

General Banking System of
Mutual Trust Bank Limited, Mohammadpur Branch

By
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18104216

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
Spring 2022

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Declaration:

It is hereby declared that:

1. The internship report that is submitted is my original work done for completing the degree at Brac University.
2. The document does not include material previously posted or written via way of means of a third party, besides wherein that is correctly mentioned through complete and correct referencing.
3. The document does not contain material that has been accepted or submitted, for another diploma or degree at a college or different institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Mohammed Mushfiqur Rahman
18104216

Supervisor's Full Name & Signature:

A.K.M. Zihadur Rahman
FAVP and BOM
Mutual Trust Bank Limited

Letter of Transmittal

Zaheed Husein Mohammad Al-Din

Senior Lecturer

BRAC Business School

BRAC University

66 Mohakhali, Dhaka – 1212

Subject: Submission of Internship Report

Dear Sir,

With all due respect, I hereby enclose my internship report. It is a great achievement and an honor to work under his leadership.

Due to the small size of the bank most of the interns are placed in the Accounts Opening desk of the General Banking division of MTBL. Therefore, the entire 12 weeks of my internship duration I worked closely with the accounts opening desk under the supervision of A.K.M. Zihadur Rahman.

I hope and pray that you will kindly approve my internship report and give your valuable judgment. I would be delighted if you found this report useful and informative.

Sincerely yours,

Mohammed Mushfiqur Rahman

18104216

BRAC Business School

BRAC University

Date: April, 13, 2022

Non-Disclosure Agreement

This agreement is made and entered into by and between Mutual Trust Bank Ltd. and the undersigned student at BRAC University

Acknowledgment

This internship report focuses on the General Banking activities of Mutual Trust Bank Limited. The completion of this report would not have been possible without the support of a number of people. First of all, I want to thank Almighty Allah for giving me the strength and opportunity to work. Second, I would like to thank my family, friends, and distinguished faculty. Finally, I would like to thank all the people who have motivated and supported me throughout my academic career.

I would also like to express my gratitude to my supervisor A.K.M. Zihadur Rahman (FAVP and BOM) and Mashfik Shikder (Senior Officer) who has guided me during my internship in the accounts opening division. My supervisors have helped in both work and personal life by giving valuable advice and insights. I would also like to thank all the other employees and staff members working in MTBL.

To conclude, I would love to express my utmost respect and gratitude to my academic supervisor Zaheed Husein Mohammad Al-Din for providing me guidance in terms of completing this report.

Executive Summary:

This report is an overview of the 12-week internship placement in Mutual Trust Bank Limited.

Mutual Trust Bank Limited is one of the largest and successful private banks in Bangladesh. It has a good reputation among the public and has maintained its good image and reputation as one of the best private banks in our country.

This report gives an overall picture of the bank's structure and work procedures. MTBL has different departments. General Banking is one of the largest departments within the organization. The general banking division plays the key role in running communication and promotional activities. This report mainly focuses on the operations and activities of the general banking team. The report also discusses my learning and reflection throughout the internship period.

Chapter 1: Overview of internship

1.1 Student Information

Mohammed Mushfiqur Rahman

18104216

Major: Accounting

1.2 Internship Information

1.2.1 Period, Company Name, Department/Division, Address

Period: 02nd January 2022 – 31st March 2022

Company Name: Mutual Trust Bank Ltd.

Department: General Banking

Address: 80/C, Asad Avenue, Mohammadpur, Dhaka - 1207

1.2.2 Internship company supervisor's information

Name: A.K.M. Zihadur Rahman

Position: First Assistant Vice President and Branch Operations Manager

1.2.3 Job Scope – Job Description/Duties/Responsibilities

Job Responsibilities:

1. Writing account opening forms for different types of accounts.
2. Making entries when cheque books and debit cards are received from courier.
3. Delivering cheque books and debit cards to the bank officer when a customer comes to collect it.
4. Updating excel files with the information of delivered and undelivered cheque books and debit cards.
5. Checking if all the required documents have been provided by the person who wants to open an account.
6. Checking for any name mismatch or information mismatch in the provided documents presented for account opening.

1.3 Internship Outcomes

1.3.1 Student's contribution to the company

I started my internship in Mutual Trust Bank Limited from 2nd January 2022 at the Mohammadpur Branch. At the very first week of the internship there was nothing much to do as I was new and just learning the ropes. I got to meet with the other employees of the bank and learned the basic of account opening from the senior officer besides whom I was asked to sit for the remainder of my internship. As time passed more work was passed on to me and by the second week and wrote my first account opening form by myself with some help from the aforementioned senior officer. I was also appointed to keep entries of any cheque books and debit/credit cards that we received almost on a daily basis from the couriers. The bank maintains both a hard copy and a soft copy of these items so I was tasked to update both of them when we received a new cheque book or card or delivered them to the customers. This record was crucial as the bank had to send report to the head office informing them about the number of undelivered cheque books and cards they had by the last working day of every week. As a result, it was very important for me to do this job with utmost care as any mistake would result in misinformation of data.

Due to the somewhat limited size of the bank, I spent all 12 weeks of my internship period in the accounts opening section of the general banking division. Working here gave me the opportunity to deal with customers face to face. This interaction was very valuable as I learnt how to deal with the customer's queries properly and how to interact with all sorts of customers with varying personalities.

Later on, I also started writing account opening forms for current accounts. Checking if all the information provided were correct or not, whether there is any mismatch in the signature of the account holder or not, if there is any name mismatch between the documents provided by the account holder, I was tasked with most of these duties as I got more experienced. Another important task was to maintain a separate tally book especially for cheque books where it will record the number of available cheque books the bank has, number of cheque books delivered to customers and the number of cheque books received from couriers. This has to be updated daily by the senior officer in the accounts opening desk followed by a signature from both the senior officer and BOM to validate the data. I was tasked to keep a record of the cheque books delivered and received every day in order to make proper entries in that tally.

Other than that, I communicated with and provided services to clients on a daily basis, discussing the benefits of various schemes and giving them their undelivered debit cards and check books after they were activated by the manager and also taking their signatures in the register.

1.3.2 Benefits to the student

Mutual Trust Bank Limited is one of the leading banks in Bangladesh. As an intern, I had the privilege of learning more about the banking industry and how a bank works. My manager and the general bank departments have helped and supervised me in many things to learn.

As a result, I have learned to interact directly with customers to offer them various services such as opening new accounts and informing them about the advantages of different schemes. This developed my general communication skills and I gained confidence when talking to other people.

Moreover, the senior officers were very helpful when I was maintaining the data to make as few mistakes possible.

To conclude, it can be said that if a student wants to pursue their career in a bank, then they can learn a lot from Mutual Trust Bank Limited which can help them in their career paths.

1.3.3 Problems/Difficulties (faced during the internship period)

Even though Mutual Trust Bank Limited is a very friendly environment for us students and can also learn a lot of things there were still some difficulties here and there. Some of these difficulties faced during the internship were:

1. The collection of data was very limited as most of it was collected from the Mohammadpur Branch.
2. The conditions of the Personal Computers were not so good and it took them a fair amount of time to respond.

3. A lot of officers shared the same printer and scanner which resulted in work piling up when they had to scan something as someone else was using it or getting papers mixed up when they were printing something as 3 senior officers were using the same printer.
4. During rush hour when there a lot of customers, it is not possible to provide a seat to all of them due to the limited seating capacity of the bank.

1.3.4 Recommendations (to the company on future internships)

1. Update the PC. Using Solid state drives (SSD) instead of Hard disk drives (HDD) would make the PC run much faster and smoother making the work more efficient.
2. Having some sort of seating arrangement for interns. Interns do not have a space where they can seat and work. They usually have to seat in the chairs allocated for customers. So, when a customer comes, they have to leave that seat and keep standing. So having a seat or space on the branches which take interns on a regular basis would be helpful.
3. More scanners and printers. As mentioned earlier, 3 senior officers in the account opening section share the same printer and scanner which is quite inefficient. So having a 1 or 2 more scanners of printers would be wonderful to have.
4. Interns should be rotated in other departments as well over the course of 3 months. I spent all 3 months of my internship in the accounts opening division. There were also 3 other interns and they were also in the accounts opening division since there is no proper seating arrangement in the other departments for interns so all of them were sent to the accounts opening desk.

Chapter 2: Organization Part

2.1 Introduction

Mutual Trust Bank Limited is a leading bank in the banking industry not only by ensuring customer service but also by promoting and implementing policies to develop an environmentally friendly culture. Some of the main banking businesses of Mutual Trust Bank is as follows:

- Wholesale Banking
- Retail Banking
- Card Service
- SME Banking (Small and Medium enterprise)
- Agent Banking
- Digital Banking
- NRB Banking
- Treasury Operations
- Investor Relation product

2.2 Overview of the company

The Company was incorporated on September 29, 1999 under the Companies Act 1994 as a limited company to undertake all types of banking business with an authorized capital of Tk. 38,00,000,000 divided into 38,000,000 common shares of Tk.100 each.

The company also received a Certificate of Commencement on the same day and was licensed by Bangladesh Bank under the Banking Companies Act 1991 on 5 October 1999 and commenced banking operations on 24 October 1999 as provided for in the Memorandum of Association and approved by Bangladesh Bank under the terms of the Banking Companies Act 1991, the Company has engaged in the banking business.

Mutual Trust Bank Limited has done and been provided numerous rewards for its excellence withinside the banking sector. For example, the first-ever best “SME Bank of the Year” and best “Women Entrepreneurs’ Friendly Bank of the Year” by Bangladesh Bank and SME Foundation.

2.2.1 Vision and Mission

Vision:

Mutual Trust Bank’s vision is based on the philosophy well known as MTB3V. They envision MTB to be

- The Bank of Choice
- A Truly World-Class Bank
- One of the Best Performing Banks in Bangladesh

Mission:

According to Mutual Trust Bank Limited’s 2020 annual report their mission is, "We aspire to be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company, that offers an array of products and services in the search for excellence and to create an impressive economic value."

2.2.2 Core Values

- Shareholders: Create sustainable financial value for our shareholders via way of means of making use of a sincere and efficient business methodology.
- Community: Committed to serving the society via employment creation, aiding community tasks and occasions and be an accountable corporate citizen.
- Customers: Render state-of-the-art service to our clients through supplying diversified products and by aspiring to fulfill their banking desires to the best of our abilities
- Employees: We depend on the inherent merits of the employee and honor our relationship as part of this famed financial institution. We work collectively to have fun and praise particular backgrounds, viewpoints, capabilities, and skills of everyone on the workplace, regardless of what their job is.
- Accountability: As a bank, we're judged entirely by the successful execution of our commitments; we count on and include this shape of judgment. We are accountable for

offering the best degree of the service along with meeting the stern necessities of regulatory requirements and ethical business practices.

- **Agility:** We can see things from distinct perspectives; we're open to extrude and now no longer bound by how we have done matters in the past. We can reply hastily and regulate our mode of operation to fulfill stakeholder desires and attain our goals.
- **Trust:** We value mutual trust, which encompasses transparent and candid communications amongst all parties.

2.2.3 Branches

According to the 2020 annual report of Mutual Trust Bank they have 145 Branches and Sub-Branchers in the following divisions of Bangladesh.

Division	No. of branch/sub-branch
Dhaka	62
Rajshahi	5
Khulna	3
Barishal	2
Chittagong	34
Sylhet	6
Rangpur	8
Total	145

Along with these MTBL also has 301 ATMs and 162 Agent Banking outlets spread all over Bangladesh.

2.2.4 Products and Services

MTBL provides a wide variety of products and services to customers to fulfill their needs. Some of the key products and services of MTBL are given below:

1) Retail banking products and services:

MTB savings account:

- MTB Care
- MTB Extreme Savings Account
- MTB Inspire
- MTB Regular Savings Account
- MTB Senior
- MTB Shanchay

MTB current account

- MTB Current Account

MTB Deposit Scheme

- MTB Brick by Brick
- MTB Kotipati
- MTB Millionaire Plan

MTB Fixed Deposits

- MTB Double Saver
- MTB FDR in Days
- MTB Fixed Deposit
- MTB Instant
- MTB Monthly Benefit Plan
- MTB Quarterly Benefit Plan
- MTB Shield

MTB Other

- MTB Gift Cheque

2) Wholesale products and services:

MTB Wholesale Banking

- Term Finance
- Trade Finance
- Whole Capital Finance

3) SME (Small and medium sized enterprises)

SME Deposit

- MTB Buniad
- MTB Probaho

SME Loans and Advance:

- Krishijat
- MTB Abason
- MTB Uddog
- Shachal
- Small Business Loan

SME Agricultural Loans and Advance

- MTB Krishi

4) MTB Debit Card:

Mastercard:

- Mastercard Debit Gold
- Mastercard Titanium Debit Card
- Mastercard World Debit Card

VISA

- Visa Business Debit Card
- Visa Classic Debit
- Visa Platinum Debit Card
- Visa Signature Debit Card

UnionPay

- UnionPay Debit Card

5) Credit Card

- MTB Visa Classic
- MTB Visa Gold
- MTB Visa Platinum
- MTB Visa Signature
- MTB Mastercard Classic
- MTB Mastercard Gold
- MTB Mastercard Titanium
- MTB Mastercard World
- MTB UnionPay Platinum

6) MTB Prepaid Cards

- PayPlus
- MTB Visa International Travel Card
- MTB Local Prepaid Card
- MTB Payroll Card
- MTB Gift Card

7) NRB Banking

- NRB Savings
- NRB DPS
- NRB FD
- NRB Home Loan
- Non-Resident Investor's Taka Account (NITA)

8) Payroll Banking

- MTB Payroll E-Savers
- MTB Payroll Savers
- MTB Payroll Premium

These are some of the key products of MTBL.

Services:

1) Online Banking Services: Mutual Trust Bank is playing a pioneering function amongst its competition in imparting real-time online banking facilities to its customers. Mutual Trust Bank's online banking gives customers to deposit or withdraw any amount of cash from any branch anywhere. Any account holder having an account with the bank can avail of this service

Facilities available at present:

- Access accounts from everywhere withinside the world via net and telephone.
- Ability to make balance inquiries without traveling to the bank.
- Ability to test individual banking transactions via the net.
- Ability to listen to the remaining five transaction detail over the phone.
- Provides a language choice between English and Bangla.

2) Tele Banking Services: The centralized contract service added withinside the Bank brings a world banking convenience to the clients. Through the Banking System, clients can access their bank accounts over the phone on a 24X7 basis. The facility is steady because the customer is given a unique identity number to access his/her bank account via the phone. The voice response machine activates the customer to dial the digits with the purpose to assist him/ her meet his requirement of putting commands or retrieving account information.

3) S.W.I.F.T. Services: The Society for Worldwide Inter-bank Financial Telecommunication or S.W.I.F.T. is a worldwide network. 7,800 economic establishments in two hundred international locations linked to one another through SWIFT. In their personal words "SWIFT is consistently granting quantifiable business price and established technical excellence to its individuals through its comprehensive messaging standards, security, reliability, 5 to 9 availability of its messaging platform and its position in advancing STP". The guiding ideas of SWIFT are clear: to provide the financial services enterprise a common platform of advanced technology and get right of entry to shared solutions through which every member can construct its competitive edge. Mutual Trust Bank has already become the member of SWIFT network and has commenced its operation from March 2004. With advent of SWIFT, MTB guarantees its clients the quickest and maximum secured economic transaction across the world.

4) Pay Order: When clients want to send someone money over the wire then they can use the pay order method. Here the money is sent from the client's bank account to the bank account of the person they are sending it to. Therefore, there is no chance of dishonor like cheques as pay

orders can only be completed if the client has enough money on their account to send it. The commission rates of the pay order are given below:

Amount	Commission
Up to 10000/=	Tk 25
10001/= to 100000/=	Tk 50
Above 100000/=	Tk 100

5) Demand Draft Issue: Sometimes clients use demand draft for the transfer of cash from one region to another. It is needed for sending cash outside Dhaka city. MTBL charges a 15% fee at the face price of Demand Draft as a service charge

6) MTBL SMS Banking: SMS Banking is a convenient tool for customers as it brings the bank on their fingertips. Getting to know their bank balance to receiving every transactional updates on their mobile is very useful for the clients.

7) Locker Service: MTBL offers locker service to their clients. Clients can rent a locker for one year. Every year they ought to pay a charge. They can preserve any documents, ornaments, and precious things in the locker. One secret is given to the clients. There are 3 kinds of a locker at MTBL: small, medium, and big. The charge for those lockers is Taka 1500, 2000, and 2500.

8) EFTN Service: From this EFTN (Electronic Fund Transfer Network) Service any customer of this bank can transfer his or her choice amount of cash from his or her account to any other bank through this service. This Service reduced the duration of clearing cheque hazard.

2.3 Management Practices

2.3.1 Corporate Structure

MTBL has been running their operations in Bangladesh and overseas as well.

In Bangladesh they have three divisions of operations. These are:

- Mutual Trust Bank Limited – One of the largest and successful banks of Bangladesh.
- MTB Securities- From the year 2006 Mutual Trust Bank Limited has introduced one extra feature in their operations which is the Brokerage Function. Following an order from the "Bangladesh Bank and Securities Exchange Commission," it became renamed MTB Securities Limited and has become a subsidiary of Mutual Trust Bank Limited.” Moreover, MTBSL has opened 13 (thirteen) branches throughout Bangladesh to offer capital market services in recent years.
- MTB Capital Limited - The Securities and Exchange Commission (SEC) authorized MTB Capital Limited (MTBCL), a wholly owned subsidiary of Mutual Trust Bank Limited, as a full merchant bank on 6th December 2010.

Overseas they have one division:

- MTB Exchange UK Limited: To conduct a remittance cash exchange business on June 14, 2010, Mutual Trust Bank Limited incorporated “MTB Exchange UK Limited”.

2.3.2 Leadership

The names of the members in the Board of Directors of Mutual Trust Bank Limited are given below:

Name	Designation
Mr. Md. Wakiluddin,	Chairman
Mr. Md. Abdul Malek,	Vice-Chairman
Mr. Sayeed Manzur Elahi,	Director & Founding Chairman
Mr. Md. Hedayetullah,	Director
Dr. Arif Dowla,	Director
Mr. Rashed Ahmed Chowdhury	Director & Chairman, MTB Board Risk Management Committee (BRMC)
Late M. A. Rouf JP	Director

Mrs. Khwaja Nargis Hossain	Director
Ms. Anika Chowdhury	Director
Mr. Daniel De Lange	Director
Mr. Tarik Ur Rahman	Director
Ms. Nasreen Sattar	Independent Director
Faruq Ahmad Siddiqi	Independent Director
Syed Mahbubur Rahman	Managing Director & CEO

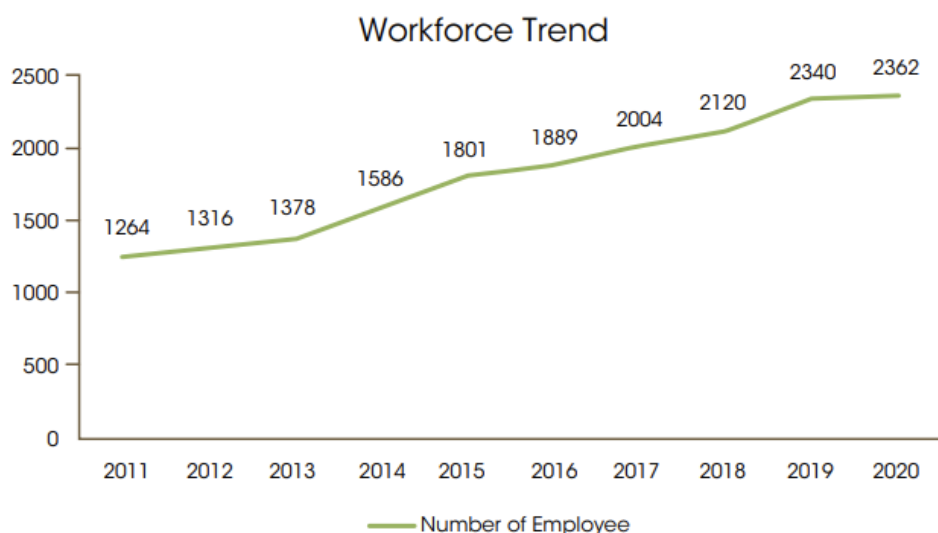
Mainly Mutual Trust Bank Limited is working under the management of the Chairman Mr. Md. Wakiluddin. Following that, all the departments of banks are operated by the Managing Director & CEO Syed Mahbubur Rahman and there are heads of separate divisions for working the Bank successfully. For example, the Chief working officer is the head of the MTB operations division, and the Group Chief Risk Officer is the head of the Credit Risk Management Division.

The overall leadership of the organization is democratic style and Mutual Trust Bank Limited follows a centralized business method. This means that all of the branches of Mutual Trust Bank Limited in Bangladesh are under the command of the head office. Moreover, the employees of this organization undergo the system of a chain of command.

Last but not least it could be stated that through the centralized business approach the board of directors, Mutual Trust Bank Limited has decreased the overall cost of the organization and withinside the decision-making process side by side leading the organization to attain its desires and objectives.

2.3.3 Human Resource of MTB

Workforce: MTB ended 2020 with 2,362 employees, of which 464 were women. The distribution rate by gender (20%) shows an upward trend, underscoring efforts to increase inclusion and participation. This workforce is their driving force, guiding their extensive network of 118 branches and 27 sub-branches.



Sourcing and Recruitment: Proper sourcing and talent scouting are essential for hiring the best prospects in the industry. Today more than ever, digital platforms are used in recruitment not only for newsletters but also for job interviews. GHR often handles lateral recruitment, selecting the best resources in the industry for our senior positions. Over the years, MTB has not only been the employer of choice but has also attracted the best people in the business. One can also use the career option in MTB's website where they can submit their CV and apply for a job. If they are shortlisted then they would be asked to sit for a written exam followed by a viva if they pass the written exam.

Performance Management System: MTB promotes a performance-based culture that ensures appropriate recognition for the hard work of MTBians and serves as an incentive for employees to excel at their work. It focuses on SMART (Specific, Measurable, Achievable, Realistic and Timely) KPIs (Key Performance Indicators). KPIs are well designed and communicated. The process begins with gathering information from employees, where they themselves, through their managers, indicate the expected performance that will be achieved over the year. The performance appraisal is carried out by both employees and supervisors.

Compensation and Benefits: As part of looking after your employees' families, MTB ensures a highly competitive salary and benefits to motivate your employees. Salary and compensation will be adjusted according to COLA (Cost of Living Adjustment). Its generous leave of absence, both leisure and paid leave, ensures a better work-life balance for employees. Another example of this is Leave Fair Assistance, which is paid as part of the salary for the employee's travel during planned family/non-family leave. MTB offers all-female employees a 6-month maternity leave. To ensure that new fathers are uniformly supported in fulfilling their new parenting responsibilities, paternity leave has been introduced for male employees. It also allows sick leave/sick leave/quarantine leave for 14 days, even longer if needed. All MTB employees are also covered by group health insurance and they can receive lucrative loan offers for cars and homes.

Training and Development: As part of organizational development, MTB GHR conducted 70 training sessions, both in person and online, even in a year plagued by the pandemic and lockdown. GHR has accepted this challenge by moving the training programs to the digital platform. As daunting as the task was, it also resulted in greater accessibility, flexibility and reduced training costs. These sessions were led by internal trainers, guests and collaborations with other renowned institutes, attended by a total of 1933 participants.

2.4 Marketing Practice

2.4.1 Type of Organization

Mutual Trust Bank Limited is a banking services company whose principal business segments are Retail, SME and Wholesale businesses.

2.4.2 Marketing Strategy

Although Mutual Trust Bank is not a full-fledged marketing-oriented organization, it does conduct promotional activities to spread the news about its products. In general, the products of the banks are different deposit schemes, different types of loans and cards. As people's participation in various digital media increases, so does Mutual Trust Bank Limited. This allows you to fully exploit the possibilities of various digital media services. For example; advertising via Facebook, Instagram, etc. Also, Mutual Trust Bank Limited has developed its website and made it so simple and fast that a customer can easily find the information or product they are looking for. Furthermore, a customer can also open their bank account through this website from the comfort of their homes by providing some required data needed to open an account. However, Mutual Trust Bank Limited also advertises on YouTube, in newspapers, and on billboards from time to time and also displays brochures directly to customers.

Mutual Trust Bank Limited has developed various products for its customers. For example; NRB banking for clients working outside the country, Angona for women, various loans for farmers and industrialists, self-loans, accounts for students and accounts for children. They even have an Islamic banking option that follows Islamic Sharia known as "MTB Yaqeen". (Imam, 2021).

STP (Segmentation, Targeting and Positioning) strategy is important for any business to narrow down their target audience and market their product in a more convenient way to reach their different types of customers. Mutual Trust Bank Limited's STP strategy is described as follows:

- Market Segmentation of Mutual Trust Bank Limited Demographics:

Age: People of any age group can open accounts with Mutual Trust Bank Limited; However, when lending to the customer, there is an age limit as per Bangladesh government laws.

Gender: People of any gender can register their accounts and enjoy the best service. In addition, people of all professions and students also enjoy the service of Mutual Trust Bank Limited.

Geographic: Anyone located in the Bangladesh region with a Bangladesh residence is also a target customer.

Behavior: People looking for fast and secure transfers of their money are customers.

Psychographic: People who want to save put their money in the bank and try to take advantage of the customer. People from all walks of life are also customers.

- **Targeting:** Mutual Trust Bank Limited has developed a wide range of products for different levels of customers, regardless of their income, social class, or the size of their organization which caters to their individual preferences and needs.
- **Positioning:** Positioning plays a key role in positioning an organization's product or service. The Mutual Trust Bank Limited account opening system, the types of services, and the ease with which a person can obtain a loan must be well communicated to the target customers. In order to reach target customers, Mutual Trust Bank Limited uses different means such as traditional marketing (billboards), digital marketing, social media ads, and different types of campaigns to reach potential customers. Also, it provides a message to the customer in such a way that a customer can easily understand the message of the product and how they will benefit from using those products and services. (Imam, 2021)

2.4.4 Marketing Channels

Mutual Trust Bank Limited is a banking organization and uses various channels to market its products. For example:

Bank Branches: It seeks to market its products and services through its branches and sub-branches. Branch plays a critical role in establishing a standard for its products and services in the minds of customers, whether or not the customer continues to bank in the future. In addition, Mutual Trust Bank Limited also applies the counter-spread technique to service large organizations. So, they open subsidiary branches next to their main branches. Currently, Mutual Trust Bank Limited has 145 branches in the country. The officers let the customers know of any new schemes that are available or anything that might be suitable for them based on their profession or salary.

Online Platform: Mutual Trust Bank Limited also has a very well updated website so people can easily navigate through this website and open their accounts by providing the required information. They can also get information about the various products and services offered by the bank through the website.

Mobile Banking: Mutual Trust Bank Limited has also developed a personal app for Android and iOS users. Anyone can also use the app to send money or check their balance and transaction history.

SMS Banking: SMS service is also available, so every customer will be notified via this SMS system when withdrawing or depositing money. The cost of this SMS banking is 230Tk every 6 months charged in June and December. In addition, a customer can also avail of other services by calling the available hotline number, 16219. Mutual Trust Bank Limited is proud to say that they operate this hotline number 24 hours a day to provide maximum service to their customers.

Agent Banking: Agent banking is generally defined as when a contracting agent performs a banking transaction on behalf of the bank. So, the agents are the dealers or owners of various outlets serving the extremely rural areas to fill the gap. It is also known as a microfinance program. In Bangladesh, Mutual Trust Bank Limited has opened a total of 200 MTB agent banking centers, also covering a total of 112 rural areas, 39 districts and 38 urban districts.

2.4.5 Product/New product development and competitive practices

Mutual Trust Bank Limited undertakes intensive research to develop new products for their customers. As a result, Mutual Trust Bank Limited also launched various campaigns to understand customer demand and psychology and develop products accordingly. For example: To support women and encourage them to become self-reliant and self-reliant, Mutual Trust Bank Limited has developed a product called 'Angona' which offers free insurance coverage. They are also trying to incorporate their deposit scheme system on their mobile app as IDLC did with Bkash so that customers can easily open deposit accounts from their phones without having to come to the bank.

2.5 Financial Performance and Accounting Practices

Financial data and other reports, including accounting reports, are confidential. However, the financial performance statistics and data that can be accessed are described below: (Towards a Sustainable Revival, 2020).

Amount in BDT millions

Name	2020	2019	2018	2017	2016
EPS (Earning Per Share)	1.31	2.03	3.03	3.89	3.30
Paid-up capital	7,386	7,035	5,734	5,097	4,432
Total Deposits	190,120	190,948	166,160	151,776	131,272
Total Operating Income	9,956	11,207	9,829	8,479	7,515

NPL (Non-Performing Loan Ratio in %)	4.60%	5.39%	5.39%	4.30%	4.36%
Operating Profit Per Share	4.76	7.97	7.43	7.68	7.69
Cost To Income Ratio in %	64.66%	53.25%	50.31%	53.82%	54.65%
Return on Equity	5.83%	9.03%	13.83%	18.35%	15.61%
Net Interest Income (NIM)	3,890	5,430	5,251	4,308	3,878

EPS (earnings per share): Earnings per share have declined compared to previous years.

Paid-up Capital: Mutual Trust Bank Limited's paid-up capital has increased steadily over the years which is a good sign.

Total Deposits: The total deposits of Mutual Trust Bank Limited have increased each year (2016 to 2019). However, total deposits decreased from this amount (from 190,948 to 190,120) from 2019 to 2020.

Total Operating Income: Total operating income decreased in 2020 compared to 2019 due to a decrease in NIM (net interest margin) and other income (Non-Performing Loan Ratio in %)

Non-Performing Loans: Non-performing loan ratio means when the borrower does not repay loans on time. That's because the default rate fell from 5.39% in 2019 to 4.60% in 2020, which bodes well for the bank.

Operating earnings per share: Operating earnings per share reduced inconsistently from 2016 to 2019. However, in 2019, Mutual Trust Bank Limited saw its operating earnings per share increase. However, due to Covid19, they were unable to maintain operating earnings per share.

The cost-income ratio in %: The cost-income ratio largely determines the Bank's overall situation affecting earnings. Over the years, the bank's cost/income ratio has increased sharply, which is a negative sign for the bank as it has not managed its overheads properly. The ideal cost/income ratio is 50% but for the last 5 years it has been over 50% for Mutual Trust Bank Limited and in 2020 it was over 60%.

Return on Equity: The return on equity measures how well an organization uses its existing assets to generate a profit. Therefore, it is measured by dividing net income by equity. Mutual Trust Bank Limited Return on Equity increased gradually from 2016 to 2018. However, it mainly decreased from 2018 to 2019 and was 9.09% out of 18.83% It also follows steadily from 9.03% in 2019 to 5.83% in 2020, which is bad for the organization.

Net Interest Income: NIM has also decreased drastically compared to the previous year's 5430 million BDT to 3890 million BDT in 2020.

DuPont Analysis: DuPont analysis is a useful technique used to break down the various drivers of return on equity (ROE). The ROE decomposition allows investors to individually focus on key financial performance metrics to identify strengths and weaknesses. There are three primary financial metrics that drive return on equity (ROE): operational efficiency, asset utilization efficiency, and financial leverage. Operational efficiency is represented by net profit margin or net income divided by total sales or revenue. Efficiency in asset use is measured by the asset turnover ratio. Leverage is measured using the equity multiplier, which is average assets divided by average equity.

Particulars	2020	2019	2018	2017	2016
Return on Equity (ROE)	5.83%	9.03%	13.83%	18.35%	15.61%
Net Profit Margin	4.49%	5.53%	8.56%	12.12%	9.75%
Contribution on Net Profit Margin:					
a) Operating Profit Margin	9.75%	11.94%	17.65%	23.33%	19.48%
b) Non-operating Items	7.81%	8.85%	11.56%	10.14%	6.30%
c) Tax Effect	3.97%	7.29%	3.98%	1.71%	6.64%
Asset Turnover (times)	0.05	0.07	0.10	0.09	0.10
Financial Leverage (times)	15.80	16.19	16.94	17.01	16.61

The higher the value of all components of the DuPont analysis, the greater the negative impact on stock performance. The combined effects of these three components resulted in a decrease in 's net profit margin to 4.49% in 2020, compared to 's 5.53% in the previous year. 2020 operating profit margin drops to 9.75% vs. 11.94% in 2019 due to negative interest margin growth, which was 28.36% year-over-year.

The impact on non-operating items includes bad debts and other provisions, which decreased from 8% to 7.81%.85% for the provision fell by 21.06%.

The tax effect decreased to 3.97% from 7.29% in 2019. The asset utilization efficiency implied by the average total asset turnover was lower than in the previous year, which is due to collections of loans and loans. Financial leverage fell to 15.80 from 16.19 a year ago due to lower asset growth

2.6 Operations Management and Information System Practices.

As the world moves into the age of digitization through the use of modern technologies, Mutual Trust Bank Limited is also following in the same footsteps. They focused on CBS (Central Banking Software) to make internet banking easier and more convenient for customers and to make transactions more secure. As a result, in 2016, a group of 8 officials and several CBS committee members finally decided on “TCS BaNCS”, a product of the Tata Consultancy System (TCS). Also, this software has a good reputation and is used by the Bank of China and the State Bank of India. In addition, this software works very quickly, which helps when dealing with many customers.

All banking is also done through this software, all data is stored here and only employees of Mutual Trust Bank Limited have access to this software as they are given a specific username and password exclusive to them. Since this organization is centralized to ensure the work efficiency and the maximum result of the employees, this software has different access for different departments. For example; The types of access and work that the credit department can perform are not accessible to the other departments. In addition, senior employees also have more access and authority to operate this software. As an intern, I did not have access to this software.

2.7 Industry and Competitive Analysis.

2.7.1 Porter’s five force model

Porter’s five forces help to analyze the competitive position of the organization. The strategy is as follows:

1. **Competitive Rivalry:** There are currently 61 commercial banks in Bangladesh. 5 unregistered banks and 34 non-bank financial institutions. Thus, unplanned banks are those that have a very small amount of money in reserve and remain in a vulnerable state, and are constrained by the state bank. On the other hand, non-bank financial institutions are institutions that do not have a full banking license. As a result, it can be said that the number of competitors and competitiveness are also high.
2. **Threat of new entrants:** It requires a lot of capital in opening a new banking organization and strict laws from the government, although the threat of new entrants is becoming

high as the number of SMEs (small and medium-sized enterprises) is increasing day by day and so is the level of competition

3. Bargaining power of suppliers: Suppliers of banking organizations such as Mutual Trust Bank Limited are mainly shareholders, central bank investors, regulators, providers and NGOs. However, the Central Bank of Bangladesh (Bangladesh Bank) has the power to limit the interest rate. The bargaining power therefore fluctuates between medium and high prices depending on the current market perspective.
4. Bargaining power of buyers: As the number of banks and bank-related organizations in Bangladesh increases, it costs less to change organizations, so the bargaining power of buyers is high.
5. Threat of substitutes: Since it is easy to switch organizations and the number of NBFIs (Non-Bank Financial Organization) is increasing, they offer their clients a lucrative offer with much simpler terms and procedures. Therefore, the threat of substitutes for Mutual Trust Bank Limited is high.

2.7.2 SWOT Analysis:

Strengths:

- One of the best commercial banks in Bangladesh with proven service experience, product development, and research capabilities.
- A very good network and well-structured infrastructure system to serve 119 branches and 33 sub-branches and correspondent banks, covering 33 districts and 106 rural areas.
- NPL (Non-Performing Loan) means that a borrower pays their scheduled interest payments for borrowing. So, Mutual Trust Bank Limited's NPL ratio was 4.60% while the Bangladesh banking industry has 8%.
- Trained employees to cater to the customers needs or any queries they might have.

Weakness:

- Higher cost/income ratio.
- Lower participation in digital marketing platform means less promotion of products.

Opportunities:

- Tailored financial solutions to attract people into using banking services as people's average income is increasing and the total number of bank branches is lower compared to the total population.
- More and more young people love to enjoy the services of the latest technologies. Therefore, the Internet banking revolution and the use of the latest generation software and technologies to maximize service also present opportunities.
- Attract customers from remote areas through bank agents.

Threats:

- Great competition due to increasing number of SMEs and NBFIs
- As FDR interest is now in single digits people are now keener on opening a Sanchayapatra as they are still offering double digit interest rates.
- Sudden government regulations mean that the banking industry cooperates with it for a long time.
- The NPLs of the banking industry in general are high, causing many clients to lose confidence in the industry.
- The dollar and exchange rate are increasing relative to the taka, increasing import costs.
- The introduction of Deposit schemes in mobile financial services like Bkash is also a major threat for the bank.

Chapter 3: Project Part

3.1 Introduction

3.1.1 Background/Literature Review

Mutual Trust Bank Limited is one of Bangladesh's most successful private banks with more than 145 branches and sub branches all over Bangladesh. Their agent banking also helps them to bring in customers from areas where they do not have any branch. Their competitive payment structure and other benefits attracts talented individuals to the organization which increases its value even more. Every day MTBL is bringing changes to their banking system so that it is more convenient for the customers and banks their banking experience smoother. Although the low interest rates of FDR and DPS might have affected attracting new customers but their overall service and security they provide is enough to open an account in this bank.

3.1.2 Objective

The objective of this study is to understand the general banking functions of MTBL Mohammadpur Branch and its significance for the branch itself. General Banking sections makes up for most of the functionalities of Mohammadpur branch and where the customer spends most of their time in the bank. Some of the objectives are listed below:

- To know about the banking environment in MTBL Mohammadpur Branch
- To know about the various functions of general banking
- To gain more practical knowledge about working in a bank

3.1.3 Significance

The general banking division is the first mode of communication for the customers who enter the bank to take a service. The experience they have here might make the loyal customers of the bank or might make them go to a different bank and lose any more future customers that they might have been able to bring due to word of mouth. General banking deals with customers on a daily basis and know how to properly communicate with customers depending on their queries.

3.2 Methodology

For this study I used both primary and secondary data. Since I have worked for 3 months in the accounts opening division of MTBL Mohammadpur Branch, I have dealt with customers directly and have also seen my superior officers to deal with them. I have also extensively asked them about how to deal with various situations when it arises concerning a customer. For my secondary data, I have collected them from previous reports on MTBL, MTBL website and their annual report.

3.3 Findings and Analysis

In terms of the functionalities of the general banking division of MTBL Mohammadpur Branch, the following functions were identified.

- Cash Department. This is the main function of the bank where most of the customers go to when they enter a bank. Receiving cash from the customers and depositing them in the account number provided and withdrawing cash and handing them out to the customers from their accounts is the main function of the cash department. Moreover, they also receive utility bills, school fee, university fee etc.
- Account Opening desk. There are two parts of the account opening desk. One of them is the Islamic account opening desk and the other one is the conventional account opening desk. Islamic account opening desk opens account according to the rules regarding interest mentioned in books of Islam. Where the conventional account opening desk is the regular one. Savings a/c, Current a/c or Corporate a/c, all these accounts can be opened in the account opening desk. The required documents that the customers need to open an account are:

For Savings a/c:

1. NID/Passport of the account holder
2. 2 copy passport size photos of the account opener
3. 1 copy passport size photo of the nominee
4. NID/Passport or any other photo ID of the nominee
4. Utility bill copy of recent 3 months
5. Source of income document

For Current/Corporate a/c:

1. NID/Passport
2. Trade License
3. Seal of the company
4. 2 copy passport size photos of the account opener
5. All the above-mentioned details of any partner or other members in the business if there is any.
6. And other required documents required by the bank

Other than account opening they also receive cheque books and debit/credit cards from vendors and hands them over to the customers if they come to collect them. They also check the balance of the accounts, hand out account statements, update information on old accounts, receive and issue pay order requests and many more.

- Clearing Department. This is where cheques are brought to transfer funds from one account to another. There are 2 types of clearing:

1. External Fund Transfer. Where a cheque from another bank is brought to transfer funds from MTBL or vice versa. For example: A cheque from Prime Bank is brought to transfer funds to an account in MTBL.

2. Internal Fund Transfer. Here a cheque from one account from MTBL is brought to deposit it into another account of MTBL.

Another function of the clearing department is the RTGS. RTGS is an electronic settlement system in which the transfer of funds from one bank account to another bank is done in real-time and gross. Real-time refers to transactions that do not require waiting time. Trades are settled as soon as they are executed.

- Locker Service: Although mentioned above in services part, locker service also falls under the general banking part. Here customers can rent lockers for a certain amount based on their size. The rate for lockers is given below:

1. Small locker. 5290Tk Rent + 2000Tk Security deposit
2. Medium locker. 7245Tk Rent + 3000Tk Security deposit
3. Large locker. 9775Tk Rent + 5000Tk Security deposit.

The rent is yearly and the security deposit can be withdrawn after the locker is closed by the customer.

These are the general banking functions of MTBL Mohammadpur Branch.

3.4 Conclusion

Mutual Trust Bank Limited is one of the most successful private banks of Bangladesh. Having the chance of working there for 3 months as an intern I learned a lot of things. But the key things that I learnt is how to deal with people and about the basic functions of a bank. The senior officers and my supervisor were very helpful who not only gave advice on how to do my work in an efficient and proper manner but also gave advice on other aspects of life as well. Moreover, after working as a part of the general banking division I understood why it is so important for a bank to have a good general banking team with trained individuals who can properly handle the customers. All in all, it was a wonderful experience.

3.5 Recommendations

Some recommendations for the bank would be:

1. Increase the number of seats available in the account opening desk for customers. As sometimes during rush hour customers have to stand for a long time due to lack of seats.
2. Update their hardware to fasten up the processing speed of the computers.
3. Reduce the Debit card cost. MTBL has a debit card issue cost of 575Tk which is quite high compared to other banks and is often a source of complain for customers.
4. More people in the cash desk as sometimes there is a huge line and customers become frustrated due to this.
5. MTBL should advertise their products more effectively so that the customers can know about them.
6. They have a lot of deposit schemes but people are only interested in only a few of those. So, they should focus on improving their most sought-after deposit schemes instead of introducing new ones.
7. Training should be conducted more often so that the bank employees can improve their technical skills.
8. MTBL should focus on hiring fresh graduates as they have a lot to offer the bank.
9. They should invest more on their online banking and mobile banking applications as other financial services like Bkash are outpacing them in these sectors.

3.6 References

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