

Report On
Customer relationship with general banking of Al Arafah Islami Bank

By

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16304113

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

BRAC Business School
BRAC University
September, 2021

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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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16304113**

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Letter of transmittal

Mr. Jubairul Islam Shaown

Lecturer

BRAC Business School

BRAC University

Date: September, 2021

Subject: internship report on “Customer relationship with general banking of Al Arafah Islami Bank”

Dear Sir,

It is a great pleasure to submit the internship report of my three month internship placement on the General Banking of Al Arafah Islami Bank with the topic “Customer’s relationship with general banking of Al Arafah Islami Bank”

The main purpose of the report is fulfillment of internship course (BUS400) and partial completion of the degree of Bachelor of Business Administration. I have tried my best to make the report successful one. Working with the organization gave me real life work experience and a basic knowledge about banking which will help me in my future career.

I am very much thankful to you for your constant support and supervision in preparing this report. The success of this report depends on your perception about the information of the report and I really hope you will get a glance of current working environment in the pandemic situation. I will be happy to provide further justification about the report. I will be really happy to answer your query.

Regards,

Ummay Sauda Alam Mim

16304113

Brac Business School

Non-Disclosure Agreement

This agreement is made and entered into by and between Mercantile Bank Limited and the undersigned student at BRAC University Ummay Souda Alam Mim

Acknowledgment

The report is the outcome of a few people's joint efforts; especially there are people who gave their valuable time and contribution to improve this report. First of all, I want to thank Almighty Allah to give me the vitality and availability to complete this report. Then I want to offer my gratitude towards the placement committee for their constant support. Especially I want to thank my in-site supervisor **Kamal Ahmed (First Assistant Vice President)**, whose constant guidelines and valuable feedback made my entire internship journey successful and a great learning experience. I also want to offer my gratitude towards my Branch Manager **S.M Abu Jafar (EVP)** who motivates me in my entire internship journey. Last but not least I want to offer my appreciation towards my internship supervisor **Mr. Jubairul Islam Shaown (Lecturer)** whose constant feedback and guidelines helped me to improve and make my report successful one.

Executive summary

The report is mainly targeted to illustrate customers' relationship with general banking employees, the level of their satisfaction, and the different services of AIBL. The primary research of the report was mainly talking with the senior officers about their service and customer satisfaction level and the expectations of customers from them. Then I have to go through their annual reports and different sample reports of AIBL to understand the overall customer's relationship with general banking employees of AIBL. To satisfy a larger range of customers they are training their employees. Also, they are providing online services. Now people can do online banking. For example; a customer from the Rangpur division can take banking service from the Uttara branch from their home. They are working hard to come up with the increasing competition of this digital era. They make their customers feel safe for any kind of transaction. With the development of the economy, people should be more introduced to banking. Because many people still are not involved in banking and many people are not comfortable with online banking. The main goal of AIBL serves a larger amount of customers providing them a larger amount of service with the easiest technology that people can easily learn.

Keywords: customer's relationship, customer's satisfaction, online banking, training employee for pleasing larger range of customers.

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List of acronyms

AIBL: Al Arafah Islami Bank Limited

GB: General Banking

MD: Managing Director

DMD: Deputy Managing Director

EVP: Executive Vice President

SVP: Senior Vice President

VP: Vice president

AVP: Assistant Vice President

FAVP: First Assistant Vice president

SPO: Senior Principal Officer.

PO: Principal Officer

SEO: senior executive officer

PEO: Professional executive officer

EO: Executive Officer

PO: Professional Officer

MTDR: Mudraba Term Deposit

ITD: Installment Term Deposit

SND: Short Notice Deposit

MSD: Mudraba Savings Deposit

PTD: Profit Term Deposit

PDS: Pension Deposit Scheme.

FCD: Foreign Currency Deposit

Chapter 1

1.1 Student information

Name: Ummay Sauda Alam Mim

Id: 16304113

Program: BBA

Major: 1. Human resource management

2. Marketing

1.2 Internship information

Period: 3 months

Company: AL Arafah Islami Bank

Department: General Banking

Address: H#13, R#14/A, Sector#4, Uttara Model Town, Dhaka-1230

1.3 Internship supervisor's information

Name: Kamal Ahmed

Designation: FAVP

1.4 Job description

- 1st two days I had to open some accounts and activate SMS service for the customers.
- Calling customers for debit card/ATM cards and say that their ATM cards have been issued.
- Delivering ATM cards to the customers.
- Helping customers to fill up account opening forms.
- Payout balancing.

- Updating Account opening form (FDR, current account, business account).
- Filing Account opening forms according to the serial number.
- Writing Cheques for customers.
- Filling up foreign remittance forms for customers.

1.5 Benefits of student

I have learned lots of things during the internship period of AIBL and most of them were very new for me. I am listing all of them below:

- **Learned about lots of accounts and deposits:** As I had to update lots of account forms I learned about lots of accounts and deposits. Among them, there is an account called a savings account which is used for personal use. There is an account called current account which is opened for industrial purposes. People in the bank come every day to open accounts for different purposes. There are also different deposit services in AIBL. For example, monthly profit-based term deposit, Mudraba Hajj deposit, foreign currency deposit, and more.
- **Learned to fill up foreign remittance form:** there are lots of customers who are new to AIBL and face difficulties in filling up the foreign remittance form. Sometimes I had to fill up the foreign remittance form for them with their given information. From these, I have learned to fill up foreign remittance forms.
- **Learned to inform customers about ATM cards:** I had to inform customers that their ATM cards have been issued. For this, I had to call them and greet them properly and convince them to collect their ATM card from the bank as soon as possible. Because of lockdown, many customers were stuck in their countryside as a result I have to convince them to send a person on behalf of him to receive his card with proper formalities.
- **Learned to file account forms according to the serial number:** After opening the accounts filing those account forms according to serial and type is important to find it when it is needed. I have also learned it in the bank.
- **Learned to work in a rush-hour:** it was a very new experience to work in a rush hour. Answering customer's queries was also a new experience. I have to

update lots of accounts opening forms besides I had to take help from the senior officers for my chores as banking is totally new for me and in the rush hour, it was really difficult to communicate with the bankers as they were also busy with their chores and client.

- **Communication skills improved:** when I was servicing the customers my communication skills improved and for my report, I have to communicate with the senior officers of the bank. This also boosts my communication skills.
- **Improved my time management:** I was always on time in the bank, which was making me prepared for completing my work on time and also prepare for banking culture. For banks, punctuality is very important as the bank is a very busy place.
- **Adaptability:** with real-life work experience, I also learned to cope up with the corporate culture which will help me in my future career.

1.6 limitation of internship

As the bank is a very busy place senior officers were very busy. So communicating with interns and teaching them the banking activity. Though AIBL senior officers were very much helpful and made time to make me understand their activity in their busy schedule, it was difficult for me to understand every aspect of the bank. The main reason behind this only 3 months is not enough for understanding every banking activity and I also don't have any banking experience. Also because of data confidentiality they didn't allow me to do many major general banking activities and because of the corona pandemic, they don't allow interns to do many activates which was allowed before the corona pandemic.

1.7 Recommendation

The internship program of AIBL should be more organized. They should make some scope where interns can work and learn. There should be a specific computer for the interns where they can learn some basic activities of the bank. For example: delivering cheque book, account inquiry. The account opening form should be simplified. It will make the account opening activity easier for the employees. Interns will also understand the form easily and can learn some basic activities quickly.

Chapter 2: Organization part

Organizational overview of Al Arafah Islami bank

2.1 Introduction of AIBL

AIBL was established with the guidelines and concepts of Bangladesh bank and the bank companies' act 1991. Mr. Z M SHAMSUL ALAM who had a vision of making a business bank that will also add to social and financial advancement to our country established **AIBL** on 18th June 1995. It is a bank with an Islamic point of view that makes us follow the rules made by **Allah** and the principles of his **Rasul Mohammad (SM)**, in every financial affair. It is the bank and financial organization which joined the people's republic of Bangladesh with some restricted rules and regulations. So, Islamic minded businessmen are the sponsors of the bank. Their opening function was held on 27th September 1995. The authorized capital of the bank is TK.2500 million and their paid-up capital is TK. 1500 million. Their total paid-up capital was the gift of local people. The value of the bank stayed in TK.1923.61 center as of 31st December 2015. They had 2978 workers on 21st September 2016 and 41053 investors on 10th April 2016, which made them to profitable and beneficial throughout the year. This bank has made a positive socio-economic image. It took part in the improvement in the country by establishing 94 branches with 31 authorized dealers. The clients are the main motivation of the bank for new innovation and bringing new instruments and items in the bank. They are providing custom-made items and other various products to satisfy their customers. They have a big contribution to the national economy

The bank runs its business with the law of Mudraba, Bi- muazzal, and hires purchase transaction which is approved by Bangladesh Bank. It has more functionality and products than other commercial banks. There is a Shariah assembly that worked a lot to prove that the bank operates with Islamic rules and regulations. The assembly consists of Ulema, nominal bankers, renowned lawyers, and well-known economist of the society who have a big contribution to the economy of the society.

2.2 History of AIBL

Islam provides us a beautiful and successful lifestyle on the earth and in the afterlife. So for the betterment of our lives and to be successful we should follow the rules of AL-QURAN and the lifestyle of Hazrat Muhammad (Sm.). Al Arafa Islami Bank followed all the principles and establishes the bank in 1995 following the modern banking system with the rule of AL- Quran and Sunnah of our Rasul (Sm.).

A big bunch of religious people and businessmen are architects and directors of the bank. Among them a renowned scholar, writer, economist, and ex-bureaucrat of Bangladesh Mr. A.Z.M Shamsul Alam is the pioneer of the bank. His progressive leadership makes the bank successful and the bank can cope up with the financial market of Bangladesh. A group of 13 pious personalities of Bangladesh is the members of the board of directors of the bank. They are well known for their business contribution to the bank.

By the grace of almighty and with the help of the people related to the bank AIBL is the most modern and leading bank in Bangladesh.

2.3 Chapter objective

This chapter focuses on the Background of AIBL. Here I have also discussed the mission and vision of AIBL. This chapter also illustrated different organizational functions and activities for example their products and services, financial activities, and other different activities.

2.4. Mission and vision of AIBL

Mission:

- To earn the satisfaction of Almighty both in the earth and in the afterlife.
- The rapid increase of the Shariah-based banking system.
- Increasing quality of financial services by adopting new technology.
- Servicing customers fast and efficiently.
- Maintaining high-quality business ethics
- Balanced growth
- Stable and competitive profit for shareholders equity

- Innovative banking at a competitive price

Vision:

AIBL's aim is to become a motivator of the Islamic banking system in Bangladesh and take part in the national economy.

- Attract and retain the quality of human resource
- Provide extension in aggressive compensation package to the customer
- Companies responsibility in development of national economy
- Involving more SME and micro businesses in financing

2.5 Deposits of AIBL

- Al wadiah current deposit-CD
- Mudraba short notice deposit-SND
- Mudraba savings deposit- MSD
- Mudraba term deposit- MTD
- Monthly profit-based term deposit-PTD
- Monthly installment based term deposit- ITD
- Al- Arafa Monthly hajj deposit-MHD
- Al-Arafa termed hajj deposit- THD
- Monthly Installment Based Marriage Savings Investment Scheme-MIS
- Al-Arafa Savings Bond-ASB
- Foreign Currency Deposit-FCD
- Pension Deposit Scheme- PDS
- Cash Waqf Deposit Scheme- CWD
- MUDRABA AMAN DEPOSIT SCHEME- LDS
- MUDRABA AHSAM DEPOSIT SCHEME-MDS
- Mudraba (Special) pension deposit scheme- MSPDS
- MUDRABA AHSAN PLUS DEPOSIT SCHEME-KDS
- MUDRABA SOMRIDDHI DEPOSIT SCHEME- DBDS
- MUDRABA EXCELLENT BENEFIT DEPOSIT SCHEME-TBDS

2.6 General banking services of Uttara Branch

- **Cash section:** it is an important section of the bank. It deals with all kinds of cash transaction
- **Account opening section:** different types of accounts are opened here. To open account banks always verify their customer because there is a lot of chance of fraud. For verification banker took some customer information. For example name, present and permanent address, date of birth age, nationality, NID, TIN –if available, passport or, certificate provided by the employer, photograph of the account holder, one photograph of the nominee, nominee declaration form, money laundering leaflet.
- **Foreign remittance section:** here customers send their money to their families from outside the country. Every day different customers took their foreign remittances from banks and the bank got those remittances through different exchange houses. To take foreign remittance customers have to provide a pin number given by the exchange house. For verification officers also take customers' NID card copies.
- **Clearing department:** this section of Al-Arafa Islami Bank receives cheques, demand drafts, and pay orders from their client. They have to check:
 1. If the paying bank is within Dhaka city
 2. If the paying bank is their own branch
 3. There are three types of cheques collected from clearing department:
 - a. Local Bills Collection Cheques
 - b. Outward Bills Collection Cheques
 - c. Transfer Cheques.

2.7 Company objective of AIBL

The main objective of Al Arafah Islami Bank is to satisfy their customers with an interest-free Islamic Banking system. They establish participatory banking instead of banking through the debtor-creditor relationship. They are also focused on mobilizing their deposits and increasing investment to be a leading Islamic bank in Bangladesh. They focus on profit-loss sharing and based on that they accept deposits. They also make sure that they provide financial service with the touch of their heart to retail. They also deliver service in Small and medium scale enterprises and also to the clients of other branches of AIBL across the country. Their business focus is mainly to match the changing trade and industrial needs of their customers. They play an important role in the employment of a country and also generate skilled human beings.

2.8 Methodology

I have made this chapter based on different secondary data and primary data. Secondary are mainly websites of AIBL, different reports, and annual reports of AIBL. All of them are referred to properly with APA citation. Primary information I got from my work experience and understanding about different services of AIBL and the senior officers were very helpful who make me understand their different services and activities.

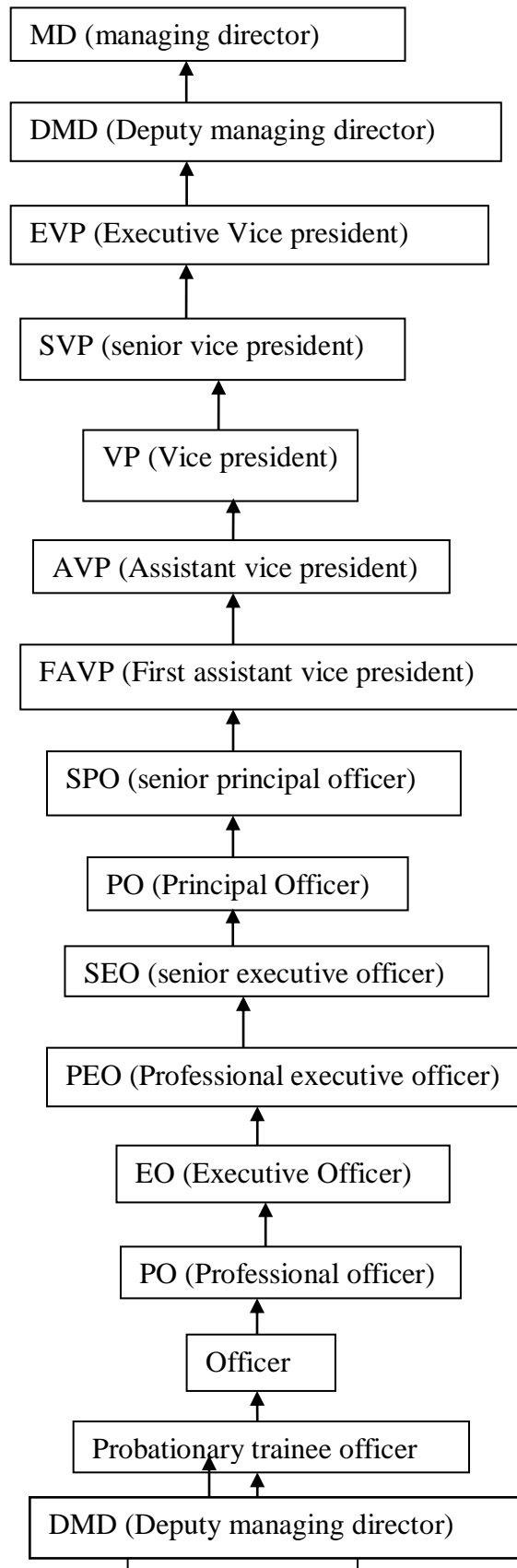
2.9 Scope

This chapter gave someone a glimpse of AIBL. It also helps someone to do qualitative research and also gives a student a glance at banking.

2.10 Limitation

Because of time limitation and less banking experience didn't understand every aspect of banking. As a result, I cannot include all areas of AIBL in the report. All secondary data was not also accessible. The bankers are really busy with their clients and works so they have less time to communicate with the interns and because of confidentiality they didn't give all the information

2.11 Organizational structure of AIBL



2.12 Management practices

The workforce of the banking industry is mainly well-educated skilled people. AIBL has 3795 staff in the bank among them, 300 are executives, 2852 are officers and 643 are staff according to a report of December 31st of 2018. They introduced training courses VIZ, BIBM, BBTA, BAB, etc for 343 employees, and those employees passed those training successfully. They encourage their employees to earn international professional degrees like CDCS, CSDG, and ACAMS. At present they have 63 CDCS, 2 CSDG, 5 ACAMS officials from which 7 and 3 officials have completed CDCS and ACAMS in 2019. AIBL has an ALM desk for assets and liability management. Banks face different risks like liquidity risk, profit rate risk, credit risk, and operational risk, investment risk, market risk. ALM desk mainly manages Liquidity and Profit rate risk monitoring day-to-day market information and future outlook. (Annual report, 2018-2020). AIBL management ensures qualified employees in the bank so that they can be a resource for the bank and provide proper service to their customers. During the covid19 crisis management has taken lots of decisions.

- They have lessened the number of new entrances.
- The number of interns is also decreased.
- Wearing a mask is mandatory in the office for the employee.
- They also introduced no mask no service
- They provide hand sanitizer for their employee
- They also provide hand sanitizer to their customers and also to the employee.

2.13 Marketing activities of AIBL

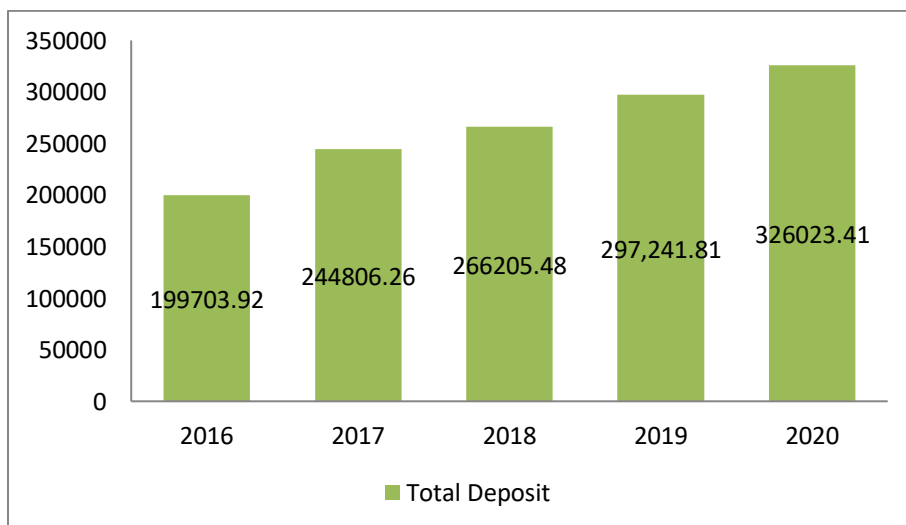
Bangladeshi people living and working abroad to remit their hard-earned money through AIBL, to increase bank remittance and deposit ratio upraise the standard of foreign remittance customer services also maintaining continuous touch with the existing & prospective remittance clients, clients of other banks, wage earners and all the people related with a bank in the society AIBL celebrated “Remittance Service Month -2020” form 1st November to 31st December 2020. There they provided a 1% cash incentive against account credit remittance with their bank which will

obtain by AIBL through the exchange house with whom they have drawing arrangements. AIBL has provided BDT 72.89lac as an additional 1% cash incentive with account credit remittance with AIBL. 19842 new remittance accounts have been opened in the service month (annual report, 2020). Their BPMD (Business Promotion and Marketing Division) also designed and developed different marketing tools, gift items, leaflets, and brochures for different branches to maintain marketing relationships with current and old customers. AIBL also provides a desk calendar, telephone index, and slip pad to regular customers. Each morning their senior managers seat for meeting for marketing planning. They target clients according to proper marketing research.

2.14 Financial analysis

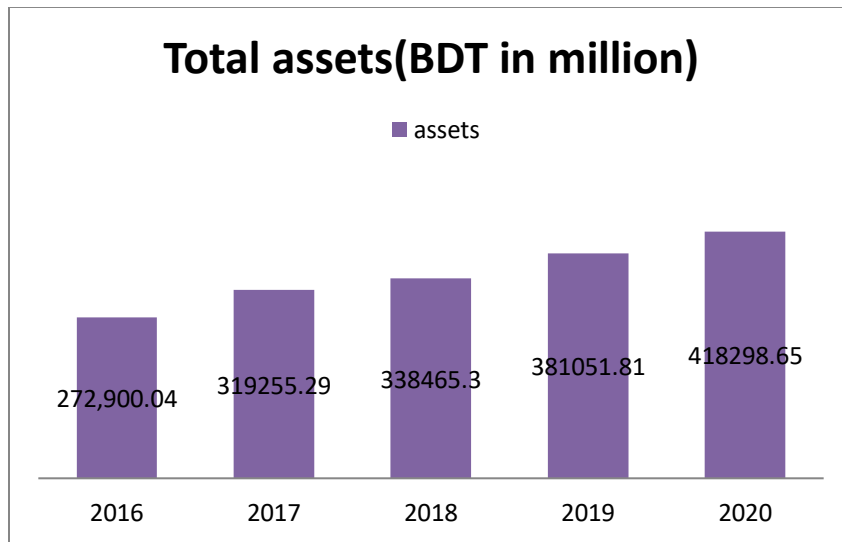
2.14.1 Deposits

The total deposit of AIBL was 326023.41 million on 31st December 2020. It was 297241.81million on 31st December 2019. There was a growth of 9.68% of which Tk. 4,726.57 million was bank deposit and Tk. 321,296.84 million was a general deposit. The present strategy of increase deposits is to maintain profit rate in a competitive era, also they have a fund of low cost which is helping them to get a better return on investment.



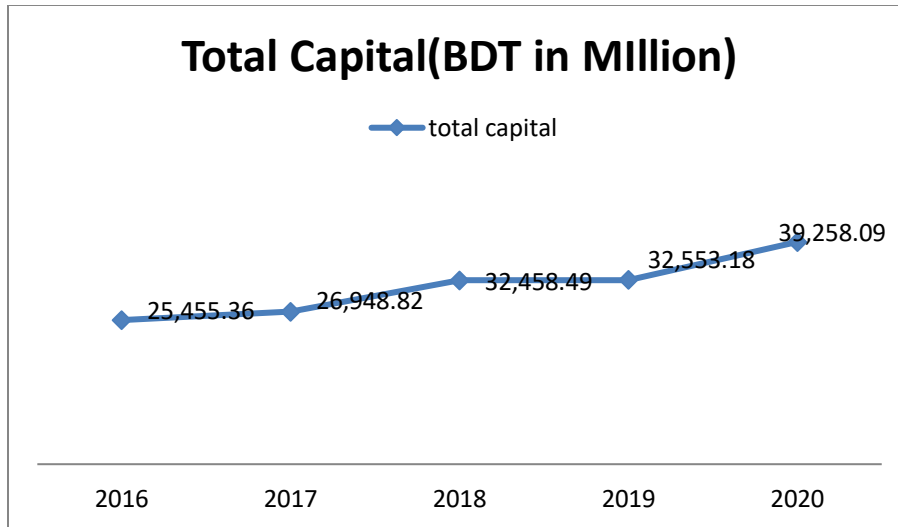
2.14.2 Total Assets

A healthy balance sheet of a bank asset is an important tool. It is a basis for gaining profit. So asset is more important for a bank than gaining long-term profit. In 2020 asset of AIBL was BDT 418298.65million. In 2019 it was BDT 381051.81million, which is showing a growth of 9.77% over the previous year. (Annual report, 2020)



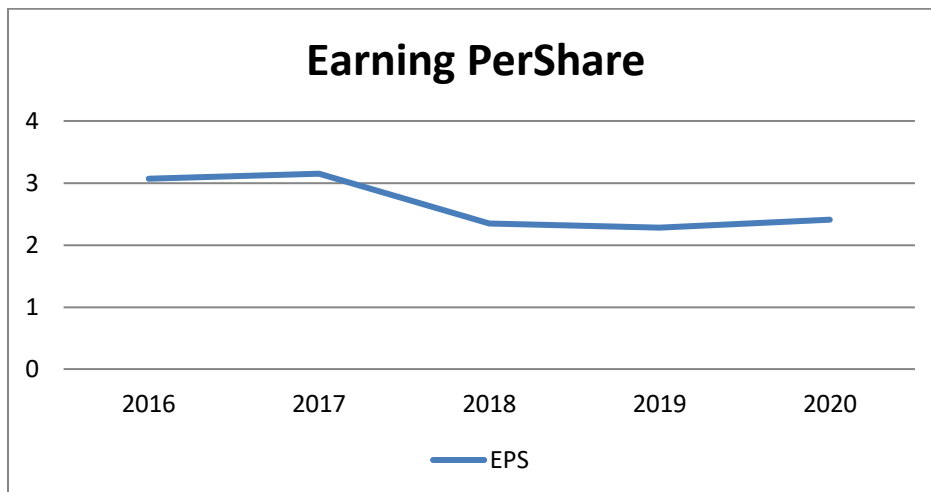
2.14.3 Total capital

Capital is an important part of a balance sheet. In 2020 the total capital of AIBL was BDT 39258.09 Million. It was BDT32553.18 Million in 2019.so we can see that total capital increased in the year 2020. It determines that AIBL working hard to gain profit and capital. (Annual report, 2020)



2.14.4 Earning per share (EPS)

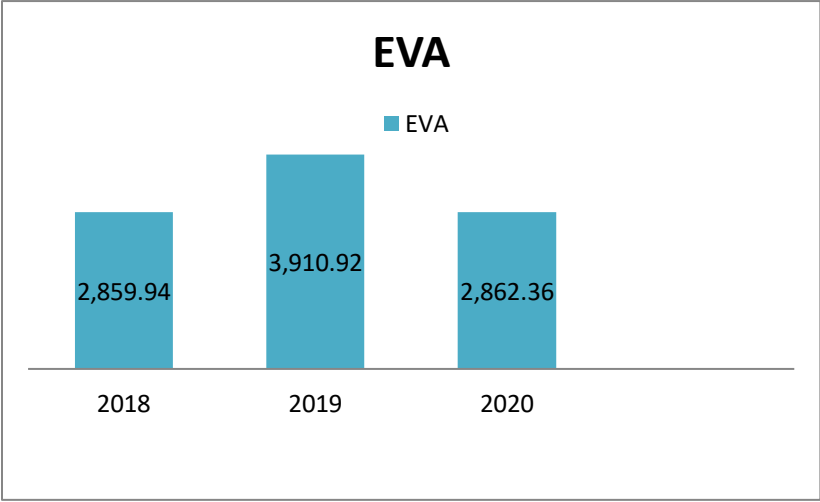
EPS of AIBL is 2.41 in 2020 and in 2019 it was 2.28. The growth rate of EPS of AIBL is 0.13%, which indicates AIBL is in a good position. (Annual report, 2020)



2.14.5 EVA (Economic Value Addition)

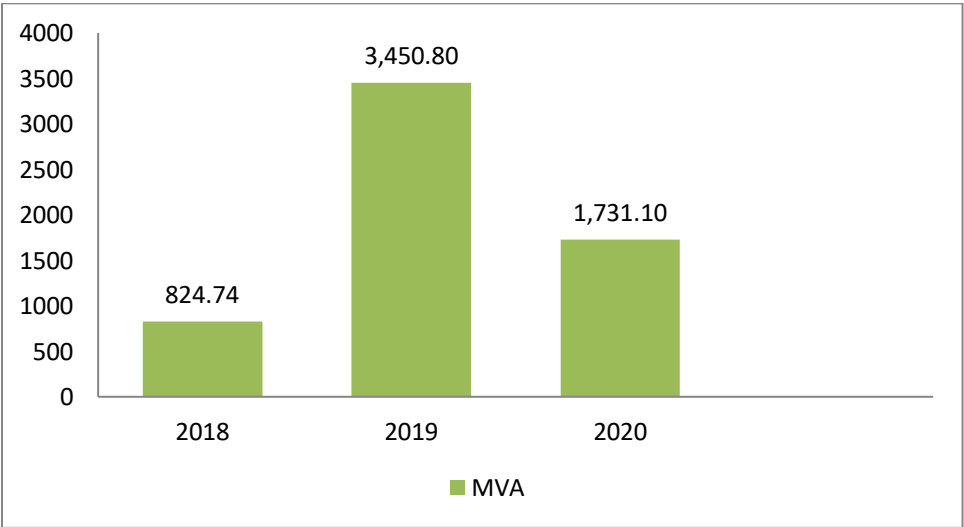
It illustrated the economic profit of the company. EVA is an approximate amount with which earnings exceed or fall short of the desired minimum return for shareholders to bear risk. EVA of

AIBL stood at BDT 2,862.36 million as of 31 December 2020 as against that of BDT 3,910.92 million in 2019. (Annual report, 2019-2020)



2.14.6 MVA (Market Value Addition)

MVA is the difference between the equity market value of the company and the book value of equity invested in that company. Market Value Added Statement illustrated on wealth creation of the capital providers in a specific time. Higher market value addition indicates the bank has made significant wealth for the equity holders. (Annual report, 2019-2020)



2.15 Porter's five forces

- **The threat of new entrance:** in the banking industry threat of new entrance is very low because starting a bank is really tough and a person who wants to start a bank needs lots of capital which is a larger amount than any other business. Again to start a new bank people need political support and lots of paperwork which is really tough in a country like Bangladesh. In our country, there are almost 56 established banks. Almost 11 bank also wants to join the industry but the process is very lengthy in a corrupted country like Bangladesh. Again customers are always brand loyal. They always try to take service from a known bank. So it will be very tough for a new bank to cope up with the competition and gain profit.
- **Bargaining power of buyers:** in the banking industry there are two types of buyers/customers. They are an individual customer and different bank/corporate customers. Individual customers can not bargain much in a bank because they take lower amounts of loans. But the regular individual customers can bargain more than the new individual customers. But in terms of bank/corporate customers having lower bargaining power, they can bargain more than the individual customers. Because they have more investments and loans in the other bank. So they can bargain as a buyer and also as a supplier.
- **Bargaining power of suppliers:** in the banking industry there are two types of suppliers. They are individual and corporate. Individual suppliers have low bargaining power because a mother bank imposes rules and regulations. So individual suppliers are those from whom banks gain profits by imposing lower interest rates. But in terms of corporate suppliers that cannot be possible. Though they also have low bargaining power but being the main suppliers of banks they can bargain more. As they have a large number of deposits in the bank and the bank cannot prosper without those deposits. But the bargaining power of the corporate supplier is still low. So we can say that bargaining power for the individual and corporate supplier is low.
- **The threat of substitute:** the threat of substitute products is very high in the banking industry because there are almost 35 non-banking financial institutions that give loans to their customer with lower interest rates. They also provide different types of products at a competitive price. Among them, Lanka Bangla Finance Limited, IDLC Finance Limited,

MIDAS Finance Limited are very popular. So we can see that substitute financial product of Bank is available in Bangladesh and threat of substitute product is high in our country.

- **Rivalry among established firms:** rivalry among established firms is very high in the Bangladeshi Banking industry because there are lots of established banks in our country. Customers are very likely to take service from an established bank. Moreover, different banks provide different types of services to satisfy their customers. Many banks try to provide unique products and services and want to take first-mover advantage which means is to be first in the market for a new product category. As a result, competition increased in the banking industry. Again there are 56 conventional and 8 Islami Bank in Bangladesh who provides similar product and service and also targeted the big corporation, so competition among them is really high.

2.16 SWOT analysis of AIBL

- **Strength:**
 1. It is a very popular bank
 2. Employees are highly qualified and educated
 3. Their Profit rate is also high.
 4. Their management is very popular and their human resource department is filled with a qualified employee
 5. Relationships with customers are very good
 6. They have lots of product
 7. Good working environment
- **Weakness:**
 1. Their ATM service is not up to date and not available everywhere
 2. They are known for being dependent on their deposit
 3. They have a less experienced officer
 4. Their marketing policy is not up to the mark.
- **Opportunities:**
 1. As a well-known bank, the investors trust AIBL
 2. They have a good relationship with foreign and Bangladeshi banks and business

3. They have good opportunities to expand their market in Bangladesh as they are already an established bank

- **Threats:**

1. Political pressure affects the cost of the loan
2. The political image of our country is hampering their export
3. Increasing competition is also a threat for a Islami bank as they have lots of limitations because of Shariah rules
4. They also have to follow some rules and regulations provided by Bangladesh Bank which is also become a barrier in this competitive era.

2.17 Recommendation & Conclusion

So to sum up, AIBL could attract their customer by increasing their advertisement through social media, television, and other media. They can also increase mobile-based service in this pandemic situation. They should make their ATM service available at every place in our country so that customers can take their service from anywhere. They should train their officers more and also improve their IT service which is not also up to the mark and employee has to face trouble while working.

Chapter 3: Project part

3.1 Background of the report

The main goal of the report understands the relationship between the customers and employees of AIBL. The measures AIBL is taking to satisfy their customers and knowing their service quality. During the internship period, I also have to serve many customers and answer their queries. So I have observed customers' expectations and how the employees are giving their best to satisfy their customers. The report is a qualitative report. So there is no numerical research on analyzing customer's relationships with AIBL employees. If the research was quantitative it would be difficult to understand for the reader. Though it was really difficult to observe the

customers and other activities of the bank in this short period of time I have managed to take some information from my survey and personal observation of the bank.

From my research, I have come up with some recommendations that might help AIBL to improve their general banking.

3.2 Rationale of the study

Customer relationship is a very important term for any kind of organization even in the banking sector. It is really important to give the best service to the customer to gain customers satisfaction. This report is limited to the customer's relationship with the general banking of AIBL. Especially my report is focusing on customer's satisfaction of AIBL Uttara branch. The report will be helpful for the investors, stakeholders of AIBL. It will also help the employee know the customer's satisfaction level and according to that, they can improve their service.

3.3 Broad objective

- To find out customer's relationship with general banking of bank.

3.4 Specific objectives

- Findings of the quality of the service bank are providing to the customers.
- To find out the way to satisfy customers and earn their loyalty.

3.5Significance

This report illustrated on how is the relationship between the customers and AIBL. The customers' expectations from the general banking service section of the bank. How the customers will be satisfied with AIBL. Even AIBL can use some recommendations from the report to improve their service towards the customers.

3.6 Literature review on “Finding out about Customer relationship with general banking of bank”

After knowing every detail of the organization’s customers gave birth to the marketing concept of customer relationship management. Customer relationship management enables a bank and its general banking division to understand its customers. It is important to know target customers and customer’s demand. CRM considers customer loyalty is the key to the profitability of the business and long-term competitiveness (Siddiqi, 2011). To gain customers’ trust it is important to maintain the same customers (Reichheld, 2006). According to Onal et al (2007), CRM is a business strategy that makes banks and customers profitable. For example: when customers don’t understand banking term bankers make the customers understand that term and give them the service they have desired.

Findings of the service quality of the bank: the SERVEQUAL (developed by ‘parsu’ parasuraman, valarie zeithaml and len berry in 1985) author recognized 10 elements of service quality of the bank. They are reliability, responsiveness, competence, access, courtesy, communication, credibility, security, tangibles, understanding, and knowledge. Later on, these factors reduce into 5 factors. They are reliability, assurance, tangibles, empathy, and responsiveness (published in 1988). Now a day’s mobile banking is very popular because it is easy to serve the customer through mobile. M-banking is an application of M-commerce that made customers access their bank accounts through mobile and complete banking transactions (Kim et al., 2009). The mobile platform offers services such as ATMs, checkbooks, and smart cards which make banking transactions easy without handling cash (Karjaluo, 2002). Deb et al. (2011). As a result quality of banking service increased. According to (Ghylin et al., (2008) any company can provide customers higher quality service to get higher satisfaction levels from the customers.

Find out the way to satisfy customers and earn their loyalty: one of the main goals of CRM is Customer loyalty (Anderson and Srinivasan, 2003; Verhoef, 2003). It is important to gain customers’ trust and make a customer regular customer cope up in the competitive era. There are two elements of loyalty. They are loyal to repurchase and giving recommendations to other customers (Cronin Jr, Brady, & Hult, 2000; Cronin Jr & Taylor, 1992). When the customer gets their desired service they get satisfied and loyal. According to (Albaity & Melhem, 2017; Chen

& Chen, 2010; Truong & Foster, 2006) satisfaction is the result of the difference between customer's expectation and purchase. When customers don't get their desired service they get dissatisfied. A study of mobile banking (Aghdaie and Faghani, 2012) said that customers found four factors of SERVQUAL and they are reliability, responsiveness, tangibility, and empathy which have a positive relationship with mobile banking customer's satisfaction. But the factor assurance doesn't have a significant relationship with customer satisfaction. According to (Nupur, 2010) reliability, responsiveness and assurance have a positive relationship with customer's satisfaction with E-Banking in Bangladesh. But tangibility and responsiveness don't have a significant relationship with customer satisfaction.

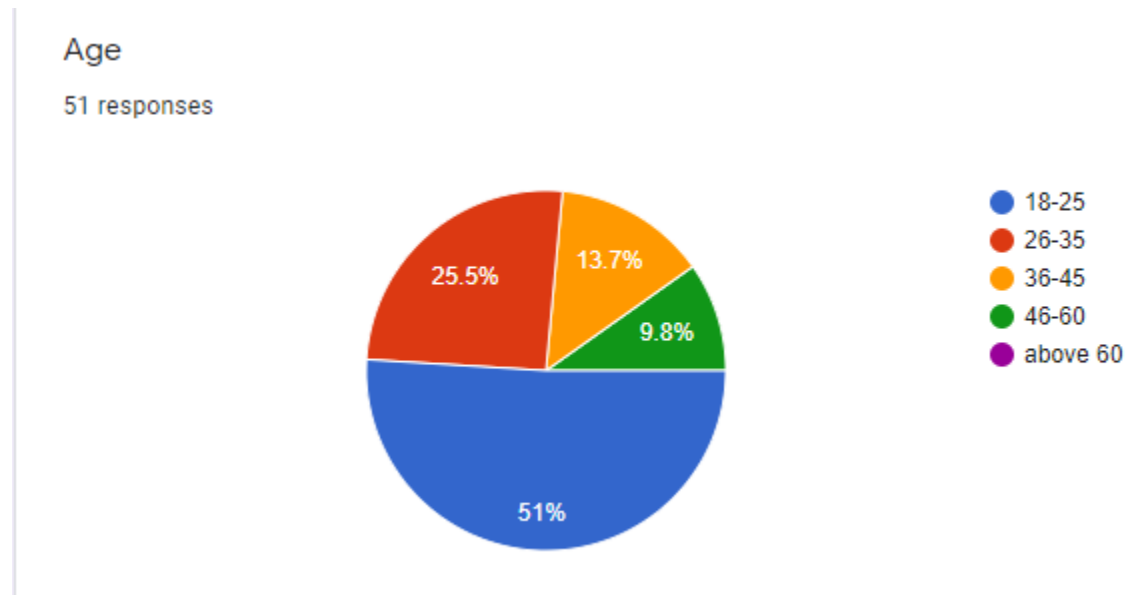
3.7 Methodology

For this report, I need both primary and secondary data. For primary data, I have made a survey and collected responses from 51 respondents. Also I have talked with the employee of AIBL and observed their work. For secondary information, most of the data are taken from different articles about customer's relationships with banks and different reports on AIBL from Google scholar. For them, proper APA citation is used.

3.8 Findings according to survey

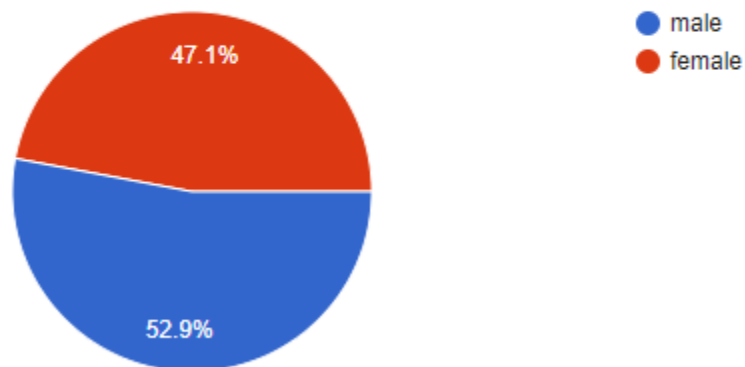
For this survey I have asked 13 multiple choices questions. 51 respondents answered and expressed their expectations from AIBL. The aim of those survey questions was to find out how much comfortable the customers feel when they do any kind of transaction in AIBL and what is the exact behavior of general banking employees of AIBL with the customers. Also, this survey illustrated the type of customers of AIBL. These types are varies based on their age range, gender, and income level. This survey also illustrated different services for different groups of people.

3.8.1 Findings on demographic information of Customer



Findings: 51% of customer's age range is 18-25. 25.5% of customer's age range is 26-35. 13% of customer's age range is 36-45 and 9.8% of customer's age range is 46-60. I don't get any response from above age 60 people.

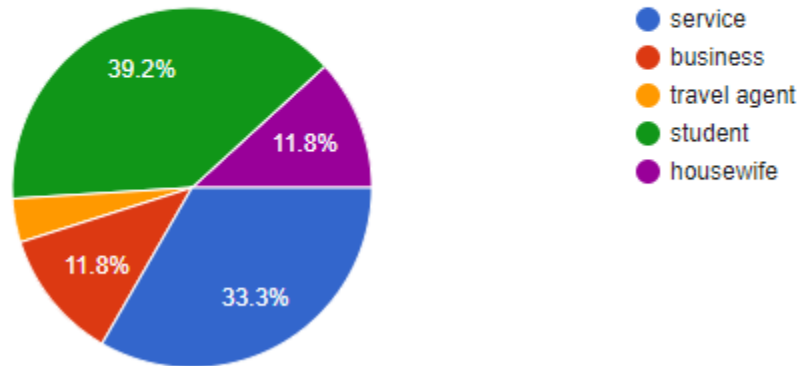
Gender
51 responses



Findings: the number of male customers is greater than female customers. In the chart, we can see that 52.9% of customers are male and 47.1% of customers are female

what is your occupation?

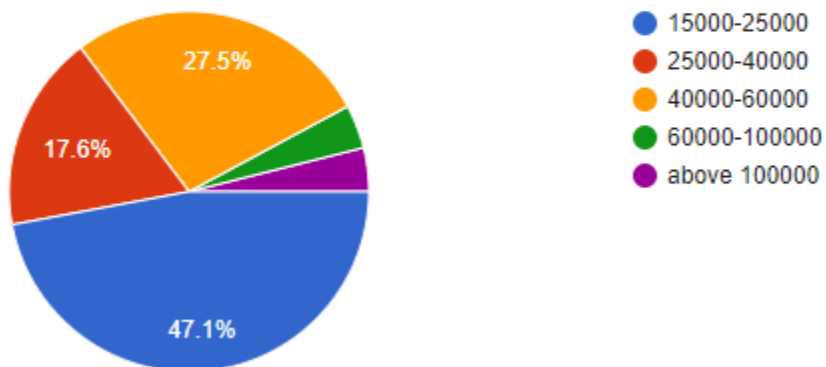
51 responses



Findings: most of the customers of Al Arafah Islami bank are service holders and students according to my survey. Obviously, there might be some limitations because as a student I couldn't spread the survey among many people. According to my survey, 39.2% of respondents are students. 33.3% of respondents is service holder. 11.8% are housewives and 11.8% are business persons and the rest of the percentage are travel agents.

what is your monthly probable income?

51 responses

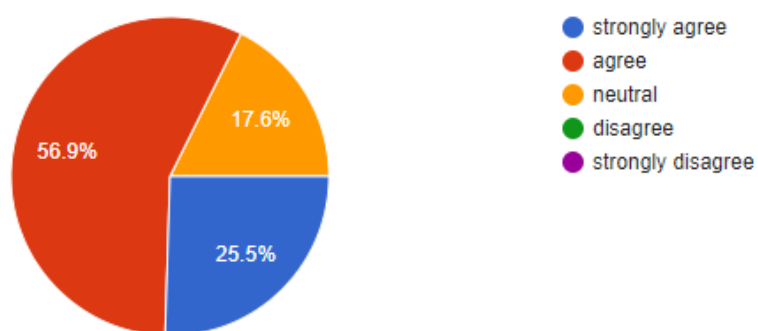


Findings: 47.1% of respondent's monthly income is 15000-25000. 17.6% of respondents said that their monthly income range is 25000-40000. 27.5% of respondents said that their monthly income is 40000-60000. The rest of the respondents had income above 60000.

3.8.2 Findings on Customer perception about bank and bank's employee

When customers face problems, Al Arafa Islami Bank Limited employees solve it with interest

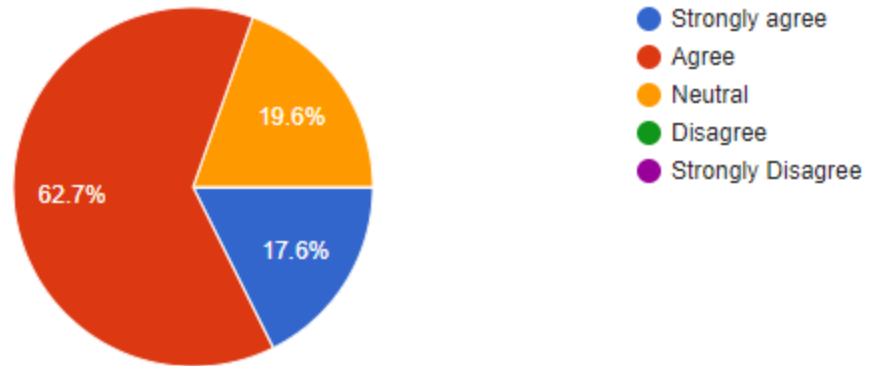
51 responses



Findings: when customers face problems AIBL employees solve them with interest. 56.9% of respondents agreed. 25.5% strongly agreed and 17.6% of customers are neutral. According to this, we can say AIBL listens to their customers carefully and try to satisfy them. If they face any difficulties in any kind of activities they solve it with interest. 17.6% of customers gave neutral statements maybe there was some lacking. But AIBL always listens to their customer and try to solve their problem and improving their services day by day.

Al Arafah Islami Bank Limited always provide prompt service

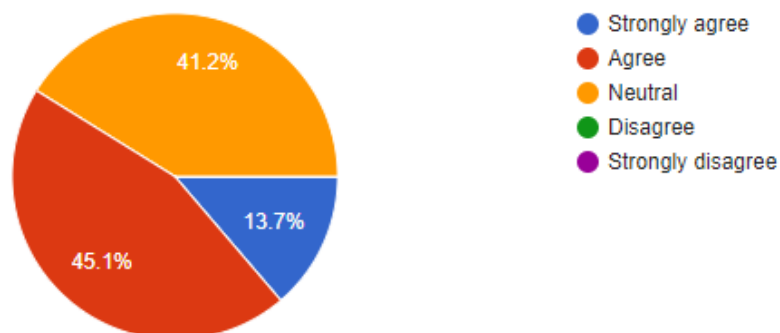
51 responses



Findings: AIBL always provide prompt service 62.7% respondent agreed and 19.6% respondent is neutral. Though the employees of AIBL are well trained and they always provide the customers the right service at right time. The customers don't have to wait much time. Even during this pandemic time AIBL employees trying to provide the customers fastest service. They are calling the customers for their confirmation when clearing cheques and providing other services. Still, there are obviously some limitations of every bank which could not make some customers fully satisfied as a result some respondent gave a neutral response.

The employees always willing to help the customers and response customers query in busy schedule

51 responses

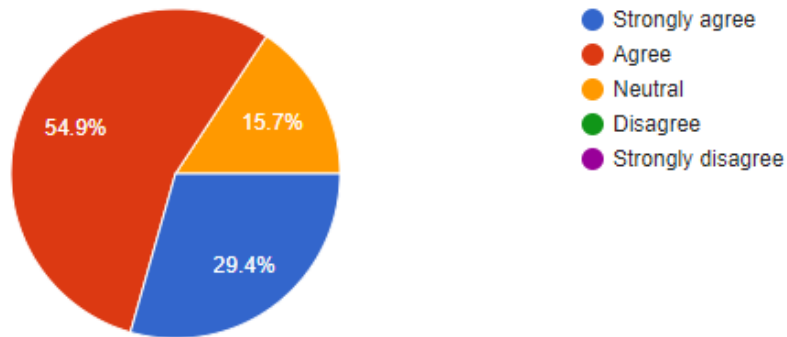


Findings: the employees of AIBL always willing to help customers and respond to customer's queries in a busy schedule 41.2% of respondents gave neutral reactions to this statement. In this

pandemic and lockdown banks have become busier. Employees are always in a rush when the bank is open because of the pending works. Sometimes it is hard to find old files which make the customers wait. But AIBL employees always try to respond to customers' queries even in busy schedules. As a result, no respondent disagreed with this statement.

The behavior of employees gives you confidence and Customers feel safe for any kind of transaction

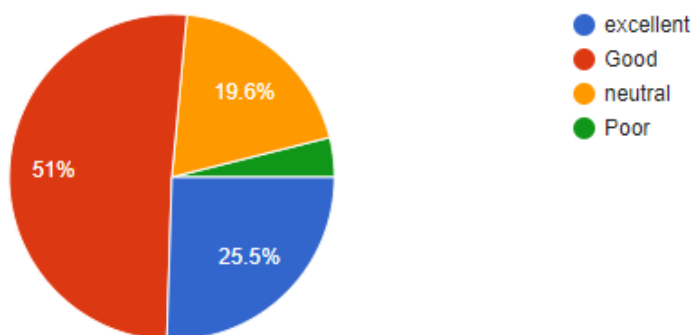
51 responses



Findings: the behavior of employees gives customers confidence and customers feel safe for any kind of transaction. 29.4% responded strongly agreed with the statement and 54.9% of employees agreed on the statement, which means the behavior of the employee really makes customers feel safe of any kind of transaction in the bank. And the employees always verify the details of the customer to diminish fraudulence and always call the customers if any kind of confirmation is needed.

Atmosphere of the Al Arafah Islami Bank

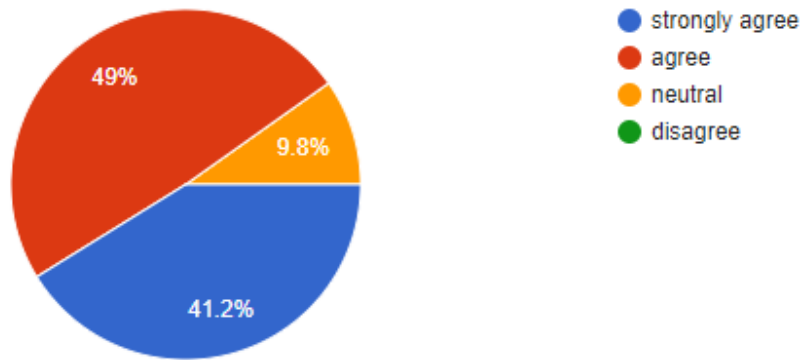
51 responses



Findings: 51% of respondents said that the atmosphere of Al Arafah Islami Bank is good. 25% of respondents said the atmosphere is excellent. 19.6% said the atmosphere is neutral which means they give an average response and the rest of them said the atmosphere is poor. So AIBL need to improve their bank atmosphere to grab more customers and to get a better response they can modernize their banking atmosphere with the technological advancement

Staffs are professional in Al Arafa Islami bank

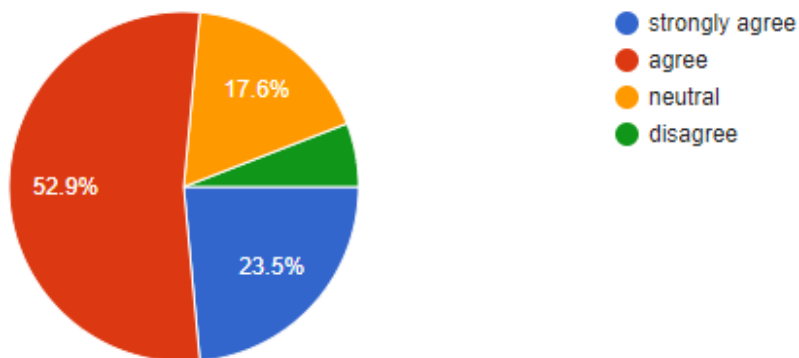
51 responses



Findings: 41.2% respondents strongly agreed that AIBL has skilled employees and 49% agreed that the employees of AIBL are skilled. Which means AIBL provides skilled employees who provide customers good service and the profit of AIBL increase for those skilled employee.

Al Arafah Islami Bank provides better online facilities

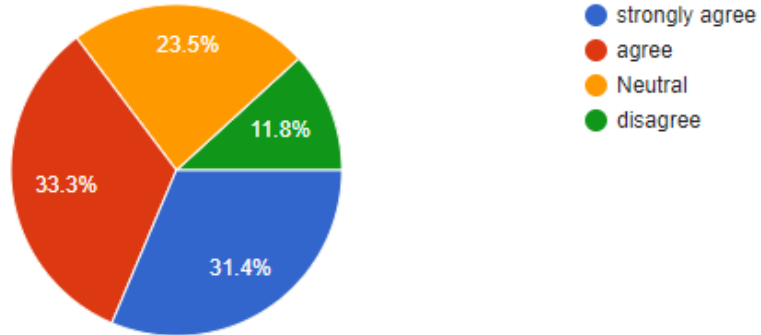
51 responses



Findings: 52.9% respondents agreed and 23.5% strongly agreed with the statement. But 17.6% are neutral and the rest of them disagreed with the statement which means there needs huge improvement in their online facilities

ATM service of Al Arafa Islami Bank is up to date

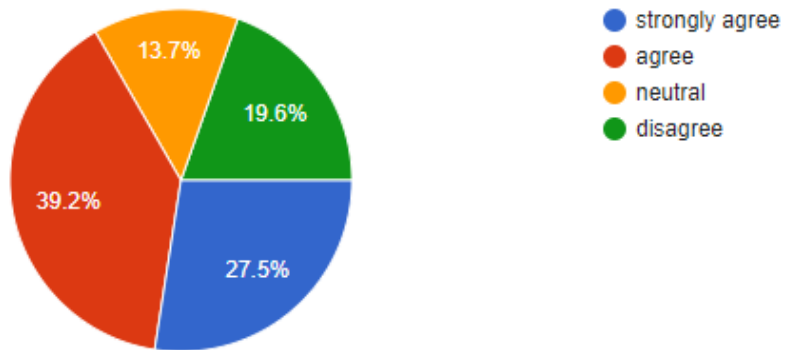
51 responses



Findings: 33.3% agreed and 31.4% strongly agreed with the statement. But 23.5% are neutral and 11.8% disagreed with the statement which means AIBL need to improve its ATM service. They have to make their ATM booth available in various places where clients can easily reach.

marketing of Al Arafah Islami Bank is up to date

51 responses



Findings: 19.6% of respondents disagreed that AIBL's marketing strategy is up to date. So AIBL should give more effort to improve their marketing by presenting their services to the customers.

3.9 Relationship with Customer and service quality of AIBL

According to the findings Customer relationship and service quality include:

- According to my survey customers have a very good relationship with AIBL employees. The behavior of employees is very good and they are very helpful towards the customers. As a result, customer feel safe for any kind of transaction in AIBL
- AIBL always provides prompt service as a result customers don't have to wait in a long queue.
- They have lots of products and services and if any customers face any difficulties operating the services they always help.
- Employees are getting regular training for providing the best services.

3.10 The important factors for satisfying Customer and earning their loyalty

According to my findings the important factors to satisfy Customer and earning their loyalty are:

- Customers of AIBL are loyal because of AIBL's employee's helpful nature.
- The service quality of AIBL is high.
- Even in a busy schedule employees try to answer customers query
- Even the employees also help the new Customer in writing cheque books and other applications if they face any difficulties.
- The employees also provide special services to the senior citizen of our country which also increases Customer loyalty and satisfaction.
- According to my observation in the bank customers get good space to wait. Even in this pandemic situation AIBL trying to give proper sitting space to the customers.

3.11 Recommendation

Though it is very tough to come up with any recommendation in a very short period of time, I have come up with some recommendations according to my internship experience and findings from my survey. These recommendations are about the overall customer's perception of their service quality and the level of customer satisfaction on AIBL which will help AIBL to improve their performance. Those recommendations are given below:

- AIBL should improve its marketing to grab customers. For example, they could provide brochures and leaflets with the AIBL calendars to their regular customers. Also, they can arrange different events in different universities to introduce their services.
- They should modernize the atmosphere of the bank with new technologies and by hiring new skilled employees.
- They should also keep employees who will tell customers about the services and facilities of the bank and provide advancements that will also grab new customers.
- AIBL can also offer clients credit Visa cards and ATM machines and more services to gain customers' loyalty.
- As the bank is a busy place every banker is really busy so answering every query of the customers is very difficult. Sometimes there is a misunderstanding among the clients and bankers which creates dissatisfaction among the client. So banks could increase employees to handle this kind of situation.
- They should improve their ATM booth facilities by providing ATM booths in every convenient area for the client. This will also increase customer's loyalty and satisfaction.
- They should improve their IT facility. So that the bankers do not face trouble if any technical problem arises and it should be solved in the shortest possible time.
- They can also give daycare facilities to female employees who have children. It will also encourage the female employees to work in AIBL and they can also play a great role in increasing customer satisfaction and profit to the organization.

- To open a new record and should show a profit in their old records. This will grab clients to do the transaction in bank and it will also be helpful for the bankers
- They should increase branches in Dhaka city and also in the other small towns of Bangladesh
- They should also improve their online banking facilities. Instruction should be easier for the clients.

3.12 Conclusion

As Islamic banking is not a new concept in Bangladesh people are more engaged in Islamic banking activities. In the upcoming era banking will be easier because of technological advancement. Though Bangladesh is little lag behind in terms of technology but banks are trying to provide best technological support and online facilities' in this pandemic situation. AIBL also working hard for online service which is visible in the survey result. But they need to improve their online service and marketing more to cope up in the competitive era. But the officers and bankers of AIBL are really professional. So they are working really hard to earn profit for their organization in a “halal” manner. We can make awareness about the financial and social benefits of Islamic banking system.

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