributed to their success over the years. By investing in their employees and workforce, Trust Bank has ensured a stable and enviable example of corporate culture, governance and management. Having a training facility of their own and ensuring training of new recruits and development of employees point to their dedication to their employees and a telling sign that HRM has become an integral part of organizational success. But despite all the success and achievement of the past, there are still many hurdles to overcome especially considering the economic threat posed by the current pandemic; hopefully with their expertise and foresight, Trust Bank will overcome these issues and prevail to contribute to the development of Bangladesh.

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