

*Internship report on
“Customer Perception on Foreign Remittance Activities
of Bangladesh Krishi Bank.”*

Submitted By

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16304040

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
2nd October, 2021**

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Declaration

It is hereby declared that

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

Student's Full Name & Signature:

Sabekun Nahar Bithi
16304040

Supervisor's Full Name & Signature:

Ummul Wara Adrita
Lecturer, BRAC Business School
BRAC University

Letter of Transmittal

Ummul Wara Adrita

Lecturer,

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Internship report submission titled “Customer Perception on Foreign Remittance Activities of Bangladesh Krishi Bank”

Dear Madam,

This is the pleasure to submit the internship report “Customer Perception on Foreign Remittance Activities of Bangladesh Krishi Bank” under your supervision as a part of BUS400 which is required BBA degree from BRAC Business School. For preparing this report I tried my level best to accumulate relevant and up-to-date information from all available sources.

I have attempted my best to finish the report with the essential data and recommended proposition in a significant compact and comprehensive manner as possible. I trust that the report will meet the desires.

Sincerely yours,

Sabekun Nahar Bithi

16304040

BRAC Business School

BRAC University

Date: 2nd October, 2021

Non-Disclosure Agreement

This agreement was made and entered into by and between Bangladesh Krishi Bank and the undersigned student at BRAC University, Sabekun Nahar Bithi.

Confidentiality Agreement (Sign either part 1 or part 2)

Part 1: Confidentiality Not Required

1. The three parties agree that the internship report, in draft or final form, is not considered to be a confidential document and the internship report may be shared with other parties by the student, employer or faculty advisor. The faculty supervisor will maintain a copy of the internship report for at least one year (in case of a grade review), at which time the supervisor may elect to destroy the file copy.
2. The three parties agree that all documents and data provided by the employer to the student in the course of the internship remain the property of the employer, but except where expressly requested by the employer, these will not be treated as confidential information by the faculty supervisor and the student.
3. The three parties shall not be prohibited from disclosing any information obtained during the internship if such information was in the public domain.

Md. Aheaul Islam (Sajib)
Manager (SPO)

Sabekun Nahar Bithi
Student,
BRAC University

Ummul Wara Adrita
Lecturer,
BRAC Business School

BRAC University

Part 2: Confidentiality Required

1. The three parties agree that the internship report, in draft or final form, is considered to be a confidential document and the internship report may not be shared with other parties by either the student or the faculty supervisor. The internship report will be read and evaluated by the faculty supervisor and filed as a confidential document with the faculty supervisor for a period of one year (in case of a grade appeal). After one year the internship report will be destroyed. In the case of a grade appeal involving the internship report, an independent faculty member may be asked to re-read the internship report. In such circumstances the independent faculty member will treat the report as confidential.
2. The three parties agree that all documents and data provided by the employer to the student in the course of the internship remain the property of the employer, and that these will be treated as confidential information.
3. The three parties shall not be prohibited from disclosing any information obtained during the internship if such information was in the public domain.4. The three parties agree this confidentiality agreement will remain in force for one year from the end of the internship.

Md. Aheaul Islam (Sajib)
Manager (SPO)

Sabekun Nahar Bithi
Student,

BRAC University

Ummul Wara Adrita
Lecturer,

BRAC Business School

BRAC University

Acknowledgement

First of all, I would like to convey my sincere appreciation to the almighty Allah for giving me the strength and the ability to finish the task within the planned time. I am also grateful to Md. Aheaul Islam, Manager and also grateful to other officer of the Bangladesh Krishi bank” Mirpur Branch, Mirpur-1, who helped me in preparing the study report by giving their suggestions, assistance and information, which is valuable to me. They helped and supported me to complete my report successfully.

Most importantly, thanking to the academic supervisor Ummul Wara Adrita, Lecturer of BRAC Business School for the help all through the Internship period.

Also, demonstrating with primary rule to finish the report, she gave her important time in discussion hours, by means of phone and messages.

Finally, thanking the entirety of the individuals who upheld in BRAC Business School since 2016. By their assist leading in this Internship paper and serve the nation by demonstrating as a commendable graduate from BRAC Business School.

Executive Summary

This report is prepared based on Internship experience and opinion of the customers“ on Foreign Remittance Activities of Bangladesh Krishi Bank Mirpur Branch Mirpur-1. The main objective of this study is to know about Foreign Remittance activities of Bangladesh Krishi Bank Mirpur Branch, Mirpur-1. Data were collected from primary sources and secondary sources through face to face conversation, direct observation and work experience at Bangladesh Krishi Bank as a regular employee. The primary sources were executives of the bank and the customers.

The secondary sources were websites, Brochures, Instruction Circulars and Annual report book of Bangladesh Krishi Bank. There are six chapters in this report. A primary concept like background of the report, objectives, profile, difficulties discussed in the introduction chapter. In the chapter 02 report focused on literature review and framework. How is data collected & processed mentioned in chapter 03. Chapter 04 is mainly results & discussions section. The major finding of the study discussed in chapter 05. Experience related to internship mentioned in the last chapter.

In this report, it has found from the customer survey that Bangladesh Krishi Bank provides moderate service to the customers on Remittance activities. The reason of provide moderate customer service are skilled man power, for providing best and quick service. This Branch can collect a huge number of Foreign Remittance by providing moderate service to the customers. In this research, some recommendation has given to Bangladesh Krishi Bank for solving problem related to different Remittance activities of Bangladesh Krishi Bank.

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List of Acronyms

- BKB- Bangladesh Krishi Bank
- L/C – Letter of credit
- ATM- Automated Teller Machine
- MCP-Micro-credit Programs
- MFS- Mobile Financial Services
- FDR- Fixed Deposit Receipt Account
- MSS - Monthly Sonchoy Scheme
- NCB- Nationalized Commercial Bank.
- PO- Pay of Order
- DD- Demand Draft
- SME- Small Medium Enterprise
- IFIC- International Finance and Investment Corporation
- BACH - Bangladesh Automated Clearing House
- BEFTN - Bangladesh Electronic Funds Transfer Network
- RTGS - Real-Time Gross Settlement
- BB- Bangladesh Bank
- BOP - Bangladesh's Balance of Payment

Chapter 1 Overview of Internship

Student Information

Name: Sabekun Nahar Bithi, Student ID: 16304040, a regular student of BRAC University since summer 2016. The major was Marketing and minor was Human Resources Management.

Internship Information

Period, Company Name, Department/Division, Address

Internship: Bangladesh Krishi Bank, Bangladesh. This is a three months Internship program which has started from 12 July 2021 and it will end on 12 October 2021. The posting was on Mirpur Branch, it is located at Mirpur Section # 2, (Near Sony Cinema Hall) and Dhaka- 1216.

Internship Company Supervisor Information

During these three months' time span MD. Aheaul Islam (Sajib) Manager (SPO) of Mirpur Branch was the in-site supervisor. He was a truly help and guardian in the entire internship period.

Job Scope

- 1st two days I had to open some account and activate SMS service for the customers.
- Calling customers for debit card/ATM card and say that their ATM cards have been issued.
- Delivering ATM card to the customers.
- Helping customers to filling up account opening form.
- Payout balancing.
- Updating Account opening form (FDR, current account, business account).
- Filing Account opening forms according to serial number.
- Writing Cheque for customers.

- Filling up foreign remittance form for customers.

1.3. Internship Outcomes

Student's Contribution to the Company

An internship program is a learning stage for a graduate student. Despite the fact that next to the learning an intern got the occasion to contribute thoughts for organization's advancement.

- During the internship period whatever the intern learned he/she just expected to help every worker in their specific tasks and endeavored to make things less difficult for them.
- In the wake of finishing the exchange hour a portion of the time, the intern helped them to make excel sheet and data section level tasks that spares their time. Also, as a costumer ambassador assistant, he/she have addressed the branch before the customers, endeavored to give them information about what are they looking for, got customers and conveyed them to the allocated work regions and helped them as much as could sensibly be normal.
- Also, during pick hour when there was an exorbitant measure of weight in the cask counter, the intern endeavored to keep up them in a line, endeavored to make them pleasant both the customers and the carriers for besides help to use CDM machine; uniquely the senior customers and the people who dread using the latest innovation and encouraged them to use the CBL innovation however much as could be expected.

Benefits to the Students

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

- **Learned about lots of accounts and deposits:** As I had to update lots of account form I learned about lots of accounts and deposits. Among them there is an account called savings account which used for personal use. There is an account called current account which is opened for industrial purpose. People in the bank comes

everyday open account for different purposes. There are also different deposit services in BKB.

- **Helping customers to fill up foreign remittance form:** There are lots of customers who is new for BKB and face difficulties in filling up the foreign remittance form. Sometimes I had to fill up the foreign remittance form for them with their given information.
- **Filling account forms according to serial number:** After opening the accounts filing those account forms according to serial and type is important to find it when it is needed. I have also learned it in the bank.
- **Working in a rush hour:** It was a very new experience to work in a rush hour. Answering customer's queries was also a new experience. I have to update lots of accounts opening form besides I had to take help form the senior officers for my chores as banking is totally new for me and in the rush hour it was really difficult to communicate with the bankers as they were also busy with their chores and client.
- **Communication skills:** When I was servicing the customers my communication skills improved and for my report I have to communicate with the senior officers of the bank. This also boosts my communication skills.
- **Time management:** I was always on time in the bank, which was making me prepared for completing my work on time and also prepare for banking culture. For banks punctuality is very important as bank is a very busy place.
- **Adaptability:** With a real life work experience, I also learned to cope up with the corporate culture which will help me in my future career.

Limitation of internship

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

Recommendation

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

Chapter 2 Organization Part

: Introduction

Bangladesh is predominantly an agricultural country where agriculture sector plays a vital role in accelerating the economic growth. The majority of Population here directly or indirectly related with “Krishi” (The Bengali term “Krishi” means Agriculture) which contributes a significant portion to GDP (14.23% according to the Bangladesh Economic Review 2018).

Bangladesh Krishi Bank (BKB) has been established under the Bangladesh Krishi Bank order 1973 (President’s Order No 27 of 1973) in order to boost up our economy by providing financing facilities to our Agriculture Sector. BKB is being run as a Banking Company under the Banking Company Act-1991.

Its Head Office is located at Krishi Bank Bhaban, 83-85 Motijheel Commercial Area, Dhaka-1000, Bangladesh.

The main objective of BKB is to provide easier and hassle free credit disbursement facilities to the farmers, people engaged in agricultural activities i.e. Crop production, Fish culture, Animal Husbandry etc. & entrepreneurs involved in development of agro-based industries and cottage industries. Its primary aim was to bring people out of General High Interest Rate Lending System-over which the bank is working over than three decades.

The Bank is guided in accordance with the policies and principles of the Government of the Peoples Republic of Bangladesh. BKB has an authorized capital of Tk. 15,000 Million (Taka Fifteen thousand Million) only and paid up capital of Tk. 9,000 Million (Taka Nine thousand Million) only which is fully paid by the Government. The Bank started commercial functioning since 1977 to generate more loan-able fund from the idle rural and urban savings and invest them for the betterment of our economy.

The Bank operates its function through its **1038** branches (except Rajshahi and Rangpur Division) & all are Online Branches. It has 16 foreign exchange (Authorized dealer) branches. In the field level the Bank has **9** Divisional, **54** Chief Regional and Regional offices for close supervision of

the branch activities. For smooth operation, as a part of internal control and compliance system, the bank has also 63 field level audit offices of which 9 at Divisional and 54 at Regional levels. In the Head Office the Bank has 7 Divisions headed by General Managers, 25 Departments and a Staff College headed by General Managers. Local Principal Office of BKB is headed by a General Manager. The existing strength of Bank's manpower is 9430 against the approved strength of 13680 as on 31 December, 2010. The Bank has a Board of Directors comprising of 11 members.

The Board is headed by the Chairman. The Board Chairman is generally an experienced professional/ex-professional who has wide acceptability and rapport. The Directors represent both public and private sectors and are appointed by the Government. The Managing Director is the Chief Executive of the Bank. He is appointed by the Government. The Bank has three posts of Deputy Managing Directors and they are appointed by the Government. The Bank has 17 posts of General Managers. They are also appointed by the Government.

Vision:

Providing loan facilities for achieving self-sufficiency in food production and strengthening rural economy.

Mission:

Besides reaching banking facilities to the people's doorsteps, giving agricultural, SME and agro based industrial loans for achieving self-sufficiency in food production and elimination of poverty.

Activities

- Allocation of loans in crop, fisheries, livestock's, agricultural tools, crops stocking and marketing, poverty elimination, agro based industries and CC and SME sector.
- Offering of various deposit schemes including Current, Savings, SND and term deposits.
- Selling of various government's „Sanchayapatra“ and purchase and sale of prize bonds.
- Delivering remittances received from expatriates working abroad to their dear one's rapidly.

- Distribution of allowances to freedom fighters, the old, the widow, the distressed divorcees, the poor disabled; disbursement of scholarship money under the governments social security program and pension payment for the retired members of the armed forces.
- Payment of government bills for collecting paddy, rice and other food; collecting taxes for land development and other utility services.

Values:

- Result Driven
- Accountable and Direct
- Courageous & Cognizant
- Engaged & Excited
- Focused on Customer pleasure

Product and Services of BKB:

Table 1: Product & Service of Bangladesh Krishi Bank

Deposit Accounts	Loan	DPS/FDI	Cards	Services
1. Savings Accounts 2. Current Accounts 3. Credit Programs 4. SND Accounts 5. Fixed Deposit Accounts 6. Student Accounts 7. Monthly Schemes 8. Time Deposits 9. Tea Sector Financing 10. API Automated Foreign Remittance & Spot Cash 11. Poverty Alleviation & MCP activities	1. Crop loan 2. Livestock & Continuous Loan 3. Fisheries loan 4. SME Financing Loan 5. Agro based Industry & Farm Machineries loan	1. Small savings scheme 2. Education Savings Scheme 3. BKB Monthly profit scheme 4. BKB Double profit Scheme 5. BKB Quarterly profit scheme 6. Monthly savings scheme (MSS)	1. ATM 2. Debit Card 3. Credit Card 4. Visa Card 5. Master Card 6. Prepaid Card	1. Deposit Operational Banking 2. Credit Programs 3. Online Banking 4. Foreign Remittance 5. Automated Clearing (BACH) 6. RTGS Facility 7. Fund Transfer 8. SMS Alert

Banking Activities and Divisions

As per the client section and business type, CBL separate their product and service to various levels. Each item has its own claims to specialties and facilities. City bank deals with its business tasks from the administrative center. CBL isolates its products by portioning not many various gatherings. Those Are:

1. Deposit Scheme
2. Credit Programs
3. International Banking
4. Corporate Financing
5. Poverty Alleviation & MCP
6. ICT Services of BKB

Deposit Scheme:

BKB Fixed Deposit Receipt (FDR) Account, Monthly Sonchoy Scheme (MSS), BKB Monthly Profit Scheme, Time Deposits (BKB own products).

Credit Programs:

Bangladesh Krishi Bank (BKB) is the pioneer of agricultural credit in Bangladesh. BKB provides credit facilities for farmers, marginal farmers, extreme poor, sharecroppers and to the mass-people of Bangladesh who are the real players in making agricultural outputs and success of rural economy.

International Banking:

BKB has been engaged in Foreign Exchange Business since 1980. It deals in all kinds of export, import, remittance and other sorts of foreign exchange business.

Corporate Financing:

The Bank has started financing to renowned corporate bodies of the country for many years. This has opened a new arena of utilizing agro-product marketing channel of the companies in easy terms and at a lower interest rate.

Poverty Alleviation & MCP:

Bangladesh Krishi Bank was established under BKB Order`1973 with the objective of strengthening rural economy by extending credit support to agricultural and agro-based sectors.

ICT Services of BKB:

Computer and IT services plays a positive effect on banking system. Afterwards, computer system made it possible to centralize authority and control in the banking services. In this continuation, Bangladesh Krishi Bank has introduced Computerization, Computerized Banking and Core Banking Solution (Online Banking), Automated Teller Machine (ATM), BACH, RTGS, NPSB services. BKB steps advanced in digitization in order to offer modern and up to the mark banking facilities to its valuable clients.

: Management Committee

Organogram of BKB:

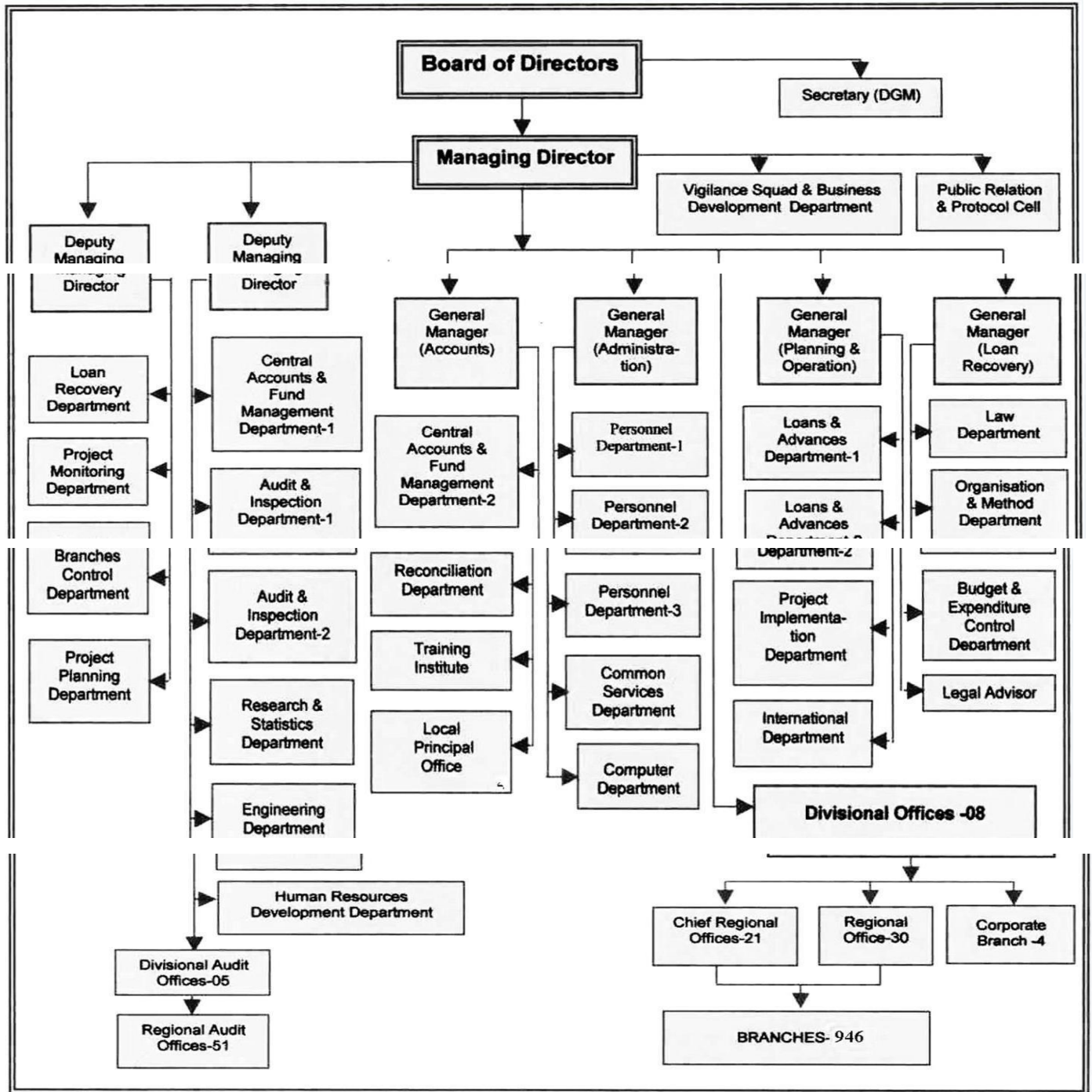


Figure-1: Organogram of BKB

Managerial Hierarchy:

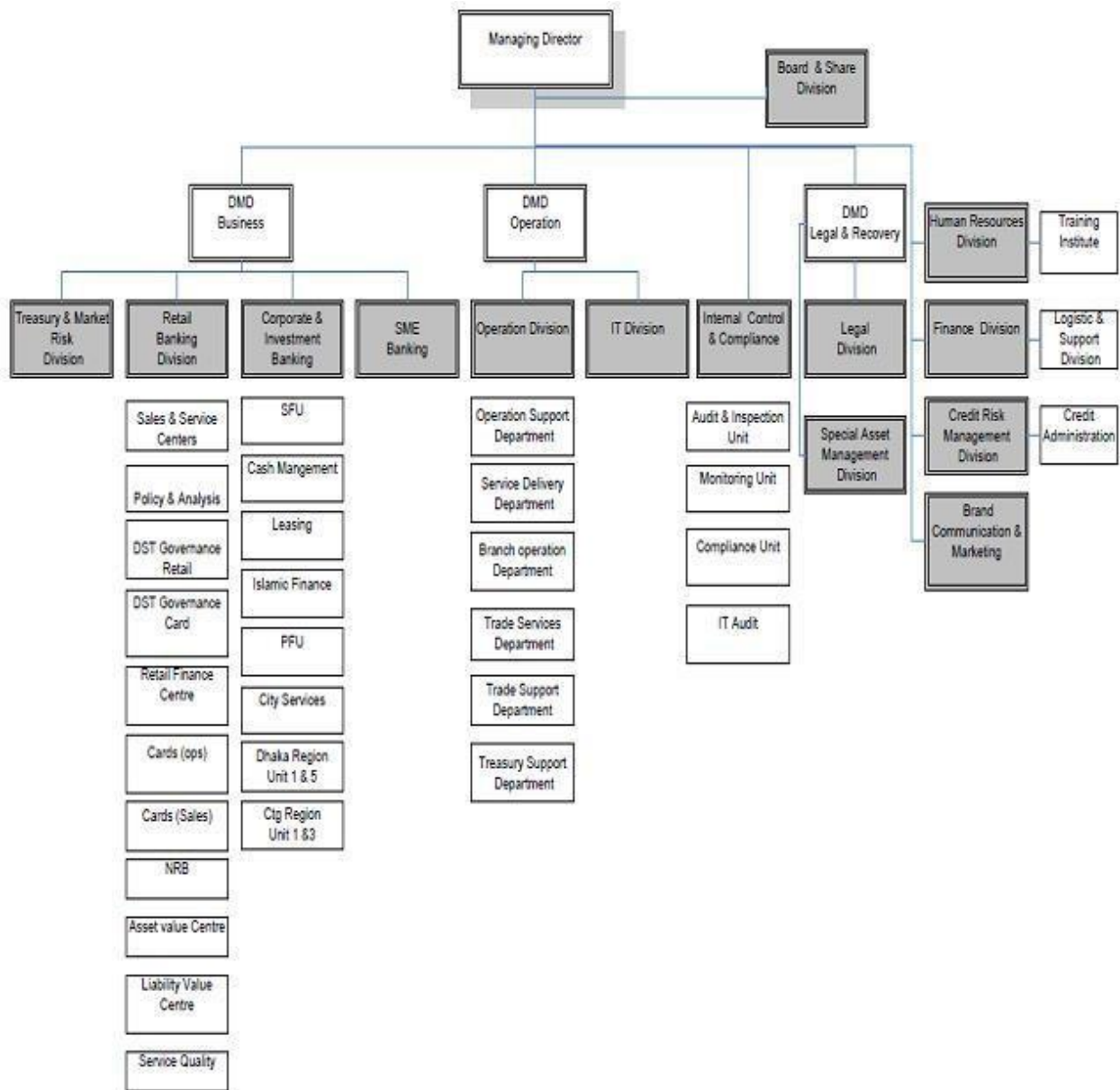


Figure-2: Managerial Hierarchy

: Marketing Practice

Bangladeshi people living and working abroad to remit their hardly earned money through BKB, to increase bank remittance and deposit ratio upraise the standard of foreign remittance customer services also maintaining continuous touch with the existing & prospective remittance clients, clients of other banks, wage earners and all the people related with bank in the society Bangladesh Krishi Bank begins Foreign Remittance payment service in 2001. At first, it's International Department, later International Department (Remittance) and now Foreign Remittance Management Department exclusively conducts and manages foreign remittance activities. BKB makes its foreign remittance service online on 02.02.2014 introducing web based software named Automation of International Remittance System for BKB. Now foreign remittances reach instantly to 1038 BKB branches from Head Office. Remittances of other bank beneficiaries are sent to respective bank branch through EFTN in the same day. BKB also provide desk calendar, telephone index and slip pad to the regular customers. Each morning their senior managers seat for meeting for marketing planning. They target clients according to proper marketing research.

: Financial Performance and Accounting Practice

Table 2: Financial Figures of BKB

Particulars/Years	2020	2019	2018	2017	2016
Total Asset	288,915,214,867	268,020,553,164	253,501,484,167	241,255,198,824	26,845,265,392
Net profit after tax	12,411,809,744	6,793,244,929	6,258,476,622	5,658,682,967	6,787,437,312
Deposit	276,953,347,910	257,338,199,942	241,832,573,254	227,371,942,290	17,124,362,191
Growth Rate (%)	3.33%	3.32%	3.36%	3.30%	3.29%
EPS Per Share (BDT)	(12,411,809,744)	(6,793,244,929)	(6,258,476,622)	(5,658,682,967)	(805,291,001)

Industry and Competitive Analysis

SWOT Analysis

Table 3: SWOT Analysis

Strengths	Weakness
<p>Bangladesh Krishi Bank has picked up standing through spotless and elegant inside plan of spread out. It likewise offers brief types of assistance with more significant level of mystery.</p> <ul style="list-style-type: none"> • Brand esteem • Subsidizing accessibility • Charge and Visa conspire • Experience <p>*</p> <ul style="list-style-type: none"> • Advances • Computerized banking • Amex card offices • Good management team • Restrained work power 	<p>Opportunity retail banking lies in the way that the nation's expanded populace is step by step figuring out how to receive consumer finance. In this way, the retail loaning items have occasions to tap the market of working class administration holders.</p> <ul style="list-style-type: none"> • High upkeep cost • Significant expense to pay proportion • Restricted staff and assets • Significant expense of asset • ATM service
Opportunities	Threats

<ul style="list-style-type: none"> • Social and segment factor change • Innovative headway • Positive development of nearby economy 	<ul style="list-style-type: none"> • Expanding rivalries • Substitute portable financial administrations • Administrative weight • Terrible obligation
--	--

Porter's five forces analysis

• **The threat of new entrance: Low**

An organization that desires to go into the banking industry requires an immense measure of capital use and administrative authorization from finance ministry. Additionally, in banking industry brand esteem speak to a solid situation in the business. Notwithstanding, BKB as of now have a decent brand picture towards the client. This causes threat of new passageway fundamentally low. The threat of new entrants is exceptionally expanded especially in public areas.

• **The threat of substitutes: High**

Consumers are presently getting pretty much comparable banking facilities from the mobile banking organizations and furthermore from NBFIs. Thus, it's become an extraordinary threat for the banking business if they don't offer verity and landmass banking administration to the clients. The threats of substitutes in this market is high and it is expanding step by step. A portion of the shared assets, insurance agencies and different associations identifying with this are being presented in Bangladesh.

• **The bargaining power of buyers: Low**

In a banking industry there are two types of buyer/customers. They are individual customer and different bank/corporate customers. Individual customers cannot bargain much in a bank because they take lower amounts of loan. But the regular individual customers can bargain more than the new individual customers. But in terms of bank/corporate customer having lower bargaining power they can bargain more than the individual customers. Because they have more investments and loans in the other bank. So they can bargain as a buyer and also as a supplier.

- **The bargaining power of suppliers: Low**

In the banking industry there are two types of suppliers. They are individual and corporate. Individual suppliers have low bargaining power because a mother bank imposes rules and regulations. So individual suppliers are those from whom banks gain profits by imposing lower interest rate. But in terms of corporate supplier that cannot be possible. Though they also have low bargaining power but being the main suppliers of bank they can bargain more. As they have large amount of deposits in the bank and the bank cannot prosper without those deposits. But the bargaining power of the corporate supplier is still low. So we can say that bargaining power for individual and corporate supplier is low.

- **Competitive rivalry: High**

The banking business is exceptionally serious. There are a few banks in Bangladesh who servers“ equivalent offices to the clients. As much as the innovation is developing, banking rivalries a getting high. Here there are five major banks in Bangladesh who gives halfway financial assistance as like as BKB serves to client. Subsequently, the opposition of contention is nearly higher.

Recommendations and Conclusions

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

Chapter 3

Project Part

“Customer Perception on Foreign Remittance Activities of Bangladesh Krishi Bank.”

INTRODUCTION TO THE STUDY

Origin of the study:

Every BBA students from BRAC University has to complete BRAC Business School internship program. To know about the corporate culture and work environment is the main objective of internship program. Likewise, there are some other purposes too:

- To understand the work life
- To know work responsibilities and handle those
- To contrast hypothetical studies and the work area
- To guarantee timeliness and control in work life
- To complete the BBA program.

Limitation of the report

- ✚ Accessibility in information and restriction in working because of Covid situation.
- ✚ There is a scarcity of knowledge.
- ✚ My designated supervisors and other banking officers was unable to give enough time due to the rush of banking hours.
- ✚ Most of the employees had rostering duty.

- ✚ Because of time scarcity it is almost difficult to learn anything there is to know about the banking industry.
- ✚ Accessibility restriction in some departments.

Background of the study:

Foreign Remittance has become a major contributor to the Bangladeshi economy. Bangladesh has like almost 90 lakhs workers abroad who are regularly sending remittance to our country in almost 150 countries. Saudi Arabia has been the largest source of remittances, followed by UAE, Qatar, Oman, Bahrain, Kuwait, Libya, Iraq, Singapore, Malaysia, the US and the UK. Bangladesh is a huge labor surplus country. On an average, it exports about 245,000 people annually. More than 28% of its foreign exchange earnings is derived from the remittances of the migrant workers. The government gets huge foreign currency. The foreign remittance income is not only increasing foreign currency reserve but also playing a significant role to reduce poverty and to enhance the economic development of Bangladesh. The flow of amount of remittance would be one thousand four hundred crore USD. The position of Bangladesh is seventh in the world remittance income. It is gradually increasing from the last few years as many people are migrating outside the country for job opportunity.

Despite a sharp decline in manpower export, the country's remittance earning increased by 27% this year with the total remittance crossing \$4 billion mark for the first time. In 2004, the earning was \$3.5 billion while 2.50 lakh Bangladeshis went abroad for job purposes this year against the source observed that the main cause of decline in manpower export was job nationalization policy in Saudi Arabia. Manpower export to Saudi Arabia declined by around 30% this year compared to last year's export figure. 2.71 lakh last year, posting around nine per cent decline, the source added. Another reason for dealing the demand for Bangladeshi workers are unskilled labor.

The article portrayed a realistic scenario as far the challenges that Bangladesh might face in exporting manpower in the Middle Eastern countries. Due to massive investment by the Western companies, the Middle Eastern nations are rapidly automating their social life. The potential job seekers from Bangladesh and other developing nations have to keep them abreast of the latest technological developments to get jobs in the Middle East Bangladesh, with the consultation of the Middle Eastern employers, can establish an academy to train the local jobseekers so that they can learn the necessary skills required for the Middle Eastern job market. This is the best way to be competitive and create even greater scope for future job employment.

Foreign Remittance Management Department exclusively conducts and manages foreign remittance activities of BKB. Expatriates of any country across the globe can easily send money to Bangladesh Krishi Bank. People from Bangladesh can easily get money in their account from abroad or receive money for Pin Code number instantly over the cash counter without any account. Only valid photo ID is needed to receive money over the cash counter for spot cash payment. For TT remittances, beneficiaries get SMS confirmation when the remittance reaches the branch online.

Remittances also help Bangladesh in making the balance of payments favorable, or make up the deficit between total export and import. For example, in 2008, Bangladesh exported \$13.97 billion worth of goods and services and in turn imported \$19.59 billion worth of goods and services. This gave a deficit of \$5.62 billion in Bangladesh's Balance of Payment. Remittance has been a key driver of economic growth and poverty reduction in Bangladesh. "The migrants send back billions of dollars and the country can then use these resources for investment for industrial development, improvement of educational facilities and services, and extend and improve its health services. The money that is sent back is also beneficial to the families and to the country in that it helps reduce poverty and also allows for investment in small businesses and chances for furthering education.

Broad objective:*

This study is aimed at providing me invaluable practical knowledge about banking operation system of Bangladesh Krishi Bank Mirpur-1 Branch, Dhaka-1216. Especially its foreign remittance.

Specific objectives:

- To evaluate various Foreign Remittance Activities of Bangladesh Krishi Bank.
- To know about customer's perception on Foreign Remittance Activities of BKB

Significance: This report illustrated on how is the relationship between the customer's perception and foreign remittance.

Literature review on "Customer Perception on Foreign Remittance Activities of Bank"

Foreign Remittance has become a major contributor to the Bangladeshi economy. From a recent report of World Bank Bangladesh has like almost 90 lakhs workers abroad who are regularly sending remittance to our country in almost 150 countries (Alam, 2015). Saudi Arabia has been the largest source of remittances, followed by UAE, Qatar, Oman, Bahrain, Kuwait, Libya, Iraq, Singapore, Malaysia, the US and the UK. Bangladesh is a huge labor surplus country (Bangladesh Bank Annual Report, 2015). On an average, it exports about 245,000 people annually (2000 -15). More than 28% of its foreign exchange earnings is derived from the remittances of the migrant workers (Abrar, 2014). The government gets huge foreign currency. The foreign remittance income is not only increasing foreign currency reserve but also playing a significant role to reduce poverty and to enhance the economic development of Bangladesh (Abrar, 2014). The flow of amount of remittance would be one thousand four hundred crore USD (Immigration and Development Division, World Bank, November 20, 2012). The position of Bangladesh is seventh in the world remittance income. It is gradually increasing from the last few years as many people are migrating outside the country for job opportunity (Minister, 2012).

Despite a sharp decline in manpower export, the country's remittance earning increased by 27 per cent this year with the total remittance crossing \$4 billion mark for the first time, sources in the Ministry of Expatriates Welfare and Overseas Employment said. In 2004, the earning was \$3.5 billion while 2.50 lakh Bangladeshis went abroad for job purposes this year against the source observed that the main cause of decline in manpower export was job nationalization policy in Saudi Arabia -- the main destination of Bangladeshi workers. Manpower export to Saudi Arabia Declined by around 30 per cent this year compared to last year's export figure. 2.71 lakh last year, posting around nine per cent decline, the source added. Another reason for dealing the demand for Bangladeshi workers are unskilled labor, Hasan (2005).

Remittances also help Bangladesh in making the balance of payments favorable, or make up the deficit between total export and import. Remittance has been a key driver of economic growth and poverty reduction in Bangladesh. "The migrants send back billions of dollars and the country can then use these resources for investment for industrial development, improvement of educational facilities and services, and extend and improve its health services. The money that is sent back is also beneficial to the families and to the country in that it helps reduce poverty and also allows for investment in small businesses and chances for furthering education (Nadim, 2009).

Types of foreign remittance

Different types of foreign remittance are given below:

I. Foreign Outward Remittance: The sending country, where the wage earner is located. The sender uses a bank or foreign exchange company to send money to foreign country. Many of the receiving banks have established remittance relationships with currency houses and banks in other countries to better facilitate the flow of remittances into the country.

II. Foreign Inward Remittance: The receiving country, where the beneficiary resides. The bank receives the money that has been sent from the sending person in the country in which the money has been earned.

III. Family Remittances: It refers to remittances that are sent by individual immigrants working in the foreign locations to their family, relatives or friends in their home country. These remittances are sent every month and they assist the families of the migrants to survive. These remittances also help the poor families to fight against the poverty. The family remittances are regarded as the major form of remittances across the world where millions of workers are working hard in distant land away from their home for earning their livelihood.

IV. Community Remittances: It refers to the remittance that is sent by individual immigrants generally and also includes the remittance sent by various hometown associations to organizations and communities in their home country. This money has been used for the developmental activities of communities such as in building infrastructure, church, parks, and roads. It also offers health care to the poor. The community remittances are also used for offering health benefits, education; and employment to big communities who need these facilities in the home countries.

V. Migrant worker Remittances: This remittance refers to the cash transfers done by migrant workers for sending the money to the families, friends and relatives back home. The migrant worker remittances make up a large chunk of money inflows into home country by the people who have migrated to foreign locations in the search of money, job or education.

VI. Social Remittances: These remittances basically comprise of various ideas, practices, and social capital that make up the backbone of many remittances that flows from workers of one country to another. Thus, social remittances assist the traditions and culture of one race or community, to socialize with the cultures and traditions of another community. Social Remittances help in the bonding of people and do not have money associated with them.

VII. Channel of foreign remittance: There have two types of channel to transfer money to Bangladesh from different countries.

Those are:

1. Official channel: Telegraphic Transfers: Make fund transfers abroad through an integrated Banking System. Allows for quick and efficient payments to ensure that the funds reach the destination fast and safe.

VIII. Western Union: The fast way to send and receive money worldwide to over 200 countries.

IX. Demand Draft: A cheaper method for payments made overseas. Funds are cleared through our correspondents in major cities around the world.

X. Travelers' Cheques: Travel smart with Travelers' Cheques which are acceptable worldwide for a trouble-free and safe trip.

XI. Postal order: Postal order is an official piece of paper with an amount of money written on it, which you post to someone who can then exchange it for the same amount of money at a post office. By this channel one can easily cheaply transfer money from foreign countries.

Methodology:

For this report I need both primary and secondary data. For primary data I have made survey and collected responses from 50 respondents also I have talked with the employee of BKB and observed their work. For secondary information, most of the data are taken from different articles about customer's relationship with bank and different report on BKB from Google scholar. For them proper APA citation is used.

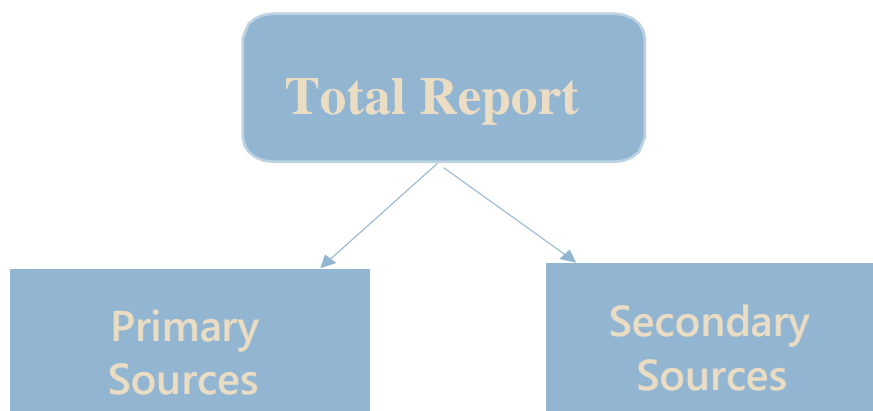


Figure 3: Methodology

In the wake of directing the survey, I got a more extensive and solid information of individuals' perception. This information encouraging to figure the mean worth. In the wake of directing the survey, the information was put into IBM SPSS for the hypothesis test. By following "One Sample T-Test" the theory testing was done. The null hypothesis and the alternative hypothesis are given below:

Null Hypothesis (H₀): The customers are satisfied with the foreign remittance services.

Hence, $\mu \geq 1$

Alternative hypothesis (H₁): The customers are not satisfied with the foreign remittance services.

Hence, $\mu < 1$

Here, the number of population in mean is $\mu = 1$. In the hypothesis test, if the estimation of " μ " is more prominent than or equivalent 1 than the insight is positive and if the estimation of μ is negative than the discernment is negative. The IBM SPSS result will be either acknowledgment or rejected of expected null hypothesis.

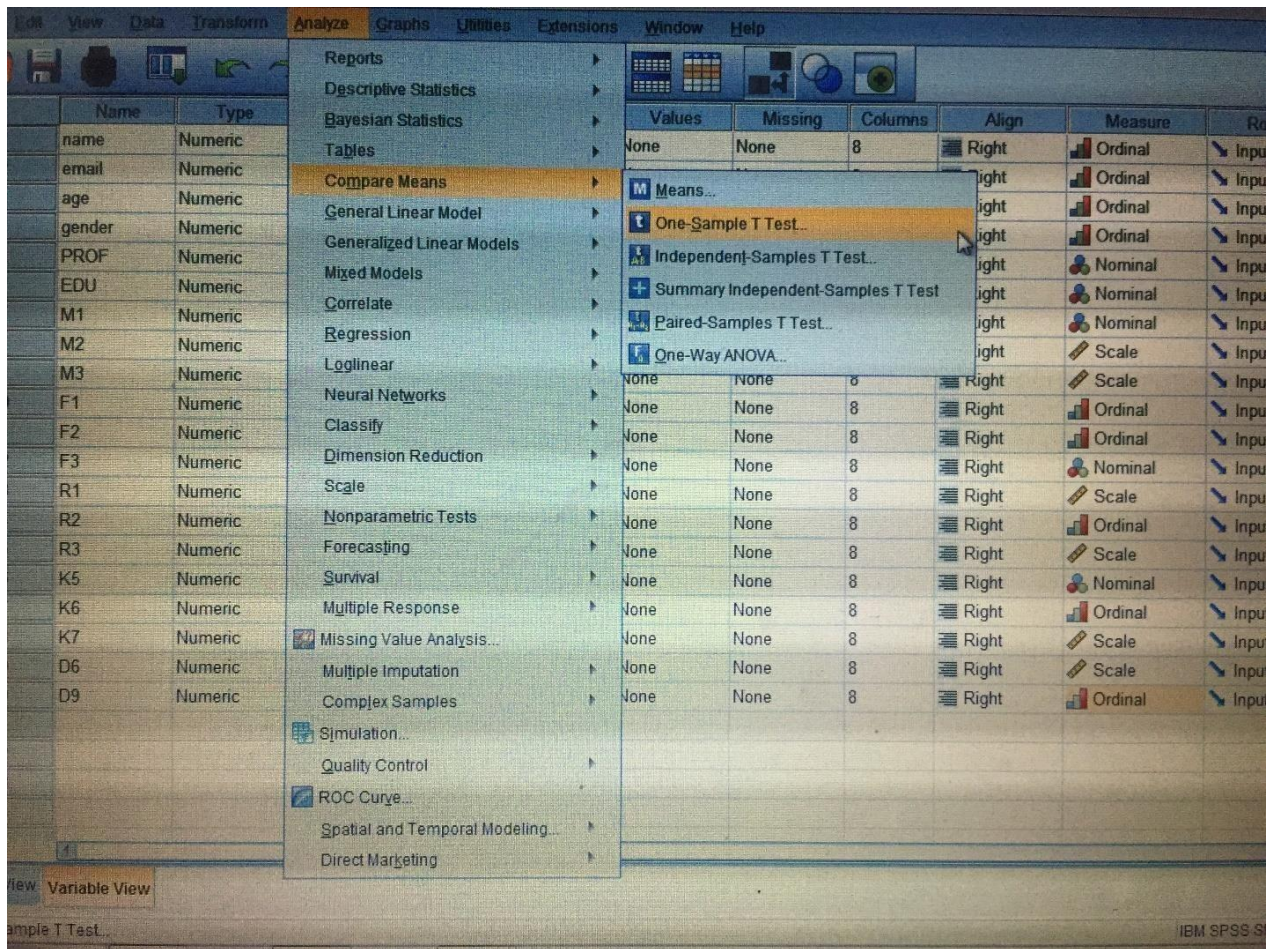
One Sample T-Test:

Following these means, the test is directed through IBM SPSS

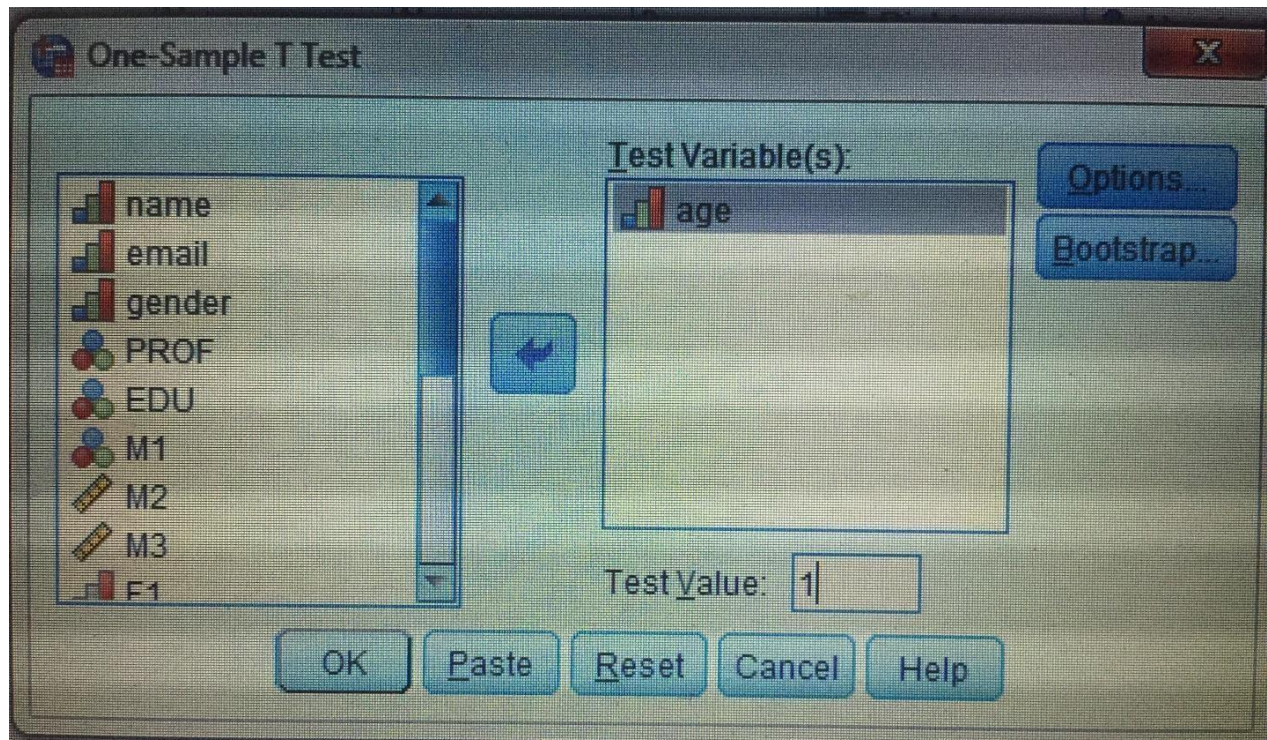
Step 1: All the study information contribution to IBM SPSS, and top off the information see dependent on the survey answers.

Step 2: Let the null hypothesis tried against the alternative hypothesis (H₀: $\mu \geq 1$ against H₁: $\mu < 1$)

Step 3: Here accepting the significance level 0.05



Step 4: One Sample T-Testing happening by following method



Set the “Test Value” = 1 and “Confidence Level” 95%

Step 5: Find the output of the testing

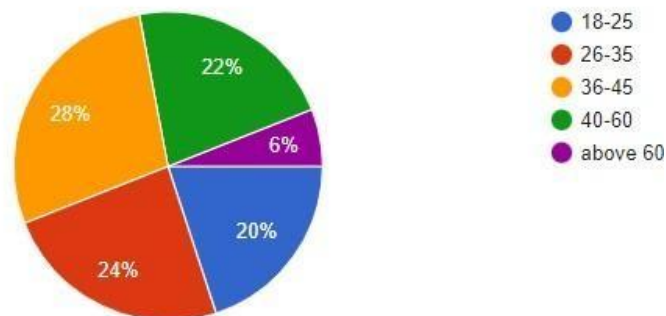
The output the t-value is 3.549 and significance level is <0.05 . So, thereby the null hypothesis can be accepted.

3.9 Survey and Findings:

Make fund transfers abroad through an integrated Banking System. Allows for quick and efficient payments to ensure that the funds reach the destination fast and safe. Foreign remittance can be defined as „the purchase and sale of freely convertible foreign currencies as admissible under Exchange Control Regulations of the country“. Remittances can be individual and it can also be collective. When individuals send remittance to his or her household or kith and kin that can be termed as individual remittance. When a group of migrants, their associations or professional bodies mobilize resource together and send for collective or community programs that can be termed as collective remittance. Individual remittances are mostly geared towards the family whereas collective remittances are generally used for community development. A study on customer survey on Foreign Remittance Activities of Bangladesh Krishi bank has taken where there were total 50 respondents. Respondents were met to have a physical interview with 10 statements on the basis of bank transaction speed, privacy, satisfaction level, transaction fees to identify frequency & percent. Different feedback founded from respondent. Variables covered under gender, age, profession.

Age?

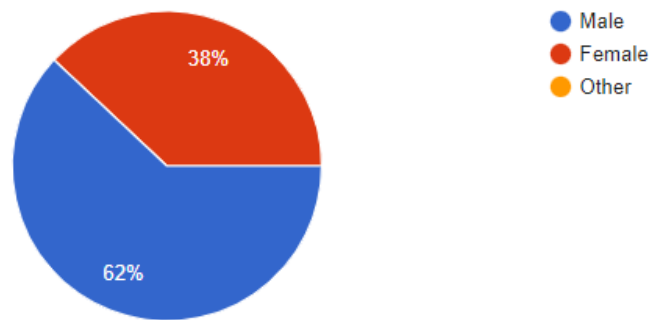
50 responses



Findings: 28% customer's age range is 36-45. 24% customer's age range is 26-35. 20% customer's age range is 18-25 and 22% customer's age range is 46-60. 6% customers age range above 60.

Gender?

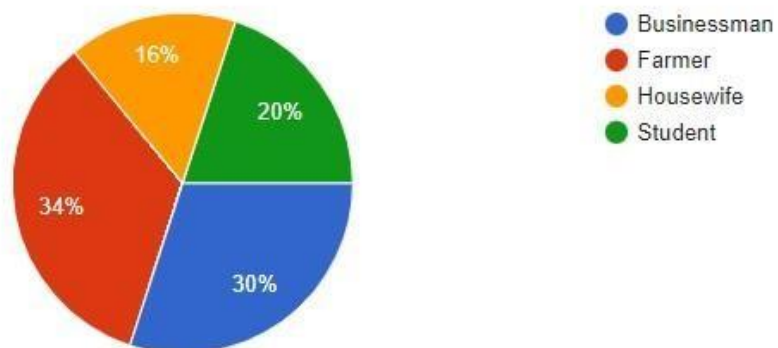
50 responses



Findings: The number of male customer is greater than female customers. In the chart we can see that 62% customers are male and 38% customers are female.

What is your occupation?

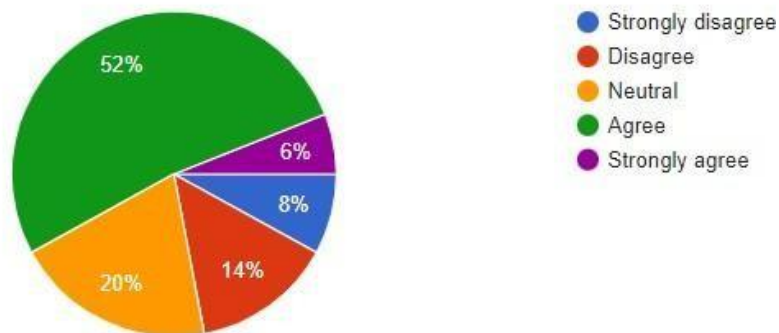
50 responses



Findings: Most of the customers of Bangladesh Krishi bank are Farmer and Businessman according to my survey. According to my survey 20% respondents are students. 34% respondent are Farmer. 16% are housewife and 30% are business person.

Bangladesh Krishi Bank provides the faster money transfer service?

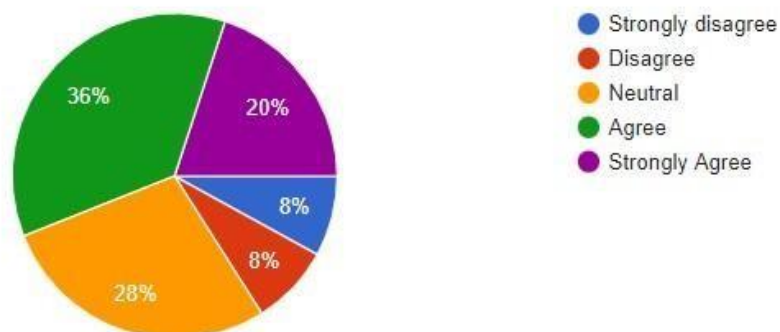
50 responses



Findings: Now foreign remittances reach instantly to 1032 BKB branches from Head Office. So BKB provides faster money transfer service. 52% people among 50 respondents agreed with BKB. Only 14% disagreed with this statement and 20% respondents are neutral.

All of the BKB branches have internet connectivity and use web-based software?

50 responses

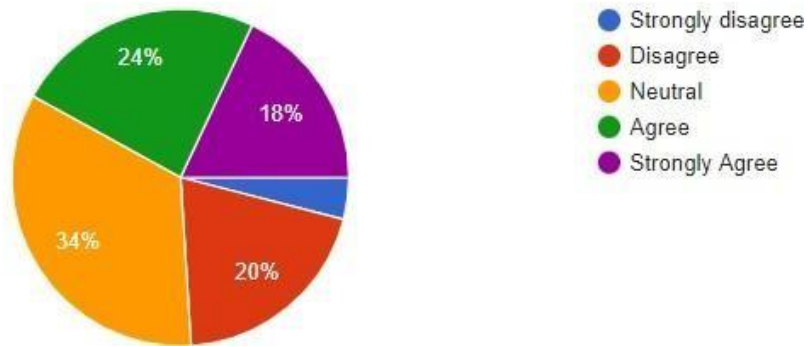


Findings: BKB makes its foreign remittance service online on 02.02.2014 introducing web-based software named Automation of International Remittance System for BKB. With this statement

customer also has a related response. But 8% customer did not agree with this statement. 36% customer agreed & 28% customer are neutral with the statement.

I think BKB provides hassle free remittance service?

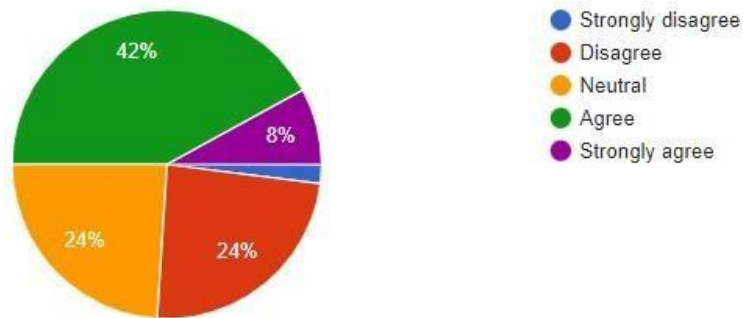
50 responses



Findings: BKB's service qualifications are hassle free. 34% people are response neutral & 24% happened to those people who agreed. Only 18% strongly agreed with this statement and 20% disagree with the statement.

Expatriates of any country across the globe can easily send money to Bangladesh Krishi Bank?

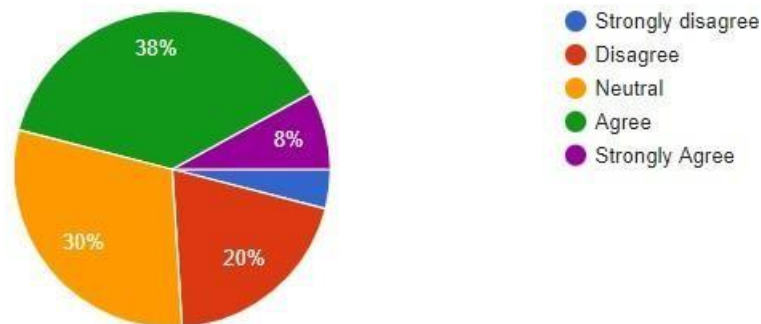
50 responses



Findings: 42% people among 50 respondents think that expatriates of any country across the globe can easily send money to Bangladesh through BKB. 24% people neutral and disagree with the statement.

BKB charges lower transaction fees comparing to other commercial banks?

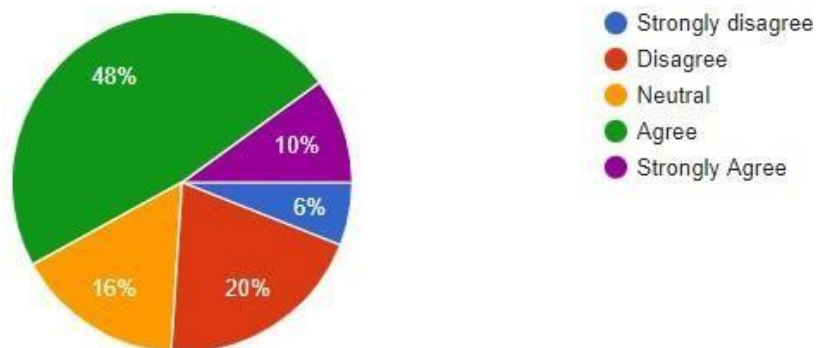
50 responses



Findings: 38% people agree with the statement. 30% respondents neutral and 20% people respondents disagree.

I think getting remittance through BKB is less risky than any other bank?

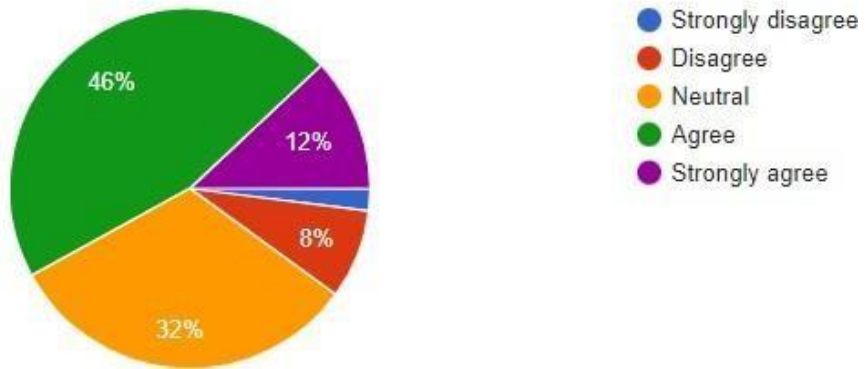
50 responses



Findings: As there are a number of branches are available in the rural area. People feel free to get their remittance. 48% people agreed. 16% Neutral among 50 customers.

I am satisfied with this service.

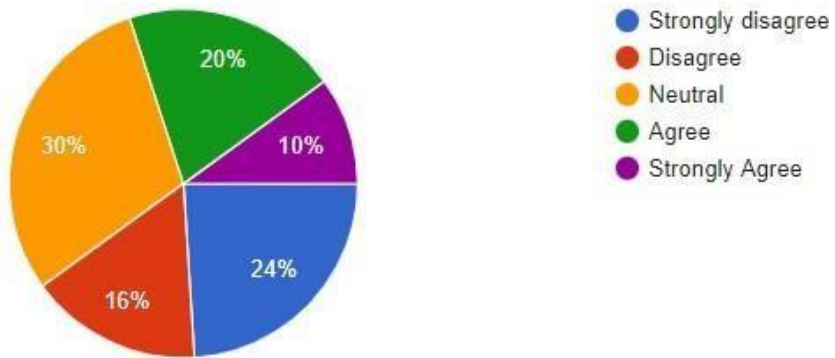
50 responses



Findings: 46% customer are happy with the BKB remittance service. 8% people don't satisfy with the service.

I think BKB provides extra care to foreign remittance client?

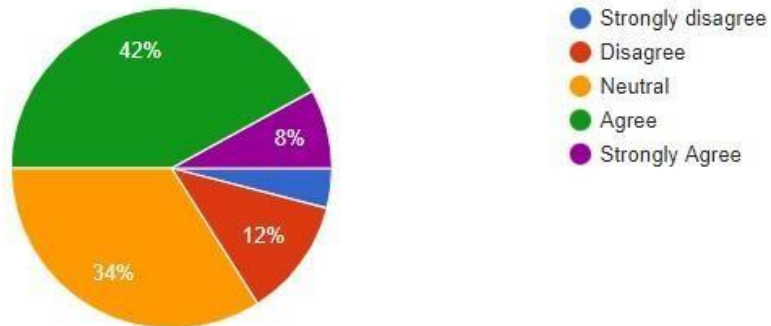
50 responses



Findings: As Remittance department is an important department for not only bank sector, but also for our country, the bank provides extra care in some cases. However, 20% customer agreed among 50 people & 16% disagreed & 30% remain neutral.

Beneficiaries can easily get money in their account from abroad or receive money for Pin Code number instantly over the cash counter without any account?

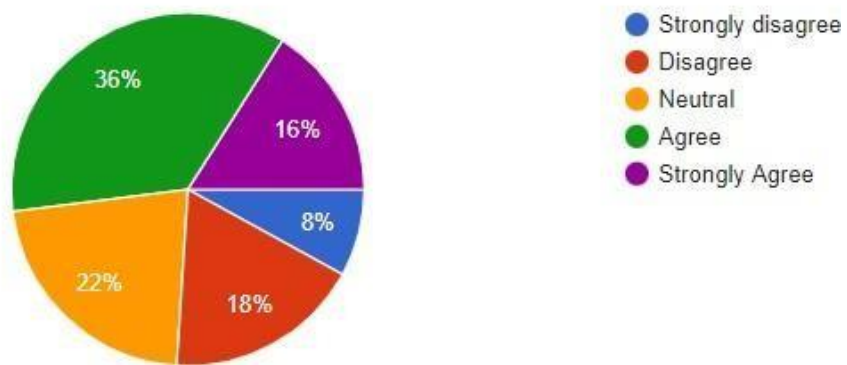
50 responses



Findings: Today it's very easy to get money from abroad. Just by getting a pin number anyone can get money from Bangladesh. BKB provides this service. 42% customer among 50 agreed with this statement because they are enjoying this service and 34% remain neutral. The possible outcomes from customer's response on BKB's pin code-based remittance service.

I would like to recommend my colleague or friend to use this service?

50 responses



Findings: When someone is satisfied with this remittance service, they will recommend others to use the service. From the survey among 50, 36% people would like to recommend.

Conclusions

For banking operation Foreign Remittance is one of the most important sectors of a bank. Foreign Remittance of BKB also contributes a lot towards the economic development through international transactions. From my study it is found that 46% Customers are satisfied with its service. 20% foreign remittance customer gets extra care. 42% believed that BKB international money transfer service is well known. BKB is the best bank, they shown good performance and holds the strongest position in the banking market. The bank must a positive attempt to be more outward looking in their goals and aware of what is happening. Their lending interest rate and customer dealing is really competitive and they can earn well reputation for their quality service, so I wish its bright future.

Recommendations

Though, Bangladesh Krishi Bank tries to give the best customer support. On the basis of preceding description and analysis the activities some recommendations are given below which may be effective for the organization:

- ✚ Foreign Remittance Management Department needs to shorten/easier its complex transaction procedure to provide hassle free service.
- ✚ BKB should have a marketing strategy to reach at the heart of the customer to recommend others.
- ✚ The bank can adopt a new system to make a faster transaction in foreign remittance.
- ✚ BKB should solve the internet connectivity & web-based software
- ✚ In Foreign Remittance more officers should be appointed for the prompt faster service.
- ✚ Bank should increase their office space and take more care in case of remittance client.

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Appendix A

Questionnaires

1. What is your name?
2. What is your gender?
 - Male
 - Female
3. Age?
 - 18-25
 - 26-35
 - 36-45
 - 46-60
 - Above 60
4. What is your occupation?
 - Businessman
 - Farmer
 - Housewife
 - Student
5. Bangladesh Krishi Bank provides the faster money transfer service?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
6. All of the BKB branches have internet connectivity and use web-based software?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
7. I think BKB provides hassle free remittance service?
 - Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
8. Expatriates of any country across the globe can easily send money to Bangladesh Krishi Bank?
 - Strongly disagree
 - Disagree
 - Neutral

- Agree
 - Strongly agree
9. BKB charges lower transaction fees comparing to other commercial banks?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
10. I think getting remittance through BKB is less risky than any other bank?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
11. I am satisfied with this service.
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
12. I think BKB provides extra care to foreign remittance client?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
13. Beneficiaries can easily get money in their account from abroad or receive money for Pin Code number instantly over the cash counter without any account?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree
14. I would like to recommend my colleague or friend to use this service?
- Strongly disagree
 - Disagree
 - Neutral
 - Agree
 - Strongly agree