



AL-ARAFAH ISLAMI BANK LIMITED

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An evaluation of the bank's customer perception



COURSE: BUS400 INTERNSHIP

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Letter of Transmittal

9th October, 2011

Ms. Sayla Sowat Siddiqui

Course (BUS400)

BRAC Business School

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SUB: Submission of Internship Report.

Dear Madam,

It is with great pleasure and humility that I present to you my internship report titled “An evaluation of bank’s customer’s perception.”

I have tried my best with regards to planning, organizing and presenting this report. I have tried to provide the data that not only reflects the company but also is practically relevant in the corporate and business fields. The data used in this report is focused, specific and precise.

I sincerely appreciate your guidance and help. Hopefully you will like my work.

Kind regards

Huzaiifa Abdullah

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EXECUTIVE SUMMARY

The current business environment requires firms to be alert to the requirements of the customers and be updated those requirements to prevent switching of customers. For long term and sustainable success of a business it should identify the needs of the customers and check the perceptions of the customers and arrange its operations in a way that it helps them maintain its current crop of customers and use it to attract newer customers. The perception of customers can be a major competitive edge for business provided that they can use it for their advantage. This becomes more important for a service oriented firm like which can only excel if it provides quality services to its customers. The report will attempt to measure the customer perception of Al- Arafah Islami Bank, New Elephant Road Branch Dhaka.

To generate the exact perception of the customers a research was conducted. This research was undertaken in direct interview of the customers. The customers were asked about the services of the customers in five basic dimensions. The dimensions were:

1. To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank.
2. To analyze the customer perception regarding the services of AIBL when compared to other banks.
3. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets.
4. To examine the satisfaction levels of customers in problem solving ability of the bank.
5. To determine the extent to which customers are satisfied with the time taken to get the job done

The results were then given allotted points with excellent getting the highest point and poor getting the lowest points. The total achieved points were then compared to the maximum points attainable. The results were disastrous as f

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as the success of the bank is concerned as the bank failed to perform according to the perceived level. The bank is not being able to perform according to the needs of the customers and might suffer in the longer run as the service quality and the use of the state of the art technology is minimal when compared to the other leading banks. It appears that Al- Arafah Islami bank is lagging behind when compared to their rivals.

Despite their failures in meeting customer standards the bank has been profitable and has earned a handsome return on its investments. The market in which it is operating is giving it enough returns which is making the bank ignore these apparent problems.

Financial success for AIBL has been good since its inception but if it wishes to be known as a market leader some other measures like training of employees, state of the technology, setting up customer complaint department are essential for the long term success of the bank.



CHAPTER-ONE

TOPIC-1-Introduction:

The report focuses on the activities of Al Arafah Islami Bank with regards to its service quality. The readers are expected to get a detailed insight into the work and operations of a modern day Islamic bank in Bangladesh.

The report also details how AIBL has remained true to its Islamic roots, yet still managed to generate goodwill and trust among its clients. It has also remained up to date and dynamic to keep along with its rivals (other Islamic banks) and modern day banks. Lastly few recommendations have been proposed to keep the fast pace of improvement and also to make it more capable of future financial and non financial changes. All in all how AIBL can become an agile company is discussed.

Topic- 1.1HISTORY:

With the objective of achieving success here & hereafter by pursuing the way directed by Allah and the path shown by His Rasul (SM), Al Arafah Islami Bank Ltd was established (registered) as a private limited company on 18 June 1995. The inaugural ceremony took place on 27 September 1995. The authorized capital of the Bank is Tk.5000.00 million and the paid up capital is Tk. 4677.28 million as on 31.12.2010. Renowned Islamic Scholars and pious businessmen of the country are the sponsors of the Bank. 100% of paid up capital is being owned by indigenous shareholders.

The equity of the bank stood at Tk. 9647.45 million as on 31 December 2010, the manpower was 1711 and the number of shareholders was 49,386. It has achieved a continuous profit and declared a good dividend over the years. High quality customer service through the integration of modern technology and new products is the tool of the bank to achieve success. The bank has a diverse array of carefully tailored products and services to satisfy customer needs.

The Bank is committed to contribute significantly to the national economy. It has made a positive contribution towards the socio economic development of the country with 78 branches.



TOPIC-1.2-AIBL at a Glance

Islam provides us a complete lifestyle. Main objective of Islamic lifestyle is to be successful both in our mortal and immortal life. Therefore in every aspect of our life we should follow the doctrine of Al-Qur'an and lifestyle of Hazrat Muhammad (Sm.) for our supreme success. Al-Arafah Islami Bank started its journey in 1995 with the said principles in mind and to introduce a modern banking system based on Al-Qur'an and Sunnah.

A group of established, dedicated and pious personalities of Bangladesh are the architects and directors of the Bank. Among them a noted Islamic scholar, economist, writer and ex-bureaucrat of Bangladesh government Mr. A.Z.M Shamsul Alam is the founder chairman of the bank. His progressive leadership and continuous inspiration provided a boost for the bank in getting a foothold in the financial market of Bangladesh

A group of 20 dedicated and noted Islamic personalities of Bangladesh are the member of Board of Directors of the bank. They are also noted for their business acumen. Al-Arafah Islami Bank Ltd. has 78 branches and a total of 1711 employees (upto December 2010). Its authorized capital is Taka 5000 millions and the paid-up capital is Taka 4677.28 millions.

Wisdom of the directors, Islamic bankers and the wish of Almighty Allah make Al-Arafah Islami Bank Ltd. most modern and a leading bank in Bangladesh.

Table-01

We present some data on the bank below:

(In million taka)

Particulars	2004	2005	2006	2007	2008
Authorized Capital	1000.00	1000.00	2500.00	2500.00	2500.00
Paid up Capital	586.99	677.94	854.20	1153.18	1383.81
Reserve Fund	488.00	542.22	835.98	1091.95	905.33
Shareholders Equity	957.26	1220.16	1690.18	2037.50	2705.74
Deposit	10108.28	11643.66	16775.34	23009.13	29690.12



Investment	8150.16	11474.41	17423.19	22906.37	29723.79
Import	9337.49	12631.60	1882.14	27042.72	32685.13
Export	3639.34	4932.90	914.27	12714.91	20176.64
Total Income	1120.85	1452.68	2172.48	2955.61	4387.26
Total Expenditure	771.96	904.48	1202.71	2199.43	2859.16
Profit before Tax	348.89	548.20	855.47	756.18	1528.09
Profit after Tax	158.76	262.90	470.02	347.31	668.24
Income Tax	157.00	215.10	385.45	235.53	590.66
Total Assets	12874.61	15336.89	21368.17	30182.32	39158.44
Fixed Assets	195.17	208.00	215.11	334.48	396.76
Earning per share (Taka)	263.68	387.80	550.24	30.12	48.29
Profit Earning Ratio			4.89		
Dividend per share	15.5%	26.00%	35%	20%	30%
Bonus					
No. of Shareholders	5379	5402	4487	12013	10664
Number of Employees	803	771	912	1033	1080
Number of Branches	40	41	46	46	50
Manpower per Branch	20	19	20	23	

TOPIC-1.3-Special Features of the Bank

As an Islami bank, we are singular in every positive aspect. We provide a bunch of state-of-art banking services within the wide bracket of shariah. We are unique with our products, strict with our principle and uncompromising with our honesty. Some of our special features that make us notable in Islami banking sector are as follows:

- ❑ All activities of AIBL are conducted under an profit/loss based system according to Islamic Shariah to get the nation rid of Usury.
- ❑ Its investment policies under different modes are fully Shariah compliant and well monitored by the board of Shariah Council.
- ❑ During the year 2007, 70% of the investment income has been distributed among the Mudaraba depositors.
- ❑ In 2008, AIBL has included online banking in its wide range of services. Bangladeshi software has been introduced in this feature to promote the local developers.
- ❑ AIBL regularly arranges its AGMs (Annual General Meeting). Whenever needed EGMs (Extraordinary General Meeting) are also arranged.
- ❑ We regularly pay dividend to our valued shareholders. For the year of 2008, we declared 30% bonus dividend to our shareholders.
- ❑ We believe in providing dedicated services to the clients imbued with Islamic spirit of brotherhood, peace and fraternity.
- ❑ The bank is committed towards establishing a welfare-oriented banking system to meet the needs of low income and underprivileged class of people.
- ❑ The Bank upholds the Islamic values of establishment of a justified economic system through social emancipation and equitable distribution of wealth.
- ❑ Following the Islamic traditions, it is assisting in the economic progress of the socially deprived people; in the creation of employment opportunities and in promotion of rural areas to ensure a balance development of the country.



- The Bank believes in social and philanthropic activities and has established AIBL English Medium Madrasa and AIBL Library. More endeavors will inshallah follow in future.

TOPIC-1.4-PRODUCTS AND SERVICES

Mudaraba Double Benefit Deposit Scheme (MDBDS)

- ❑ A fabulous fixed deposit scheme operated strictly by the rules of Islamic Shariah.
- ❑ Any person above 18 can open this magnificent scheme. Even an MDBDS can be opened on behalf of a minor.
- ❑ Any person can open this scheme in his/her own/joint name, any business organization, educational institution, govt. or non govt. organization, NGO, semi govt. or cooperative organizations can open account and deposit their savings in this scheme to get higher profit.
- ❑ In this Mudaraba based scheme one can deposit Tk.10,000/- or its multiple.
- ❑ Under this scheme with life of 6 years, your deposit will earn profit in an incremental ratio. That's why within just 6 years of time your deposit will be doubled in return.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.
- ❑ This convenient scheme comes with an exciting investment facility. One can take advantage of 80% of his/her deposit as investment loan.

Mudaraba Kotipoti Deposit Scheme (MKDS)

- ❑ With the help of Kotipoti scheme, your savings will rise to a mammoth amount of 10 million taka.
- ❑ Various installment amounts along with different maturity periods are available in this scheme, which will definitely match your requirement.
- ❑ Any person above 18 can open this magnificent scheme. Even an MKDS can be opened on behalf of a minor!
- ❑ The main attraction of this Mudaraba-based scheme is that, profit will be accumulated on your deposit in a daily-stay basis. In this scheme, profit will be given with a weightage of 1.05, which is 0.05 more than that of a 3 years deposit.
- ❑ Monthly installment can be deposited on any working day from any branch. One can even give standing order to make payment of the installment from his savings account maintained with the branch. Advance deposit is also possible.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.
- ❑ This scheme comes with an exciting investment facility. One can take advantage of 80% of his/her deposit as investment.

Mudaraba (Special) Pension Deposit Scheme (MSPDS)

- ❑ An unparallel scheme to make your small savings turn into a line of income in future.
- ❑ In this simple but attractive scheme, your savings will be accumulated in monthly installments. Then in the future it will be source of your monthly income.
- ❑ You can decide the size of monthly deposit from Tk.500/-, Tk.1,000/- or any multiple of Tk.1,000/-.
- ❑ Besides choosing favorable installment size, you also can select any maturity period from either 5, 10 or 15 years.
- ❑ Your deposited amount will earn profit on daily-stay basis. This particular scheme has profit with the weightage of 1.05, which is 0.05 more than that of a 3 years deposit.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.

Mudaraba Millionaire Deposit Scheme (MMDS)

- ❑ With this excellent scheme your deposit will increase to million taka!
- ❑ The size of monthly installment may be 23,950/- 16,950/- 12,750/- 9,950/- 8,000/- 4,600/- 3,345/- 2,170/- 1,150/- taka.
- ❑ The main attraction of this Mudaraba-based scheme is that, profit will be accumulated on your deposit in a daily-stay basis. To make it a more important scheme it will have a weightage of 1.05, which is 0.05 more than that of a 3 years deposit.
- ❑ Monthly installment can be deposited on any working day from any branch. One can even give standing order to make payment of the installment from his savings account maintained with the branch. Advance deposit is also possible.
- ❑ This scheme comes with exciting investment facility. One can take advantage of 80% of his/her deposit as investment facility.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.

Mudaraba Lakhpoti Deposit Scheme (LDS)

- ❑ Al-Arafah Islami Bank Limited has brought this tremendous scheme to make the dream of becoming a "hundred thousand taka" true.
- ❑ One can select the maturity period from 3, 5, 8, 10 or 12 years.
- ❑ This eye catching scheme is lucrative because it will accumulate profit on your deposit in a daily-stay basis with a weightage 0.05 more than that of a 2 years deposit.
- ❑ A single person can open more than one account in the same branch.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.
- ❑ Monthly installment can be deposited on any working day from any branch. One can give standing order to make payment of the installment from his savings account maintained with the branch.

Monthly Installment Based Marriage Investment Scheme (MIS)

- ❑ This exciting scheme is for those who want to take steps well in ahead of accomplishing the event of marriage in future.
- ❑ Any matured person of any profession with sound mental health can open an account in this scheme. Even account can be opened in the name of a minor with the guidance of proper guardian.
- ❑ You can select any installment size from Tk.250/-, Tk.500/- or Tk.1,000/- and make your scheme more desirable.
- ❑ The main attraction of the scheme is that, profit will be accumulated on your deposit in a daily-stay basis with a weightage of 0.98 rate.
- ❑ This fabulous scheme comes with exciting investment facility. One can take advantage of Tk.30,000/- or double of his/her deposit (whichever is less) as investment.
- ❑ Tax will be applicable on the deposited amount along with profit according to the country law.

Al-Arafah Termed Hajj Deposit (THD)

- For the people who hold the holy desire to go for the Hajj with an onetime deposit along with bank's given profit there on, Al-Arafah Termed Hajj Deposit has been introduced.
- After maturity, onetime deposit will meet up the expenses of Hajj.
- One can prepare for the Hajj within five to twenty five years and he/she can deposit the required amount accordingly.
- Initial amount will be deposited under the procedure of Mudaraba. The main attraction of the scheme is that, profit will be accumulated on the deposit in a daily-stay basis. In fact it holds 0.10 more weightage than on 3 years deposit.
- This scheme can be opened with own name, or in the name of any predecessors or close relatives.
- After opening this Hajj account, if someone cannot go for pilgrimage for any unavoidable reason or dies, the provision of "Badla Hajj" can be given.
- If the Hajj account is opened in the name of other person, and that person fails to go for pilgrimage for any unavoidable reason or dies, the arrangement of "Badla Hajj" must be done. Under no circumstances the deposited amount will be withdrawn.
- After maturity, if the deposited amount along with accumulated profit is less than the Hajj expenditure on that particular year, the depositor can make up the residual amount at once and go for pilgrimage.
- A separate form has to be filled up to open Termed Hajj deposit.
- Under this scheme one can open an account in the name of a minor or a child too.
- Tax will be applicable on the deposited amount along with profit according to the country law.
- Estimated expenditure for Hajj for next 25 years after 2008 and the relative one time deposit will be as under:

Al-Arafah Monthly Hajj Deposit (MHD)

- Al-Arafah Islami Bank Limited has introduced a Monthly installment based Hajj Deposit for the middle class pious Muslims.
- In this scheme, your sacred wish for pilgrimage will be fulfilled with relatively smaller monthly deposits.
- One can open only one Hajj account in his/her name which will be operated by the rules of Mudaraba.
- One can prepare for the Hajj within one to twenty years and accordingly he/she can select the amount of monthly installment from the following chart.
- The main attraction of the scheme is the profit based on daily stay of your deposit. In fact it holds 0.06 more weightage than a 3 years deposit.
- In the year 2008 the estimated expenditure for Hajj is Tk.1,43,000/- and for the upcoming years it has been gradually incremented in the rate of 5%.
- A variety of maturity period and installment size will give you the option to make it your own affordable scheme.
- If the depositor wants to go for Hajj before maturity period, he/she can amend the residual amount with the deposit and fulfill his/her holy wish.

Monthly Installment Based Term Deposit (ITD)

- An exciting chance to save monthly a certain amount and get attractive return along with profit after tenure.
- Deposit can be made by convenient monthly installment depending on your income.
Installments can be deposited in any working day of the month. Even advance installment may be deposited.
- Profit will be calculated on daily basis upon your deposit.
To make it more attractive deposited amount will be weighted 1.05, which is 0.05 percent higher than 3 years term deposit.
- Duration of the deposit will be 5, 8, 10 or 12 years along with installment amount of either Tk. 200/-,



300/-, 500/-, 1000/-, 1500/- , 2000/-, 3000/-, 4000/- and 5000/-.

Any person above 18 can open this magnificent scheme. Even an ITD can be opened on behalf of a

□ minor!

□ This worthwhile scheme will make your deposit to grow in the following ratio:

Tenor	5 years	8 years	10 years	12 years
Deposit	Gross return (Deposit + Profit) at maturity (Projected)			
200	15,600/-	29,400/-	41,200/-	55,500/-
300	23,400/-	44,100/-	61,800/-	83,200/-
500	39,000/-	73,500/-	1,03,000/-	1,38,800/-
1000	78,000/-	1,47,000/-	2,06,000/-	2,77,600/-
1500	1,17,000/-	2,20,600/-	3,08,800/-	4,16,400/-
2000	1,56,000/-	2,94,100/-	4,11,800/-	5,55,200/-
3000	2,34,000/-	4,41,200/-	6,17,700/-	8,32,800/-
4000	3,12,000/-	5,88,300/-	8,23,600/-	11,10,400/-
5000	3,90,000/-	7,35,300/-	10,29,500/-	13,88,000/-

Monthly Profit Based Term Deposit Scheme (MPTD)

- An exciting scheme to get monthly profit based on term deposit.
- An effective saving plan for individual/company and non-resident Bangladeshis to invest.
- Any amount of Tk. 1 (one) lac or its multiple may be deposited in this scheme.
- If necessary, the deposit may be cashed before maturity at a profit rate on Mudaraba Savings Deposit.
- The scheme will have a minimum duration of 5 years.
- Profit will be given just from the first working day of the next month from the starting of the scheme.
- There will be Tk.937.50 estimated profit for each Tk.1,00,000/- of deposit.
- Tax will be applicable on the deposited amount along with profit according to the country law.

TOPIC-1.5-Corporate Social Responsibilities

Al-Arafah Islami Bank Foundation :

The Bank has a Foundation launching philanthropic activities. Al-Arafah English Medium Madrasah and Al-Arafah Islami Bank Library are major two wings for launching philanthropic activities.

Al-Arafah English Medium Madrasah :

Al-Arafah English Medium Madrasah has been established by the Al-Arafah Bank Foundation with a view to building next generation according to the ideals of peace and equality of Islam and to establishing banking and other aspects of life in the way of Islam. The prime aim of this madrasah is to contribute towards building human resource and in the broader sense to ensure human welfare. With the view Al-Arafah Islami Bank Foundation has established an English medium madrasah at Dhanmondi in 1999. Such institution upto O level of its kind is for the first time in Bangladesh.

Al-Arafah Islami Bank Library :

Library is the carrier & reservoir of knowledge. Al-Arafah Islami Bank has shown that other than generating profit, it can also contribute significantly in the field of providing good source of knowledge by establishing a public library at 32, Topkhana Road, Chittagong Bhaban (1st floor), Dhaka, thus strengthening social development. It is situated in a sound, healthy surroundings. It harbors 23,000 books of reference for the researchers, students, professionals, bankers, physicians, engineers, politicians, writers or journalists, even for the kids. It is open to all from the year 2000 and well located & accessible to everybody. It procured some exceptional collection of books on religion, economics, banking, computer science, business administration, sociology, English & Arabic language and juvenile literature in Bangla, English, Urdu & Arabic, which are very rare.

TOPIC-1.6-Foreign Trade

Foreign Trade is one of the pioneer business activities of the bank conducted by and routed through the International Division. International Division of AIBL has been functioning successfully having a good number of skilled officials headed by Senior Vice President who has a long experience in this business line.

In order to accelerate/promote the Foreign Exchange business of the bank , man power of this Division has been exerting their all out efforts in establishing Correspondent Banking Relationship with world reputed bank , in hunting corporate clients to boost up Import & Export business by rendering their best and skilled services.

International Division has been giving utmost importance to the functioning of treasury operation i.e dealing as it has always been considered as an important avenue for generating income of the bank . Besides, ID has continuing its utmost efforts to establish the remittance arrangements with the world renowned companies to bring the wage earners remittance from the Bangladeshi nationals in abroad to contribute in widening the national revenue of the country for increasing remittance. As a result significant result has been made in the Foreign Trade.

TOPIC-1.7-SME Banking

Small and Medium Enterprise (SME) is playing a significant role to the growth of overall GDP of the country. Of all industrial productions, a huge part stems from SME. In order to boost up the small and medium enterprises of the country, Bangladesh Bank has recently advised the commercial banks to enhance the flow of investment and offered directives and policies to supervise and monitor this sector.

As SME has emerged as a thrust sector, Al-Arafah Islami Bank Ltd. also considers it important to extend and enhance finance for the same. Keeping this idea in the forefront, the bank has prepared an integrated policies, methods and procedures for SME investment.

Purpose

- To facilitate small and medium level entrepreneurs

Eligibility

- Permanent resident of Bangladesh
- The age must range between 25 years to 60 years



- ❑ To boost up the small business in the country
- ❑ To facilitate the growth of agro-industries
- ❑ To create employment
- ❑ To broaden the base of Islamic Banking in the society
- ❑ To encourage women entrepreneurs
- ❑ Physically fit and capable of working hard
- ❑ Capable of reading & writing
- ❑ Capable of managing his / her business successfully
- ❑ Sufficient Infra-structure and skilled personnel
- ❑ At least 02 (two) years experience in the applied business

Modes

⌘ **Working Capital Investment**

- ❑ Bai-Muajjal
- ❑ Murabaha / Murabaha TR
- ❑ MPI / MPI- TR
- ❑ Mudaraba
- ❑ Musharaka

⌘ **Fixed Capital Investment**

- ❑ HPSM (Equity required)
- ❑ Mudaraba
- ❑ Musharaka

Rate of Profit/ Rent

- ❑ **Working Capital Investment** : 16% (On Reducing Balance Method)
- ❑ **Fixed Capital Investment** : 15% (On Reducing Balance Method)

- ❑ Having Transparent CIB Report
- ❑ Valid Licenses, such as- Trade License, VAT registration, TIN, NOC from Environment Department (where applicable)
- ❑ Other terms and conditions stipulated by the bank

Securities Against Investment

- ❑ Personal guarantee of spouse/parents/other family members.
- ❑ In case of limited companies, guarantees of all directors other than nominated directors shall be obtained.
- ❑ Registered mortgage of immovable properties with registered Power of Attorney (for 2 lac and above).
- ❑ Third party personal guarantee (at least one).
- ❑ Post dated cheques for each installment and one undated cheque for full investment value including full mark-up profit.
- ❑ Hypothecation on the inventory, receivables, advance payments, plant and machinery.
- ❑ Bank may relax the security for investment



amount up to 2 lac for the growth of SME investment.

TOPIC-1.8-Micro Finance

The economy of Bangladesh mostly depends on rural development. Poverty stands in the way of the growth of this economy. Although a number of NGOs and financial organizations work in the sub-urban and villages with a view to alleviating poverty, a very few are found working with the compliance of Islamic Shariah. It is a national responsibility to alleviate abject poverty from the rural area. To help change the socio-economic condition of the impoverished people of the villages, Al-Arafah Islami Bank Limited has initiated a project entitled "Krishi O Grameen Khudra Biniog Prokolpa (Microfinance)". With this project, Bank is working for reduction of poverty, development in agricultural sectors, creation of job opportunities etc. We hope this will develop the socio-economic condition of a large segment of the rural folk.

It is a group based work. The main characteristics are:

- ❑ This is a supervised investment programme
- ❑ A group consists of 5 (five) members
- ❑ 8 (eight) groups make a Samitee. It means that a Samitee contains 40 members
- ❑ Every group has a Group Leader and a Deputy Group Leader
- ❑ Every Samitee has a Samitee Leader and a Deputy Samitee Leader
- ❑ All members must attend the weekly meeting
- ❑ Ceiling of Microfinance Investment is from Tk. 3,000 to Tk. 50,000.

Purpose

- ❑ To facilitate rural entrepreneurs
- ❑ To develop socio-economic condition of rural people
- ❑ To save rural people from usury
- ❑ To facilitate the growth of agro-industries
- ❑ To create employment scope
- ❑ To broaden the base of Islamic Banking in the rural society

Eligibility

- ❑ Permanent resident of branch's commanding area
- ❑ Age must range between 18 to 50 years
- ❑ Physically fit and capable of working hard
- ❑ The person borrowed any amount of money from other institution is not eligible to be our microfinance member
- ❑ All members in a group are the guarantor of each other
- ❑ Other terms and conditions stipulated by the bank



- To encourage women entrepreneurs

Modes

⌘ Working Capital Investment

- Bai-Muajjal

⌘ Fixed Capital Investment

- HPSM (20% Equity required)

Securities Against Investment

- Members in a group are the guarantor of each other
- Personal guarantee of local eminent personalities
- Hypothecation of stock-in-trade and goods to be fixed delivered under deferred payment
- If necessary, Bank may lien personal savings and Long term deposits

Documentation

- Nationality Certificate from Union Parishad Chairman or Birth Registration Certificate or National ID card,
- Letter of group guarantee
- Letter of agreement
- Some necessary Charge Documents
- Photographs

Savings

- Members of the group have to open a Non-operative Savings Account in their individual names
- Minimum Weekly compulsory savings is 0.2% of approved investment
- Normally members cannot withdraw their savings before adjustment of investment, but when emergency, they can take it by fulfilling some terms and conditions.

Rate of Profit/ Rent

- **Working Capital Investment : 15%**
(On Reducing Balance Method)

Other Charges

- **Risk Fund :**
01% of Investment Limit
(Payable before disbursement)

Repayment

- Weakly installment basis
- Number of installment is 50
(2% of Investment per week).



TOPIC-1.9-MARKET SHARE:

The market share of AIBL stands at around 4-5 % according to the banks senior vice president. The lack of proper and reliable statistics is a major issue in this case. However according to a report in a reputed English daily, AIBL has the highest liquidity among all banks in Bangladesh and it was also in the top ten banks in Bangladesh too. (see Appendix)



CHAPTER-2

TOPIC-2.1-JOB DESCRIPTION

Tintern assignment was in the cheque clearing department of Al- Arafah Islami Bank Limited (AIBL), New Elephant Road Branch, Dhaka. The nature of the job was mostly clerical and dealing with client queries regarding cheque clearances and also dishonored cheques.

The day started with the collection of cheques which were not cleared the on the previous day. The reasons for which the cheques were not cleared were clearly listed and the amount and the respective drawee banks were also noted. Then the relevant account holders were informed and the cheques kept separately to be handed over to the account holders. The superior in the cheque clearance team used to call the relevant clients. Once done with this job the focus shifted to deposits of cheques which were to be sent to clearing the following session. The main task was to check whether the cheques had been duly filled regarding the account name, number, date etc. Omissions were also screened like many cheques had no figures written in words. Once cheques being deposited had no mistakes, omissions these were stacked up to be later sent to the clearing house. The process of registering the cheques received was a bit unorganized. The cheques were at first scanned through a machine into the internal server. Then these images files were sent to the AIBL head office and from there to the respective drawee banks. If the drawee banks cleared the transfer of funds then the money would be credited or it would be regarded as a dishonored cheque. The whole process takes two working days. There were exception of course regarding some priority customers and/ or for amounts exceeding 5 lakhs, same day clearing facility was provided. The latter activities were mainly carried out by the full time permanent employees of the bank and thus the intern's input or practice was very limited.

The process of clearing cheques at Al Arafah Islami Bank is a slow and complex process which does not allow high quality waiting line management. There is minimum use of latest technology in the process and the staff in the department is extremely over burdened. The desk from which the work is done is also not suitable for the work to be competed efficiently. The modern conventional banks have better cheque reception methods and cheques can be deposited very easily and quickly without human interaction or waiting. Therefore the following recommendations are suggested in the clearing department of Al Arafah Islami Bank Limited New Elephant Road branch:

TOPIC-2.2- RECOMMENDATIONS

1. Recruit more staff in this department to effectively cut down on the waiting time of customers. This will not only increase efficiency but also help to improve the perception of consumers regarding the quality of the bank.
2. Introduce the automated cheque deposit machine to reduce the cost of maintaining a department. The department would still be needed because of the interactive nature of the job but its need would be significantly reduced.
3. The department should get more business background people in the department who are trained and have understanding of the business processed. Moreover, such staff will be more reactive and understanding of the needs of the business customers of Al Arafah Islami Bank Limited.
4. Improve the office layout of the bank to smoothen the process and the journey of the customers.
- 5.



CHAPTER-THREE

TOPIC-3.1-PROJECT SUMMARY:

The reason of the project is to study and evaluate the service quality that the AIBL provides to its customers, by measuring customers' perception that are using the foreign exchange and their expectations of service quality provided by the bank. The research will be divided into five dimensions which are then analyzed using bar chart, pie chart, graphical representation and other statistical tools.

Specifically the project aims the following:

6. To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank.
7. To analyze the customer perception regarding the services of AIBL when compared to other banks.
8. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets.
9. To examine the satisfaction levels of customers in problem solving ability of the bank.
10. To determine the extent to which customers are satisfied with the time taken to get the job done.

TOPIC-3.2-DESCRIPTION:

Every firm wants to be successful. One of the surest ways of achieving that aim is to satisfy customers and that may be done through delivering according to customer perceptions by understanding customer expectations. This may be simple in theory, but much more difficult in practice. On top of that to understand the customer expectation and perception of a service oriented firm such as a bank adds up as "double trouble". This survey will explore the relationship between the banks service quality and service management.

TOPIC-3.3-OBJECTIVE:

The project was conducted to measure the customer's satisfaction levels of the users of foreign exchange department of the AIBL. It focuses completely on one specific target group rather than the customers at large.

Primary objectives of the project include mainly to finding out and recommending where AIBL is failing to match the customer expectations and what needs to be done to ensure that customer satisfaction is at its highest levels so that the organization reaches new boundaries and horizons.

Apart from the above mentioned objectives the projects tends to look at the overall efficiency of the staff in providing the service and the emphasis on quality and the availability of infrastructure of the bank.

TOPIC-3.4-METHODOLOGY:

Data collection

- The entire data available is extracted by primary sources through interviews and surveys conducted in the banks premises and some in the customer's premises.
- The population for the project was mostly random and some were recommended by the supervisor.
- The data came from customer expectation and customer perception survey conducted on the customers of the foreign exchange department of AIBL elephant road branch in 2011. The respondents of the survey are the businesses based in and around Elephant road who are engaged in import and export trade.
- Customers were questioned in the five dimensions which have been mentioned above and then their results were analyzed to generate the general satisfaction levels of the customers of AIBL.
- All the primary quantitative data are presented by using both tables and graphs. In my survey questionnaire I used four point scales to allow respondent to indicate how strongly they agree or disagree with carefully constructed statement.



- Customers were questioned in the five dimensions which have been mentioned above and then their results were analyzed to generate the general satisfaction levels of the customers of AIBL.
- The questionnaires were designed in four criteria's in scale of 1-4, with the respondents being able to provide their opinions in terms of

Excellent (4)

Good (3)

Fair (2)

Poor (1)

- For my analysis of the data I used descriptive statistical analysis of frequency table, percentage and cumulative percentage.
- After compilation of the data the questionnaires are used to evaluate that particular dimension and then those criteria's are used to judge the overall perception of the customers.

These dimensions are:

1. To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank. (satisfaction levels)
2. To analyze the customer perception regarding the services of AIBL when compared to other banks. (comparing satisfaction with other banks)
3. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets. (communication and infra structure)
4. To examine the satisfaction levels of customers in problem solving ability of the bank. (problem solving ability)
5. To determine the extent to which customers are satisfied with the time taken to get the job done. (meeting deadlines.)

TOPIC-3.5-ASSUMPTIONS:

The report was based on the following assumptions:

1. Respondents completely understood the nature of the report, therefore gave correct responses.
2. Customer's reaction was affected by the research parameters only. Any external factors were not at play to change the response.
3. There were no biases either in questions, sample and/ or understanding responses.

TOPIC-3.6-LIMITATIONS:

The report is not an all absorbing report for the following reasons:

1. Knowledge limitations: since the report materials were complex and the majority of respondents had no prior knowledge in this topic their responses were not entirely specific. The language was also a constraint.
2. Resource limitation: the compilation of the material may have suffered due to the difficulties in data mining availability, absence of cross checking mechanism, etc.
3. Info restrictions: the natural secretive attitude of customers and officials hampered report quality.
4. The biggest limitation of the project is the relative small size of the population which might not be able to provide the best representation. Furthermore the respondents might hide the real data which might the actual results.

Topic-3.7- Analysis and interpretation:

Dimension: 1: To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank.

Question 1-A: How would you rate the efficiency of the staff working in the foreign exchange department?

RESPONSE CRITERIA	FREQUENCY	PERCENT	Score Achieved
EXCELLENT	0	0	0
GOOD	6	30	18
FAIR	12	60	24
POOR	2	10	2
Total	20	100	44
Maximum Points achievable			80
Percentage of points			55.00%

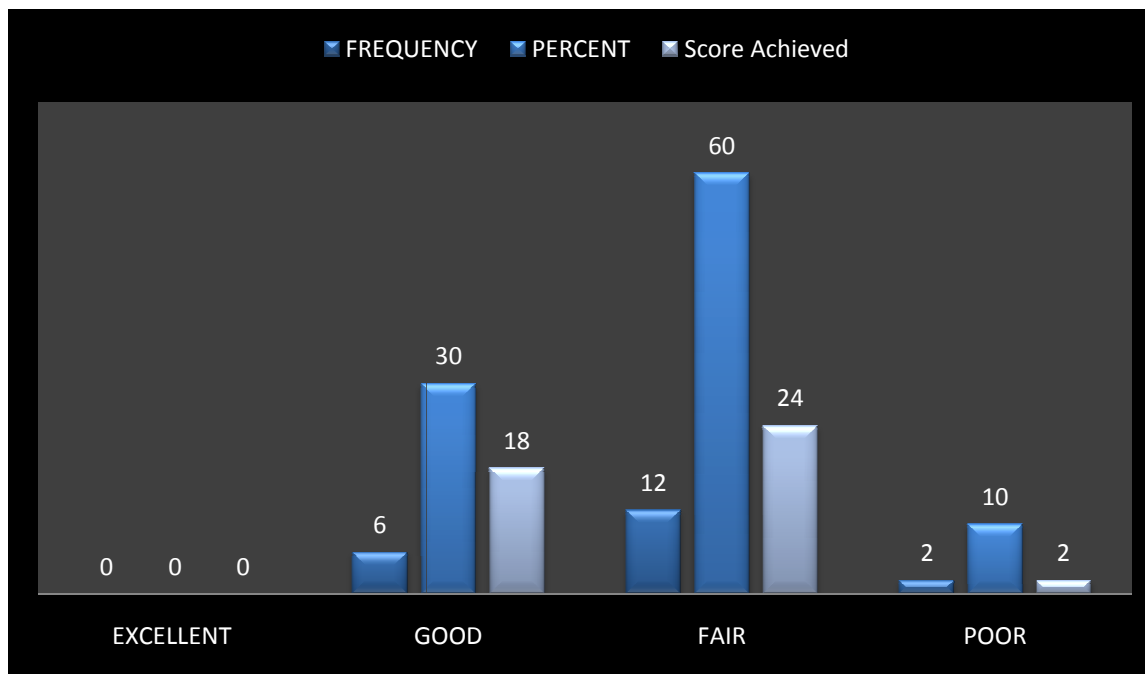


Figure i

Interpretation:

None of the respondent believed that the foreign exchange department was efficient in its services.

Twelve customers rated the services as fair which means 60% have given the bank a rating of two out of a maximum four. This clearly points out the fact that the bank is not being able to provide its services according to the perception of its customers.

The survey clearly illustrates that the majority of the respondents have voted for fair services.

Question 1-B: The bank usually provides what is asked by the customers.

RESPONSE CRITERIA	FREQUENCY	PERCENT	Score Achieved
EXCELLENT	0	0	0
GOOD	4	20	12
FAIR	13	65	26
POOR	3	15	3
Total	20	100	41
Maximum Points achievable			80
Percentage of points			51.25%

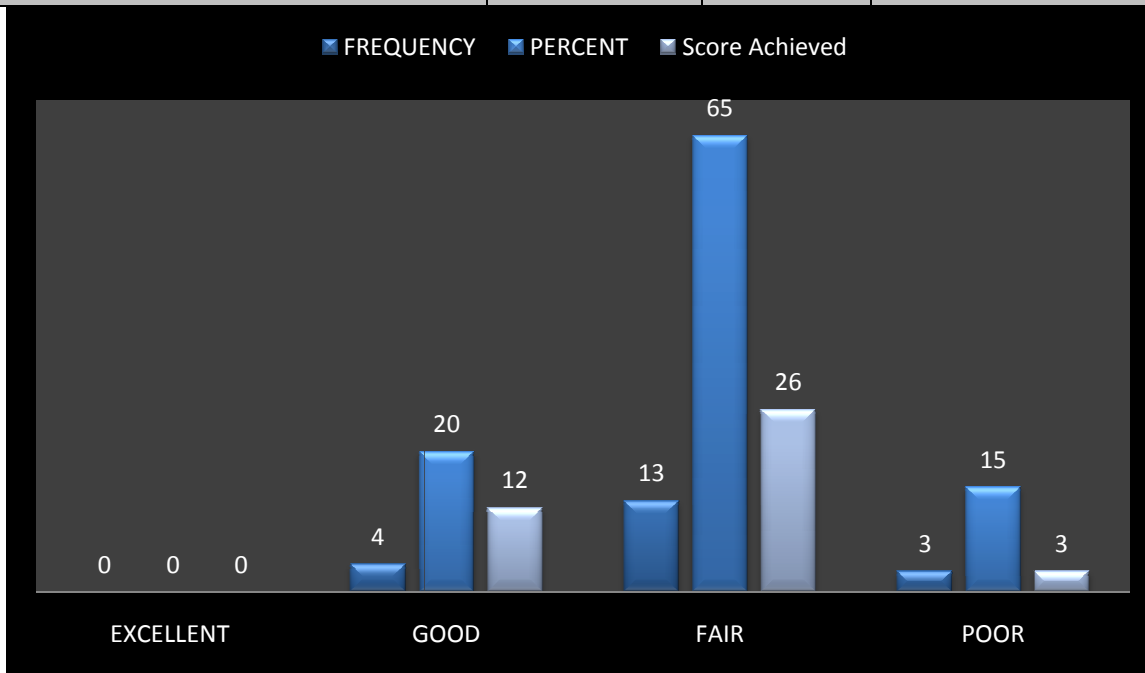


Figure ii

Interpretation: It appears that the 65% of the respondents believe that the ability of the bank to provide what is asked by the customer is fair; while 15% rate it as poor while a mere 20% rate it as good. The general satisfaction level seems to me low for the customers of the business.

Question 1-c: The bank provides the services required by the customers efficiently.

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	3	15	9
FAIR	10	50	20
POOR	7	35	7
Total	20	100	36
Maximum points available			80
Percentage of Points			45%

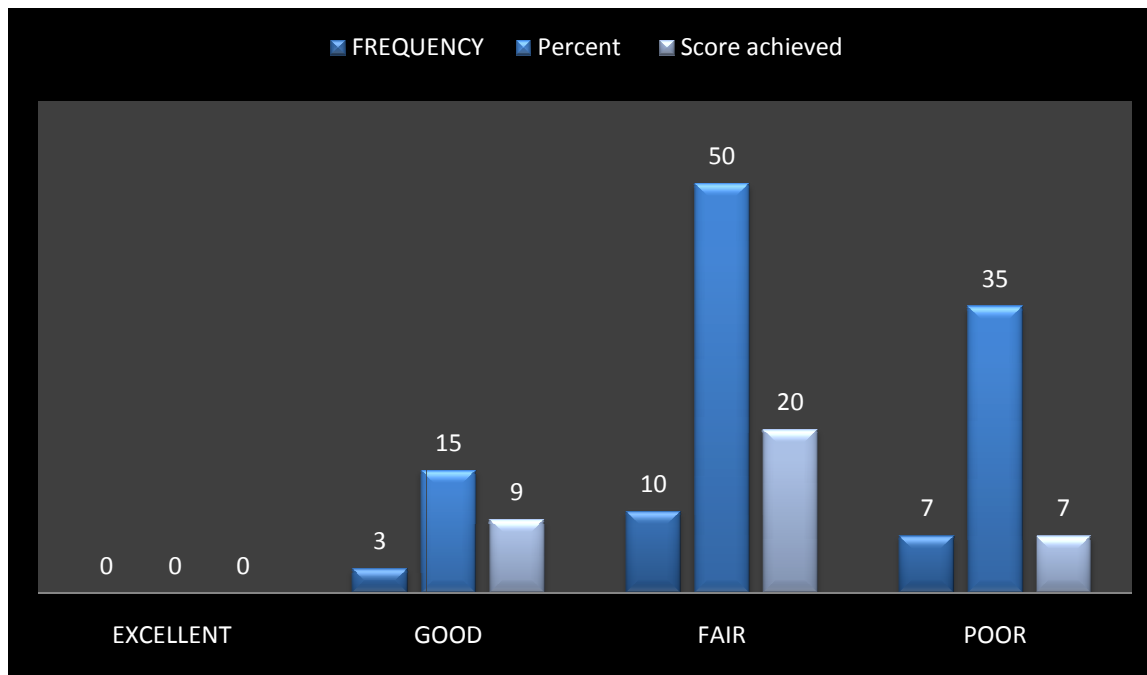


Figure iii

Interpretation:

The question aimed to assess the services of the bank as a whole. 50% of the respondents voted as fair while a small portion also rated it as good. The worrying part is that that 35% voted for poor which means low levels of efficiency from the bank.

Dimension 2: To analyze the customer perception regarding the services of AIBL when compared to other banks.

Question 2-a: Rate the level of services provided by AIBL in the context of Bangladesh.

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	5	25	15
FAIR	10	50	20
POOR	5	25	5
Total	20	100	40
Maximum points available			80
Percentage of Points			50%

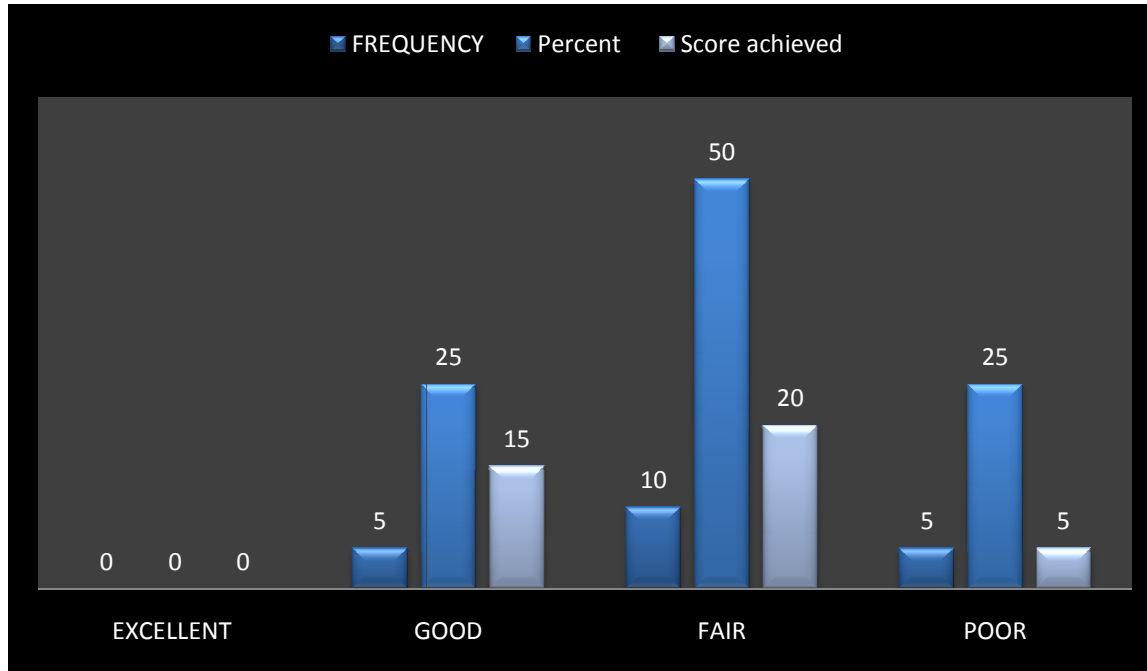


Figure iv

Interpretation: Half of the respondents believed that the level of services of AIBL in the context of Bangladesh is fair, while half of the remaining customers believe the services are poor while the remainder expressing that the services were good. The service level is clearly lacking for a successful business organization. The points achieved are 50% which means that the average score is fair which needs immediate concern.

Question 2-B In terms of other local banks please rate the services of AIBL

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	5	25	15
FAIR	13	65	26
POOR	2	10	2
Total	20	100	43
Maximum points available			80
Percentage of Points			54%

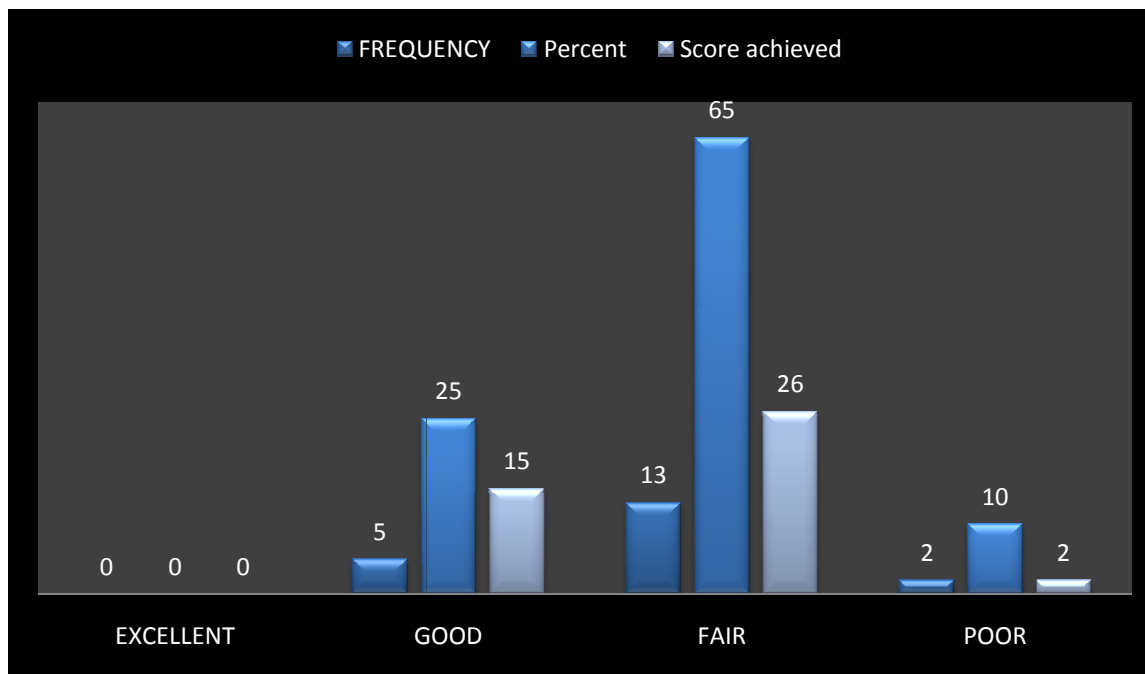


Figure v

Interpretation: in comparison of the local banks the services are fair as far as 65% of the respondents are concerned. A portion of 25% believes that the services are good, which means that firm needs to increase the satisfaction of its customers. The total score attained is 53% which means the opinion of the customers is concentrating on fair rating.

3. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets.

3-a: The extent to which to which AIBL uses state of the art technology for its customers.

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	4	20	12
FAIR	6	30	12
POOR	10	50	10
Total	20	100	34
Maximum points available			80
Percentage of Points			43%

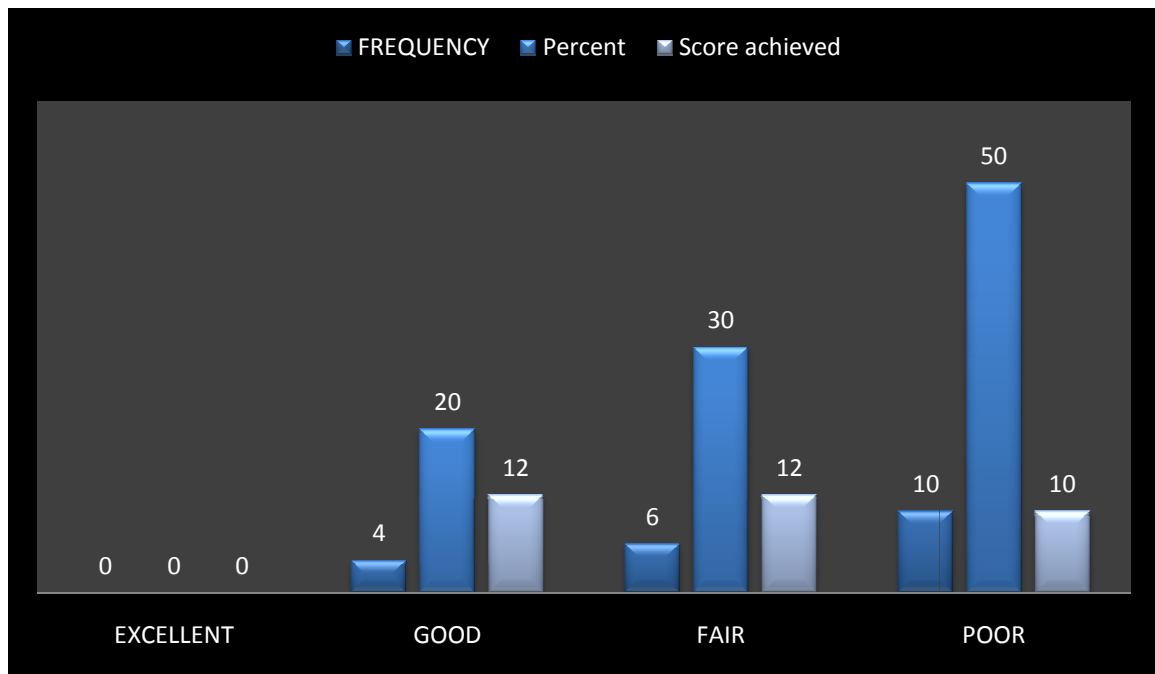


Figure vi

Interpretation: Half the customers believe that the use of state of the art technology is poor. 20% of the respondents also believe that the technology is being used in good way while 30% rate the services as fair. It appears the customers do not believe that bank is doing enough in using technology to provide services to its customers.

3-b: Utilization of (Software) by AIBL

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	6	30	18
FAIR	5	25	10
POOR	9	45	9
Total	20	100	37
Maximum points available			80
Percentage of Points			46%

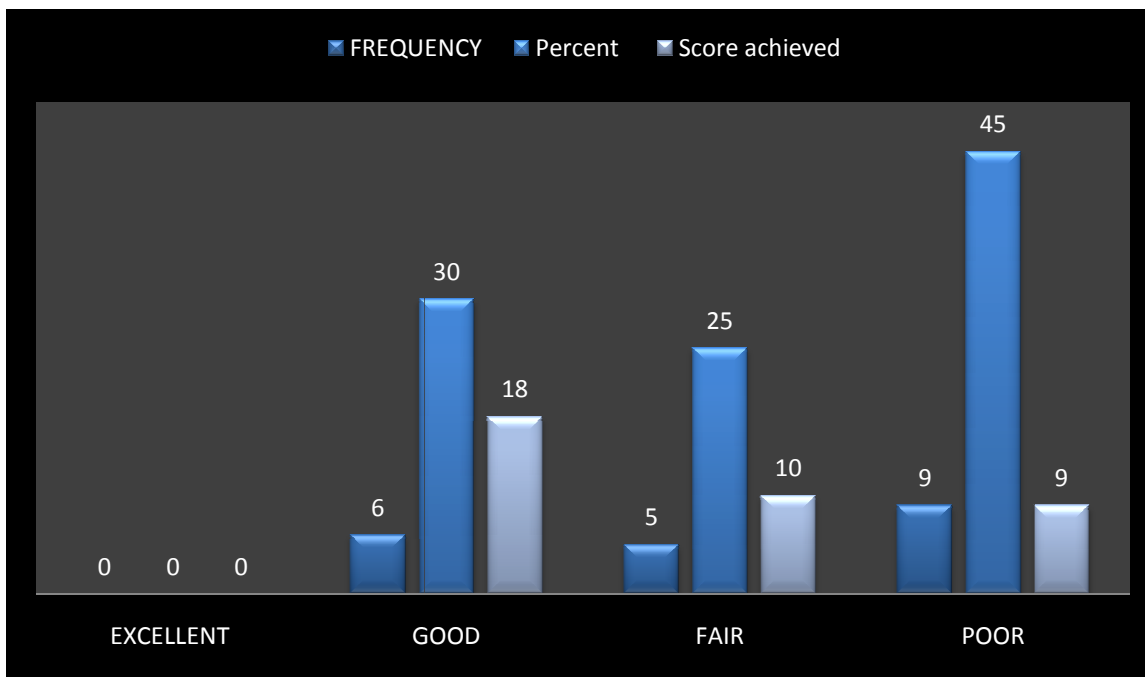


Figure vii

Interpretation: 30% of the customers believe that the software which is an important component for banking services is being used in a good way, while 25% believe that the software utilization is fair. The majority of the respondents which is 45% believe that it is poor. The points achieved are 37 out of 80 which means that the respondents have rated below fair.

3-c The advertisements and the leaflets are

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	6	30	18
FAIR	9	45	18
POOR	5	25	5
Total	20	100	41
Maximum points available			80
Percentage of Points			51%

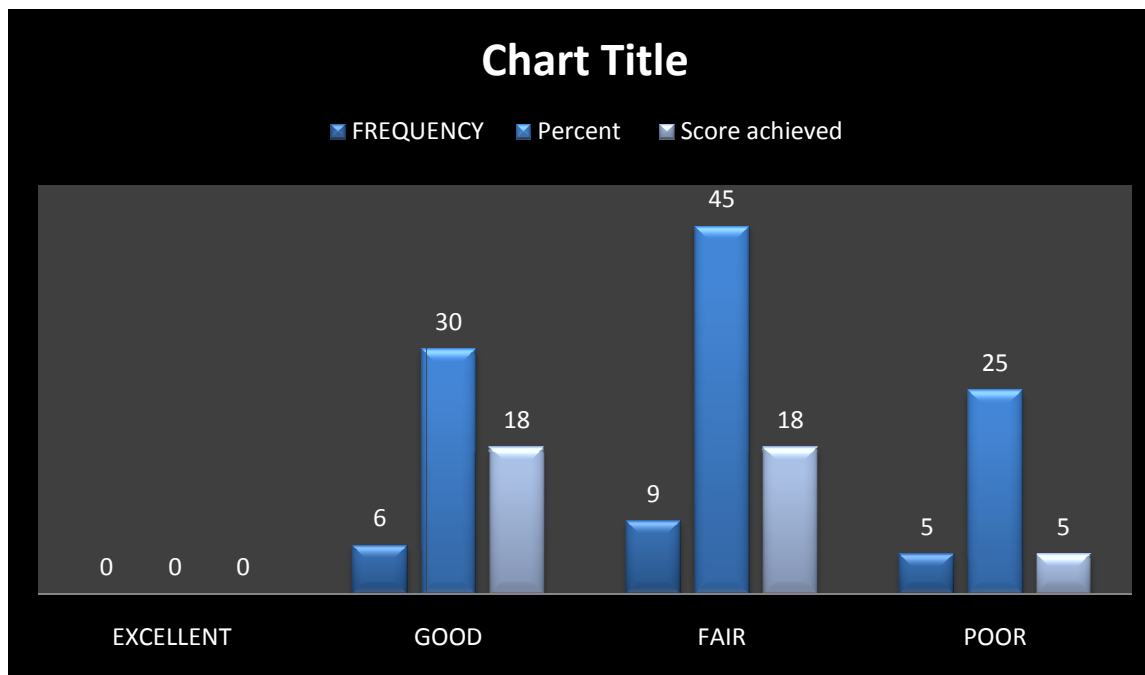


Figure viii

Interpretation: The impression of the customers of the leaflet is not as good as it should have been expected from a successful organization. 25% believe that the leaflets and advertisement are poor, while 45% believe that the external communication is fair. The points achieved are 41 out of 80 which means the percentage of 51%. This also signifies that the average response is within the fair rating.

3-d: The Staff are dressed appropriately for their position

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	3	15	9
FAIR	12	60	24
POOR	5	25	5
Total	20	100	38
Maximum points available			80
Percentage of Points			48%

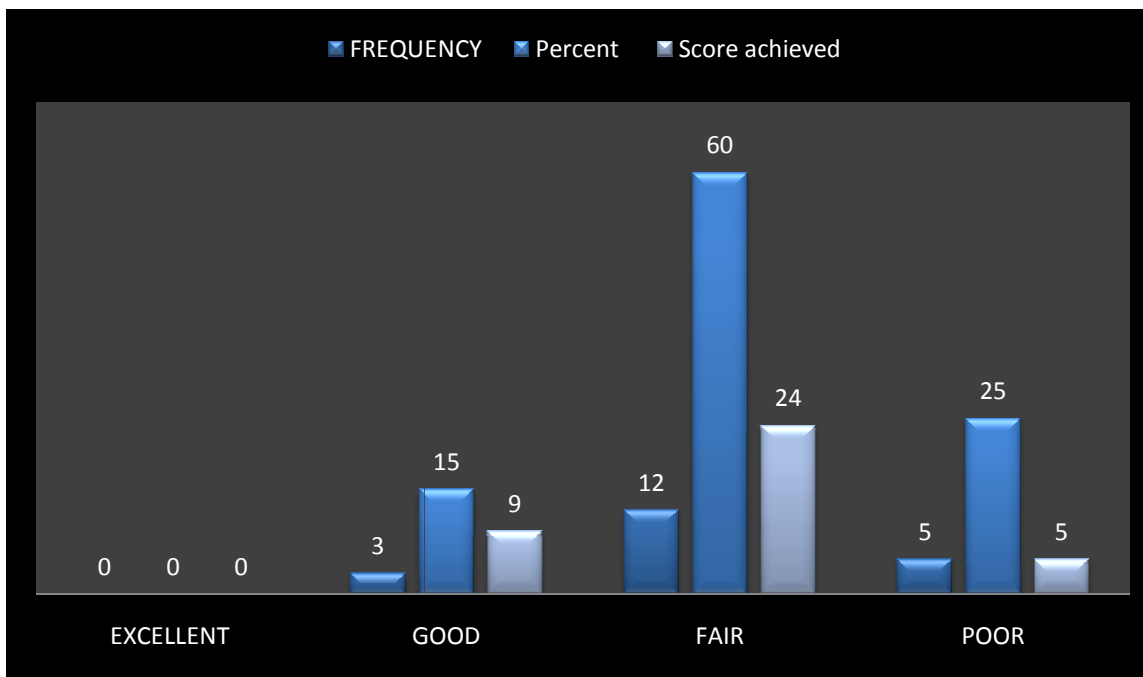


Figure ix

Interpretation: The response of the customers in the dress of the employees is rated as fair from 60% of the respondents. 25% of the customers believe that it is poor while small portions of 15% rate it as poor. The points achieved 38 out of a possible 80 which is 48%. According to the points attained the average response is below fair and is drifting towards the rating of poor. The bank needs some serious considerations in this regard.

4. To examine the satisfaction levels of customers in problem solving ability of the bank.

4-a: Staff's knowledge to answer customer's questions

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	3	15	9
FAIR	10	50	20
POOR	7	35	7
Total	20	100	36
Maximum points available			80
Percentage of Points			45%

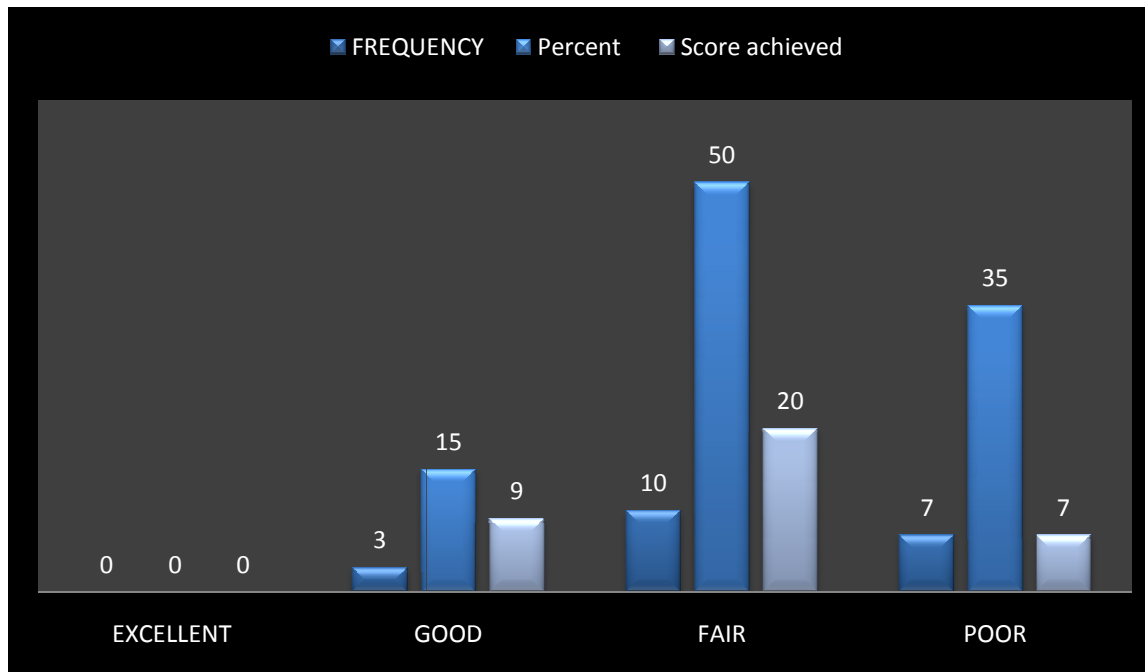


Figure x

Interpretation: half of the respondents believe that the knowledge of the staff to answer customer question is fair, while 35% rate it as poor and only 15% rate it as good. The points achieved are merely 36 out of a possible 80 which is only 36%. According to the points achieved the rating given by the respondents concentrate on poor rating. This might be a serious concern for the bank.

4-b: Giving prompt response to customer's problems and/or suggestions

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	2	10	6
FAIR	11	55	22
POOR	7	35	7
Total	20	100	35
Maximum points available			80
Percentage of Points			44%

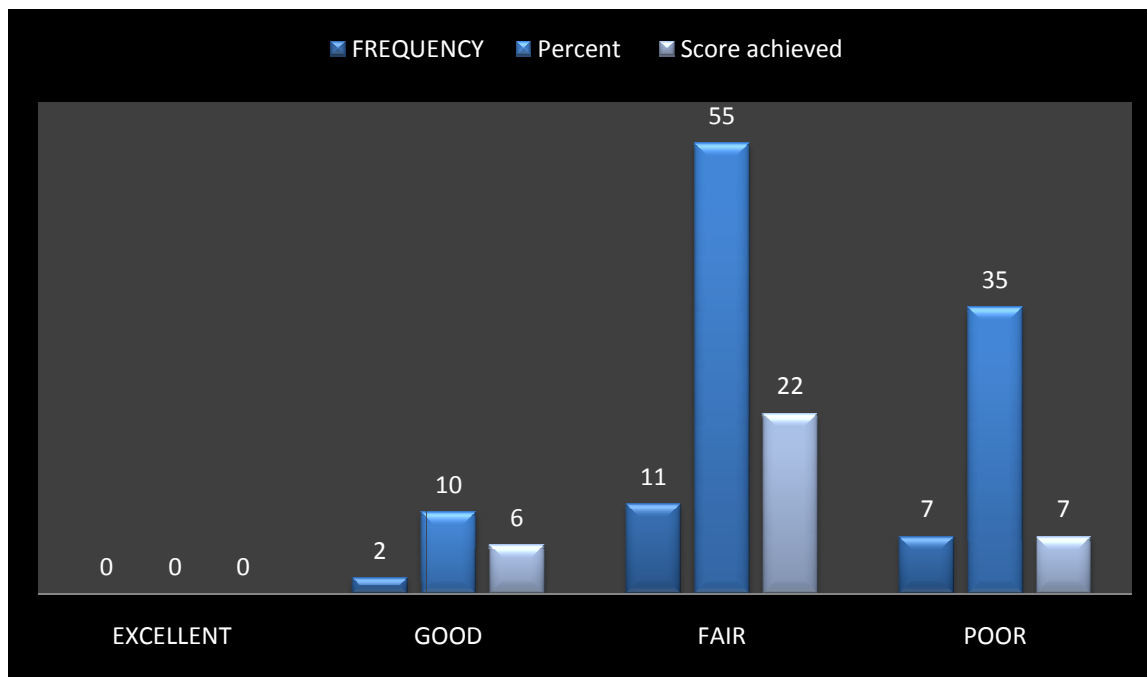


Figure xi

Interpretation: giving prompt to customer problems is always one of the most important criteria to judge the efficiency of an organization. The majority of the response was on rating of fair while 35% rated as poor. Only 10% voted for good. The points attained were 35 out of a possible 80 which means it was 44%. According to the points achieved the rating is well below fair and the perception of the customer is poor.

4-c: The willingness of the staff to solve problems of the customers

RESPONSE CRITERIA	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	2	10	6
FAIR	6	30	12
POOR	12	60	12
Total	20	100	30
Maximum points available			80
Percentage of Points			38%

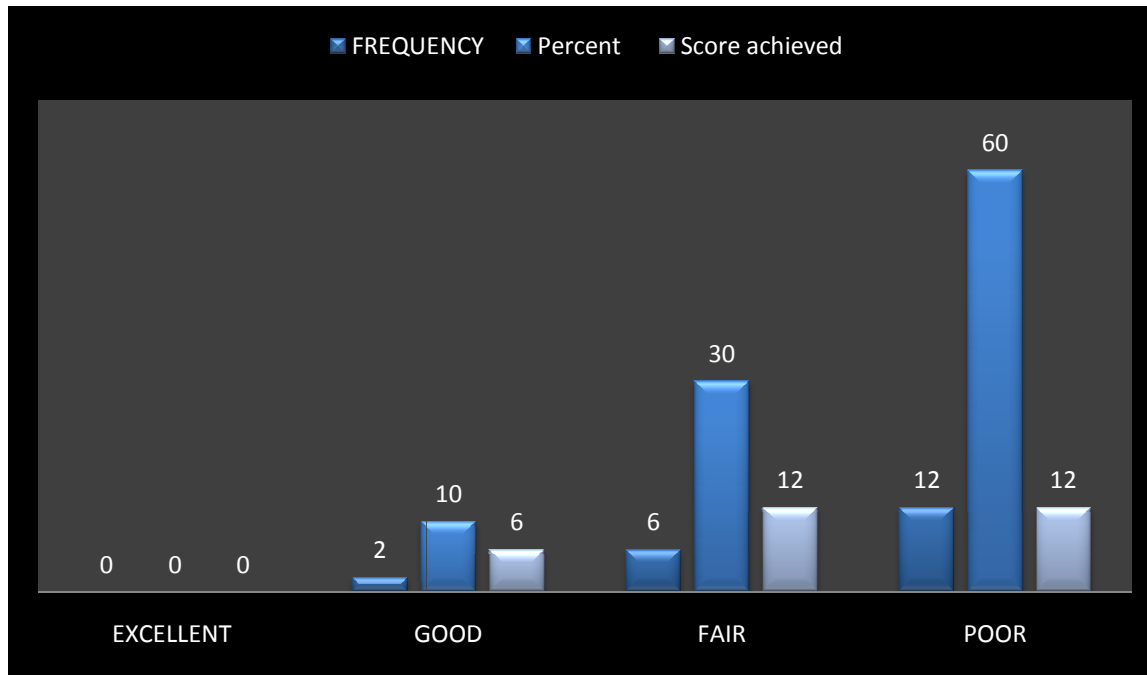


Figure xii

Interpretation: The willingness of the staff to solve problems reveal a poor state for the bank. 60% of the respondents believe that the willingness is poor while 30% express that the willingness is fair. Only 10% believe that the willingness of the staff is good. The points attained were 30 out of a possible 80 which is only 38%. This signifies that the rating is again below fair and is drifting towards the rating of poor.

4-d: Staff's dealing with customers in a caring fashion

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	12	60	36
FAIR	8	40	16
POOR	2	10	2
Total	20	100	54
Maximum points available			80
Percentage of Points			68%

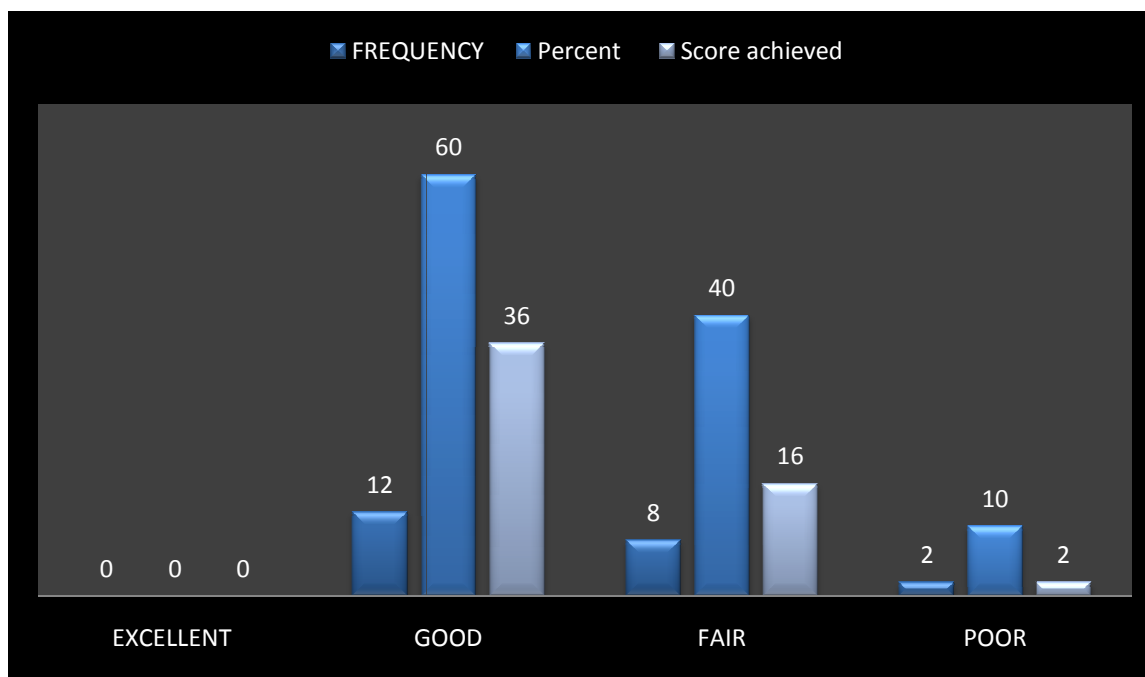


Figure xiii

Interpretation: the customers seem to be satisfied by the caring attitude of the bank, as 60% rate it as good. While 40% term it as fair and only 10% are referring it as poor. it appears that the customers are happy with the caring attitude but none of the customers were prepared to provide an excellent rating which is a cause of concern. The points achieved were 54 out of a possible 80 which is 68%. According to the points attained it can be stated that the responses were concentrating on the good category.

4-e: The special attention given to you by the employees of the bank

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	9	45	27
FAIR	6	30	12
POOR	5	25	5
Total	20	100	44
Maximum points available			80
Percentage of Points			55%

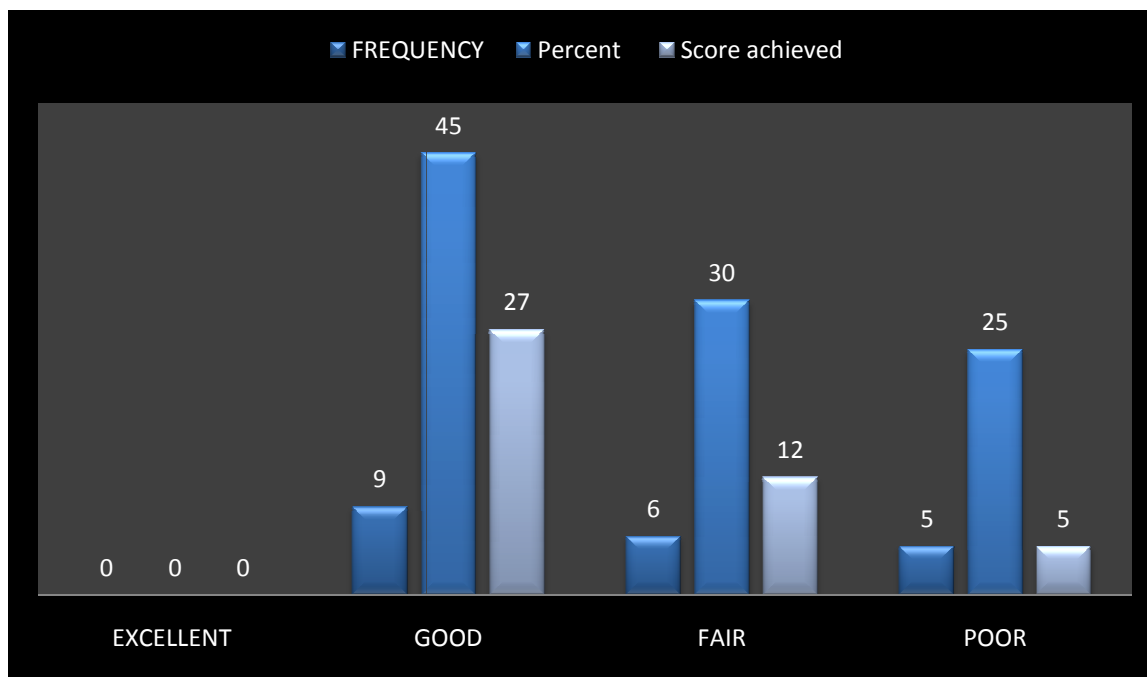


Figure xiv

Interpretation: Nearly half the customers believe that the special attention given to customers is good, which is a positive sign for the bank. 30% believe that the attention is fair while 25% rate it as poor. The attention given by the bank to its customers is well received and appreciated by the customers. The points achieved were 44 out of 80 which is around 55% is. This also signifies that the ratings of the customers are concentrating on fair rating which needs to improve drastically.

5. To determine the extent to which customers are satisfied with the time taken to get the job done.

5-a: Timings of the services provided are

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	2	10	6
FAIR	12	60	24
POOR	6	30	6
Total	20	100	36
Maximum points available			80
Percentage of Points			45%

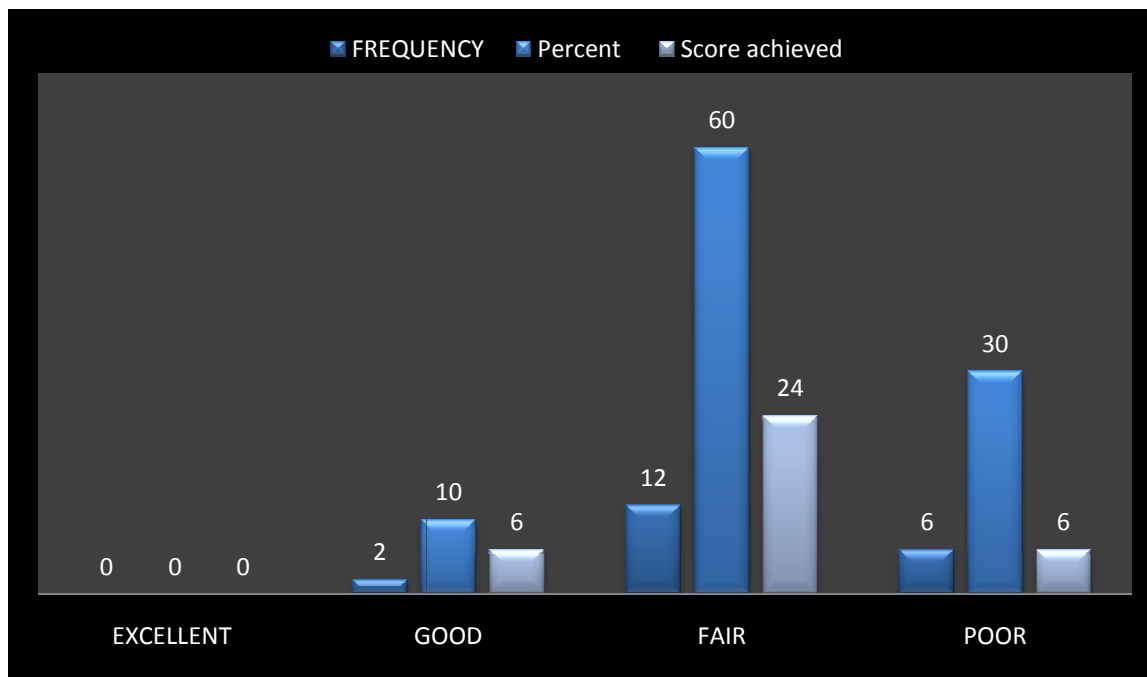


Figure xv

Interpretation:

The timings of the services provided are not well perceived by the customers. 60% rate it as fair while 30% term it as poor. Only 10% term it as good. It appears that the customers are not being satisfied with the timings of the services which are being provided by the bank. The score achieved is 36 out of 80,

which is around 45%. According to the points attained the average rating is concentrating below the fair level. This should be seen as a serious cause of concern for the bank.

5-b: The bank's ability to provide services as promised.

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	4	20	12
FAIR	8	40	16
POOR	8	40	8
Total	20	100	36
Maximum points available			80
Percentage of Points			45%

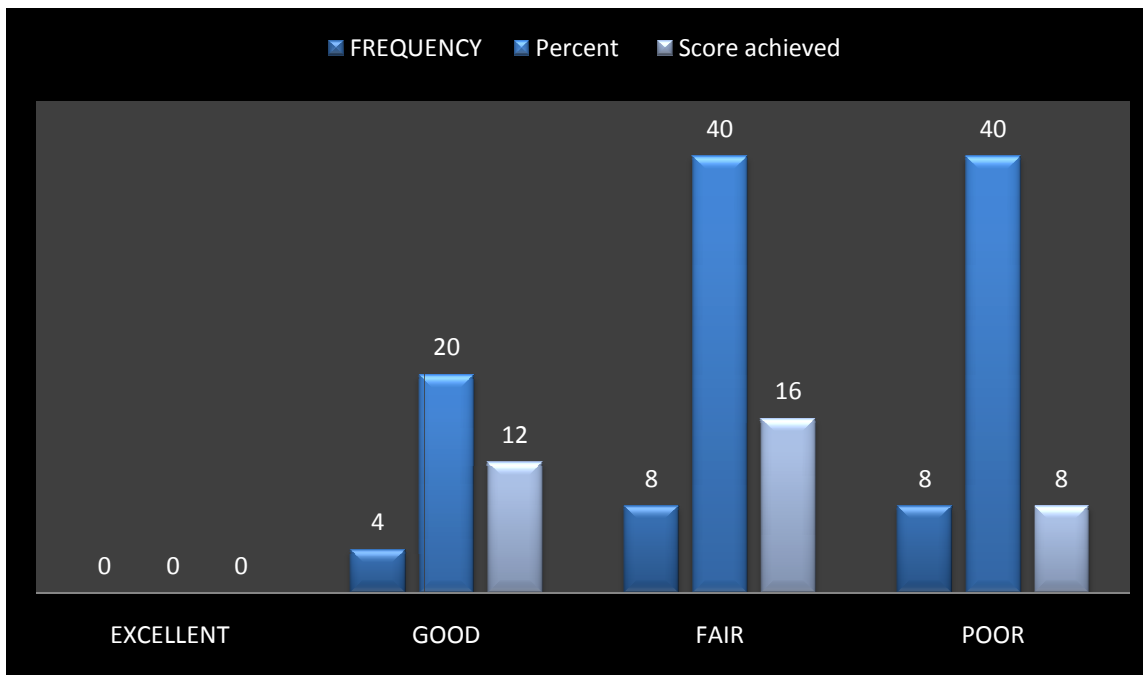


Figure xvi

Interpretation: The bank's ability to provide the service as promised might be an important tool to judge the efficiency of the organization. 40% of the respondents believe that the ability is fair while another 40% believe that it is poor, another 20% believe that it is good, which is around 45%. According to the

points attained the average rating is concentrating below the fair level. This should be seen as a serious cause of concern for the bank.

5-c: The ability of the bank to provide services at times listed is

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	5	25	15
FAIR	12	60	24
POOR	3	15	3
Total	20	100	42
Maximum points available			80
Percentage of Points			53%

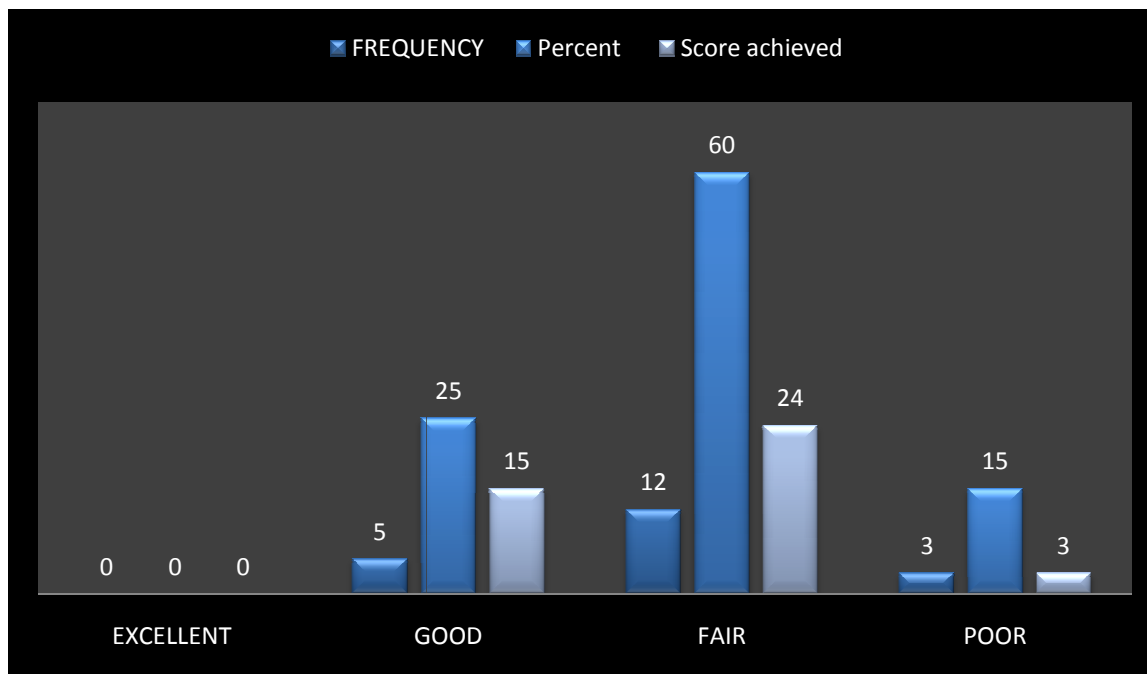


Figure xvii

Interpretation: 60% customers believe that the ability of the bank to provide services at time listed is fair, while 15 termed it as poor. On the other hand 25% referred as good. The total points achieved were 42 out

of 80, which is around 53%. According to the points attained the ratings are based on fair rating which the bank should strive to improve in the future.

5-d: The emphasis on personal schedule given by the bank is:

	FREQUENCY	Percent	Score achieved
EXCELLENT	0	0	0
GOOD	3	15	9
FAIR	7	35	14
POOR	10	50	10
Total	20	100	33
Maximum points available			80
Percentage of Points			41%

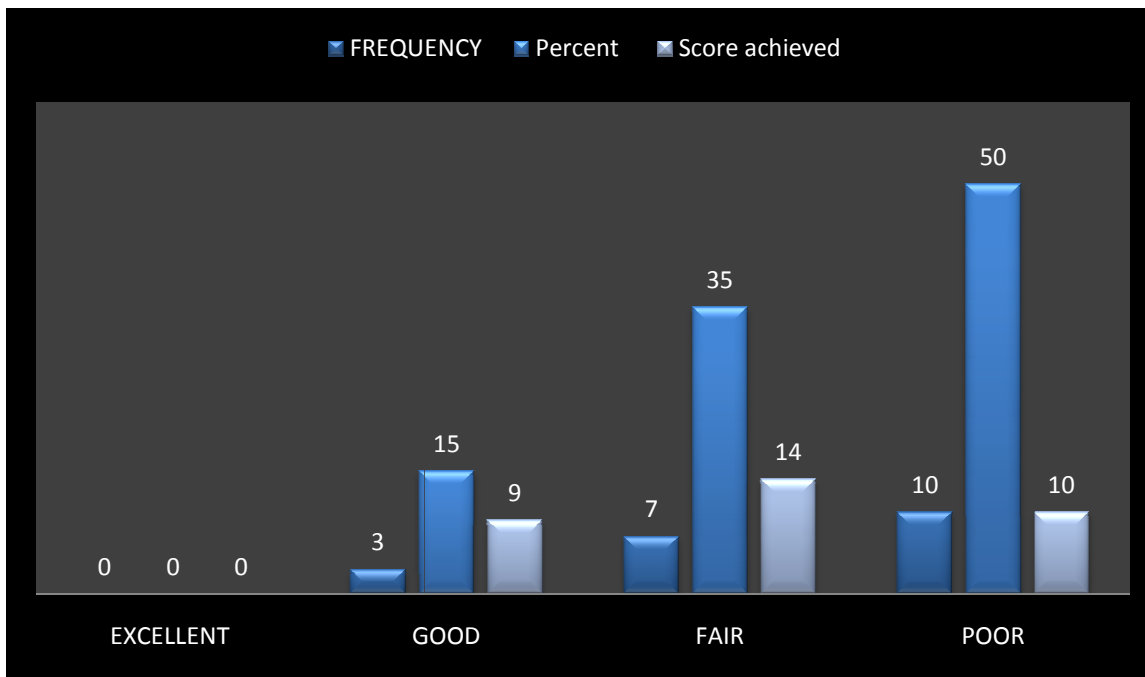


Figure xviii

Interpretation:

It appears that half of the respondents believe that the emphasis on personal schedule is poor while 35% rate is fair. Only 15% term it as good. The total points attained were 33 out of a possible 80 which shows a percentage of only 41%. According to the points attained in the ratings the general view is below the



fair category and is very much drifting towards poor category. So the business must make adjustments to its strategy to improve in the long run.

Topic-3.8-Findings of the quantitative research:

Findings of the quantitative research

The overall findings of the survey reveal a lot of results and clearly point out that the bank needs to improve its image drastically to compete with other competitors in the market.

Findings on each of the five dimensions are given below:

1. To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank. (satisfaction levels)

The general satisfaction level is poor as far as the customers are concerned. The data available clearly points out that the customers are not getting what they want. The concentration is heavily based on “fair” rating which is only second from bottom which shows the lack of customer’s appreciation.

The score for this dimension was merely 131 out of a possible 240 which is only 54.5%. This further illustrates the fact that the AIBL is not being able to match its customer’s expectations at all and might suffer if its practices are not altered.

2. To analyze the customer perception regarding the services of AIBL when compared to other banks. (comparing satisfaction with other banks)

The comparison with other banks also reveals a fair rating which means the bank is not being able to gather positive reviews when their service is being compared to their rivals.

The score of this dimension was 73 out of a possible 160 which means the average rating is “fair” and should be a cause of concern for the management. The score is extremely low for a business which has ambitions to grow and sustain in the long run.

3. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets.
(communication and infra structure)

The general view regarding the use of state of the art technology was poor as most of the respondents believe that the bank is not doing enough to make full use of the amenities of technology. An alarming finding is the fact that the customers do not find the advertisements appealing and refreshing which will always be important to catch the attention of the new customers.

The general score was 135 out of a possible 240 which is 56.25%. The average response is still amount “fair” which is not acceptable for a successful business.

4. To examine the satisfaction levels of customers in problem solving ability of the bank. (problem solving ability)

The general response in terms of the problem solving ability of the staff was shambolic as most of respondents believe that the bank lacks this quality. The response of the customers clearly points out the fact that the AIBL has not been able to solve the customer complaints and cater to the personal needs of the customers.

The general score was 241 out of a possible 480 which is 50.2%. The bank needs very much revamp its operations to improve on this regard.

5. To determine the extent to which customers are satisfied with the time taken to get the job done. (Meeting deadlines.)

The ability of the bank to meet deadlines in terms of getting the work done for the customers seems to be the worst as far as the customers are concerned. The general response is remaining with the poor rating which is a big cause of concern for the bank. The customers believe that the bank fails to do the work on time and that might cause serious dissatisfaction among the customers.

The general score was 137 out of a possible 320 which is 42.8%. The general score speaks the same story and further illustrates the same tale of the bank struggling to meet the customer expectations.



CHAPTER-4

TOPIC-4.1 CONCLUSION AND RECOMMENDATIONS:

I would like to conclude my report by saying that Al Arafah Islami bank Limited has not succeeded fully to satisfy customers. The scores achieved by the bank clearly illustrate the point. The alarming result of no customers choosing an “excellent” rating is clearly alarming news for the bank.

The various aspects of banking services provided by the AIBL seem to be well below the benchmark level when compared to other banks in the country. Even if the comparison is drawn with the local banks like Eastern Bank, One Bank even then the service quality is way beyond the desired level. In the long run the bank needs to come up with some revamping measures to ensure that other rivals do not take up the market share and drive AIBL out of business.

1. **Greater use of technology:** the bank lags behind other Islamic banks and modern banks when it comes to the efficient use of the technology whether for regular transactions or to improve customer convenience. For example the bank has no ATM facilities which makes the life of customers more difficult and at the same time employees don't have access to individual computers, etc. the bank should immediately invest in such technology to improve the perception that AIBL is a modern bank.
2. **Greater training:** the staff should be carefully recruited and comprehensively trained to be able to deal with customers effectively. This would help the managers to effectively solve customer problems, minimize waiting times, reduce lines and most importantly make the customer feel special
3. **Improve communication:** the bank should improve the quality of its communication materials and also its presence in the print and mass media. The pamphlets, advertising etc would act as continuous reminder of the bank and also instill confidence among existing and potential customers.
4. **Dress code:** AIBL can set a dress code for its employees which can help improve the perception of the customers. There is no dress code in place for the organization but the current attire which is being used by the employees has a very negative impression on the customers.



5. **Customer complaint centre:** nearly all the private sector banks have a customer complaint centre which is used to help minimize the customer complaints and solve their problems. This can be used as a marketing tool as well. AIBL does not provide any such facilities. Setting up a customer complaint department could be a good way to listen to such problems and achieve greater customer satisfaction which is essential for long term success.
6. **Training:** The perception of the customer's state that the employees are not trained enough to handle the operations required. They would require more competent employees who are experts in their own field. AIBL can use extensive training programs to ensure that the competence levels of the employees improve and are able to provide services to the customers and achieve customer satisfaction.

BIBLIOGRAPHY AND APPENDIX:

SOURCES USED FOR INFORMATION:

www.wikipedia.com (4th August)

www.youtube.com (4th, 8th, and 15th August)

www.aibl.com (20th june)

www.google.com (20th june)

www.scholarhub.net

Interview of MR. S.M. Zabidul Haque (Assistant Vice President of AIBL, NER branch)

AIBL annual report 2010.

A copy of the questionnaire used is attached below.

Name of the respondent	
Sex	
Age	
Industry	
Organization name	

Questionnaire

1. To determine the extent to which customers are satisfied or not satisfied with the service they receive from the bank.

- a. How would you rate the efficiency of the staff working in the foreign exchange department?

Excellent (4)	Good (3)	Fair (2)	Poor (1)

- b. The bank usually provides what is asked by the customers.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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- c. Does the bank provide the services required by the customers efficiently.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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2. To analyze the customer perception regarding the services of AIBL when compared to other banks.

- a. Rate the level of services provided by AIBL in the context of Bangladesh.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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- b. In terms of other local banks rate the services of AIBL.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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3. To find out the perception of the customers in terms of overall appearance of the bank in terms of using state of the art technology, infrastructure, appearance of the staff and leaflets.

a. The extent to which to which AIBL uses state of the art technology for its customers.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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b. Utilization of (Software) by AIBL

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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c. The advertisements and the leaflets are

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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d. The Staff are dressed appropriately for their position

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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e. The Service capacity facility utilization is

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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4. To examine the satisfaction levels of customers in problem solving ability of the bank.

a. Staff's knowledge to answer customer's questions

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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b. Giving prompt respond to customer's problems and/or suggestions

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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c. The willingness of the staff to solve problems of the customers.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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d. Staff's dealing with customers in a caring fashion

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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e. The staff 's ability to understand your specific needs.

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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f. The special attention given to you by the employees of the bank

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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5. To determine the extent to which customers are satisfied with the time taken to get the job done.

a. Timings of the services provided are

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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b. The bank's ability to provide the services as promised is

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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c. The ability of the bank to provide services at times listed is

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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d. The emphasis on personal schedule given by the bank is

Excellent (4)	Good (3)	Fair (2)	Poor (1)
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