Report On

The Impact of Training & Development and Effective Communication on Employee Engagement: A study on bKash

By

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ID- 20104020

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
June, 2024

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:

_____

Afrin Jahan Ananna

20104020

Supervisor's Full Name & Signature:

_____

Dr. Nusrat Hafiz

Assistant Professor, BRAC Business School

BRAC University

Letter of Transmittal

Dr. Nusrat Hafiz

Assistant Professor,

BRAC Business School

BRAC University

Kha 224 Bir Uttam Rafiqul Islam Avenue, Merul Badda, Dhaka

Subject: Internship report submission

Dear Ma'am,

This is my pleasure to forward my internship report titled "A Study on bKash's Organizational Development Initiatives in Improving Employee Experience, Culture and Growth Strategies". This internship gave me an incredible opportunity to gain real time experience on handling HR projects and other fundamental HR operations for which I am immensely grateful.

My report explores the HR initiatives taken by bKash Limited in terms of enhancing their employee experience elevating their growth and development in the organization.

I extend my sincere gratitude to my internship supervisor for the guidance and support.

Sincerely yours,

—————————————

Afrin Jahan Ananna

Student ID- 20104020

BRAC Business School

BRAC University

Date: 3rd June, 2024

Non-Disclosure Agreement

This agreement is made and entered into by and between bKash Limited and Afrin Jahan Ananna student at BRAC University………………………………….

Acknowledgement

With deep gratitude, I acknowledge the incredible support and guidance of Dr. Nusrat Hafiz, Assistant Professor at BRAC Business School, BRAC University. Her mentorship throughout the internship period was very significant in ensuring the quality of this report. Her specified suggestions and direction helped me in completing a comprehensive report. I would also like to appreciate the efforts given by my co-supervisor Dr. Mizanur Rahman in the process of assessing and providing valuable feedback.

I would also like to express my sincere thanks to Mr. Rezaur Rahman Nafiz, Vice President, Head of Organizational Development & HR Strategy department at bKash Limited. Under his supervision, I was able to gain valuable experience and insights related to the real-world HR projects and operations, professional challenges, and opportunities. Working in the Organization Development & Employer Branding department under his guidance provided me with valuable hands-on experience in developing employee engagement strategies, conceptualizing and executing different projects, getting insights about various strategies related to the inner workings of the department. The opportunity to learn from such experienced professional and collaborate with the team helped me significantly while acquiring valuable knowledge that will undoubtedly benefit my future career. I am incredibly grateful to Mr. Rahman for the opportunity to work under his leadership and complete my internship under his insightful guidance.

Executive Summary

bKash Limited is the leading mobile financial service provider in Bangladesh. Among many other MFS companies, bKash has captured maximum market share in the industry along with rapid organizational growth. Throughout my internship period at bKash Limited at Human Resources division, Organizational Development & Employer Branding department, I got to learn valuable insights related to different OD initiatives. Throughout the internship, I actively participated in various OD initiatives including employee engagement activities, learning development and training programs. I had a four-month internship during which I was able to observe essential elements of the company's operations and corporate culture. I have created this report using the experiences I had while doing my internship. I have covered my internship duties and responsibilities in this report, with a particular emphasis on the company's management, marketing, systems, and operations procedures. This report also includes an examination of the MFS industry and the company. This report has focused on a brief overview of insights while preserving the organizations confidentially.

In addition, research have been conducted and are included in this report. Using bKash as a case study, I have attempted to investigate the effects of training and development and good communication on employee engagement. Based on the survey questionnaire, I have tried to measure whether the training and development opportunities and communication efforts are effective enough to engage the employees at bKash. As the industry leader, bKash possesses a good reputation in the marketplace. In addition, the organization's excellent corporate culture and human resources policies draw in young people across the nation to work there. The analysis reveals whether bKash practices the training & development and effective communication practices that has an impact on their employee engagement at work.

Chapter 1

Overview of Internship

1.1 Student Information:

Name	Afrin Jahan Ananna
ID	20104020
Program	Bachelor of Business Administration
Major	**Major 1:** Human Resources Management
	Major 2: Marketing

1.2.1 Internship Information:

Internship Period	4 Months (10th January, 2024 - 9th May, 2024)
Company Name	bKash Limited
Department	Organizational Effectiveness & Employer Branding
Division	Human Resources

Address	Shadhinata Tower, 1, Bir Sreshtha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka 1206, Bangladesh

1.2.2 Internship Company Supervisor's Information:

Name	Rezaur Rahman Nafiz
Position	Vice President, Head of Organizational Development & HR Strategy

Job Responsibilities and Duties:

● Support the development and implementation of initiatives for talent development, learning development and leadership development programs.

● Generate ideas and prepare presentations on new projects aiming at enhancing employee experience.

● Assist with program logistics, such as scheduling, preparing data, managing vendors, etc.

● Coordinate program execution ensuring smooth operation.

● Communicate with vendors to ensure program alignment and successful execution.

● Communicate with the employees over phone calls, emails and meetings about different development programs.

● Address employee queries and concerns about development programs' participation.

- Coordinate the training and other development programs.

- Facilitate communication between employees and instructors.

- Maintain program data and records.

- Identify areas of improvement in the execution of the development programs.

- Prepare reports and presentations on program flaws and recommendations.

- Assist in planning and execution of employee engagement events and initiatives.

- Assist in maintaining and updating organizational development program databases.

1.3 Internship Outcomes:

1.3.1 Student's contribution to the company:

The findings and recommendations for development programs that were proposed have been used to identify the areas for improvement, evaluate the effectiveness of existing programs, and inform future decision-making. The involvement in developing and implementing engagement initiatives helped in creating effective talent, learning and leadership programs. Through communication with employees over emails, calls, and meetings, the employee engagement and participation in talent, learning, and leadership development programs were increased. The assistance in scheduling, managing attendance data, and managing the vendors for program logistics, ensured smooth program delivery and execution. The facilitation of communication between employees and instructors ensured better employee experience throughout the execution of the development programs. Development of fresh perspective and innovative ideas through brainstorming solutions, identified potential challenges as well as creative approaches to existing problems.

As an HR intern of the Organizational Development & Employer Branding department, I could play a significant role in supporting my supervisor in the process of ensuring employee development, enhancing their experience, and contributing to the overall growth and success of the company.

1.3.2 Benefits to the student:

Through supporting and involving into the creation and execution of developmental initiatives for the employees, I could gain valuable experience and insights into the field of Organizational Development. In the process of coordinating the talent development, learning development and leadership development programs of bKash, I could learn from experienced professionals in the HR industry as well as foreign professional trainers. This helped me in improving my soft skills, technical skills and computer skills. While working under the Organizational Development & Employer Branding Department of HR Division, I could contribute to meaningful projects that creates a great impact on bKash's organizational growth and success. Along with that, I could also network with other professionals and build valuable connections with the leadership teams of bKash across all divisions. In the process of developing, coordinating and executing programs, I have been able to independently lead a complex project from ideation to completion. While working under the Organizational Development & Employer Branding department I got the opportunity to demonstrate exceptional initiative and project management skills. As an OD & EB intern, I had the valuable opportunity to work in various projects focused on employee development, including programs to enhance skills like leadership, technical, etc.

1.3.3 Problems/Difficulties (faced during the internship period):

While my internship at bKash's OD department was a rewarding experience, there were a few challenges I encountered. One such difficulty was the limited seating capacity for interns. The lack of dedicated desks or designated workspace for interns sometimes made it hard to find a comfortable and productive environment, especially when the office was busy. This sometimes impacted efficiency and could have been improved by designating dedicated workspace for interns.

One of the key areas for improvement was the availability of development programs for interns. I observed that bKash offered well-designed and impactful development programs for its employees, focusing on skill enhancement and fostering career growth. However, these programs weren't readily accessible to interns. The development programs designed for the employees are much effective and impactful in shaping up their skills, fostering a better growth

which would have been immensely helpful for the interns as well. However, for the interns there were no such development programs to participate in.

1.3.4 Recommendations (to the company on future internships):

The internship program can be designed including the structure that there is minimum one designated training program related to the technical or soft skills where interns can participate and learn valuable insights.

If assessment tools are introduced to ensure learning outcomes and employee satisfaction to examine the program effectiveness and identify areas for improvement it would be more beneficial for the organizational development.

Chapter 2

Organization Part

2.1 Introduction

Mobile Financial Services (MFS) play a crucial role in facilitating financial inclusion, driven by the increased usage of mobile and internet services, the presence of smartphones, and the growing adoption of cashless transactions. bKash Limited is the leading Mobile Financial Service (MFS) provider in Bangladesh. bKash is a bank-backed mobile financial service provider in Bangladesh that operates under Bangladesh Bank's regulations (bKash, 2024). Established in 2011 as a subsidiary of BRAC Bank Limited, bKash has seamlessly become ingrained in the daily routines of millions across Bangladesh. Its services are provided through mobile app and USSD platforms. 'bKash' has become a verb due to its secure, user-friendly, and efficient digital transactions. It has become a necessary part of households. Saying "bKash Me" is become more prevalent than "send me money" (bKash, 2024). bKash is a part of the nation's digital financial ecosystem through partnerships with banks, financial institutions, and service providers. Consequently, bKash has amassed an incredible user base of more than 70 million individuals (bKash, 2024).

2.2 Company Overview

bKash has been enhancing financial access for the people of Bangladesh, including those in lower income brackets, by providing reliable, convenient, and affordable financial services. With approximately 39.9% market share in Bangladesh, bKash boasts over 70 million registered users, 330,000 agents, and over 600,000 merchants, facilitating fast, simple, and secure digital transactions. Continuously introducing a diverse range of services, bKash aims to empower customers and streamline financial transactions. At the core of bKash lies a commitment to financial inclusion aiming to achieve through technological innovation and strict adherence to regulatory standards. Their vision includes providing a highly scalable mobile money platform, allowing Bangladeshis to safely utilize mobile devices for money transfers and transactions.

2.2.1 Partners of bKash

In 2010, bKash was launched as a joint venture between Money in Motion LLC, USA, and BRAC Bank Limited, Bangladesh. The Bill & Melinda Gates Foundation then invested in 2014, and the International Finance Corporation (IFC), a division of the World Bank Group, did the same in April 2013. Ant Financial (Ali Pay) made an additional investment in bKash in April 2018. The IFC's investment played a significant role in bKash's success and expansion

(Shrier, 2022). Operating within the regulatory framework set by Bangladesh Bank, bKash is mainly owned by BRAC Bank, holding nearly 51% ownership. Also, as per an agreement, both primary and secondary investments will be made by SoftBank in bKash, whereby SoftBank will acquire 20% fully-diluted shares of the MFS provider and partner of bKash. (Liaquat, 2021) Additionally, users can carry out transactions with the assistance of bKash agents, with the option to perform cash withdrawals and deposits.

Figure 1: Partners of bKash

2.2.2   Board of Directors

Mr. Shameran Abed, who works for BRAC's microfinance program, is the Chairman of the Board of Directors of bKash Limited. BRAC Bank Limited has nominated Mr. Selim Reza Farhad Hussain to be a director of bKash Limited. (bKash, 2024). Mr. Selim has been serving BRAC Bank as the Managing Director and CEO from 2015.

In total there are 12 board members in the Board of Directors of bKash Limited which includes professionals from bKash's investors.
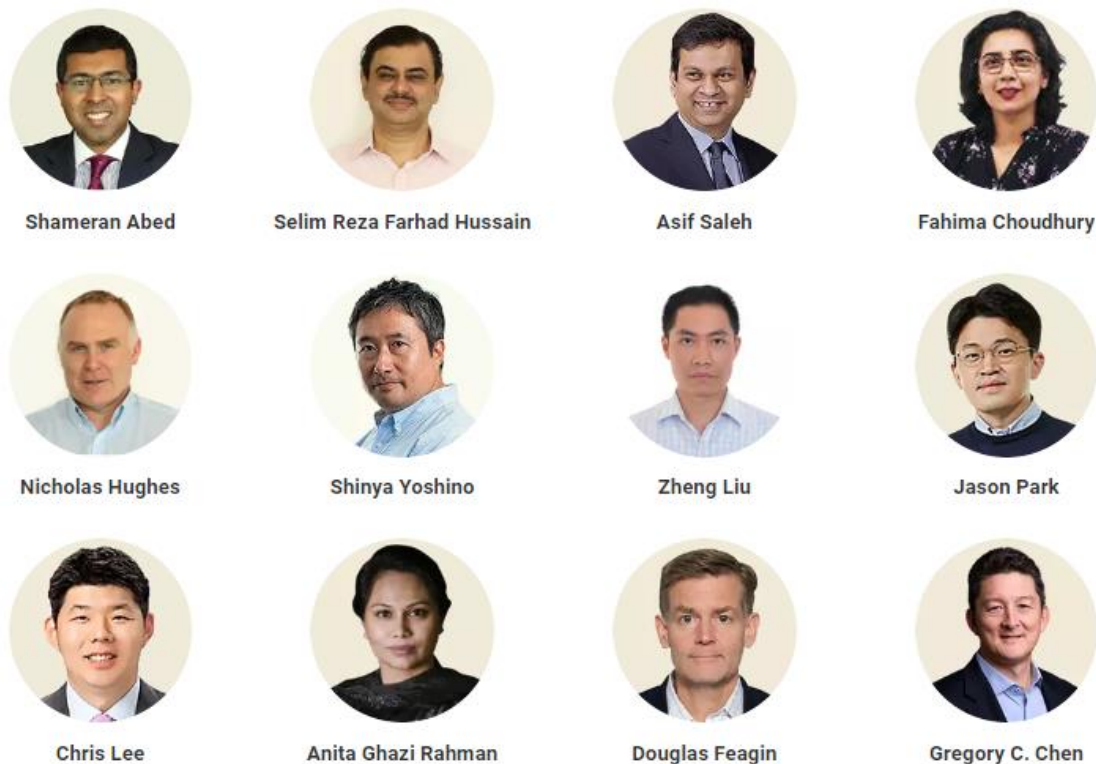
Figure 2: Board of Directors of bKash

2.2.3 Emerging of bKash

A big part of bKash's success can be derived from its agent network, referring to businesses that utilize bKash as a medium for transactions. Moreover, three key factors have been pointed out by Chen and Rasmussen (2014) that contributed to bKash's rapid growth: a specialized organizational structure focused on providing mobile financial services, a shared vision for scalability among a diverse group of investors, and an enabling regulatory environment characterized by flexibility. Together, these factors have propelled bKash to achieve a swift start.

2.2.4 Corporate Divisions

bKash has 11 divisions, each responsible for a separate function inside the organization. Overall, there are 11 divisions: Finance and Accounts, Commercial, Marketing, Communication, External and Corporate Affairs, Product and Technology, Customer Service, Human Resource, Legal, Internal Control and Enterprise Risk Management.
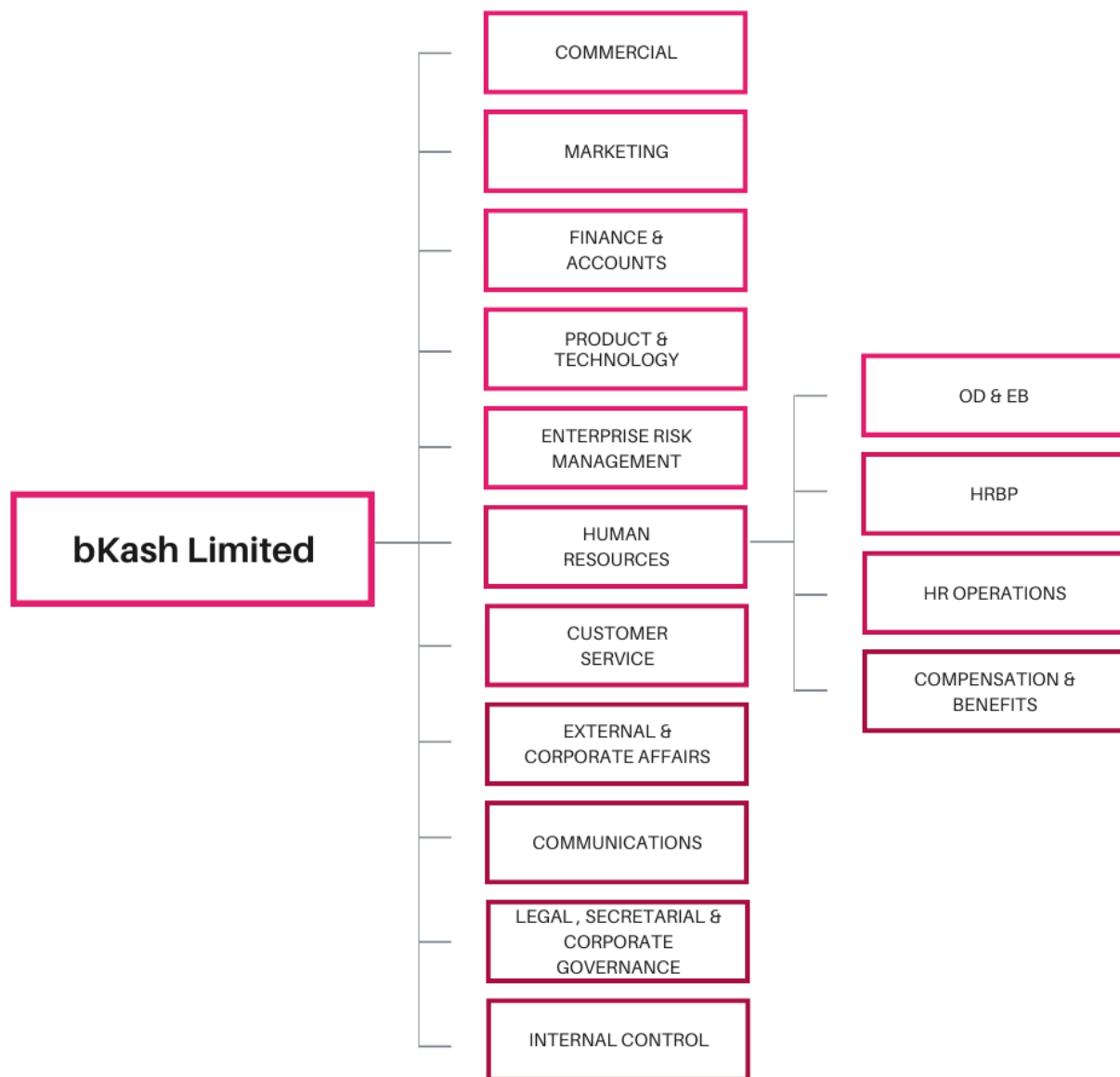
Figure 3: Corporate Divisions of bKash and 4 Departments of HR Division

2.3 Management Practices

bKash prioritizes fostering a culture of development, engagement, and strategic talent acquisition ensuring a well-rounded approach to employee management with HR compliance. There are 4 departments of HR division at bKash Limited; Organizational Development & Employer Branding, HR Business Partner (HRBP), HR Operations and Compensation & Benefits.

Organizational Effectiveness & Employer Branding: This department focuses on employee growth through various programs offering Talent, Leadership, and Learning development, Culture and Change management, HR Product/Framework/Process Development initiatives alongside training opportunities. One of the major focuses of OD & EB department is to enhance the employee experience. There is a monthly training program designated for the employees to train themselves better and upgrade their skills and efficiency. This program is called "Monthly Level Up" program. The employees are given a set of training program list and asked to select which training programs they would like to get trained for the upcoming month. This is a monthly training program to level up the employees with polished and more proficient skills. The employer branding team works for attracting talent, dealing with flagship internship program "bNext" and management trainee program "GENNEXT". In addition to that there are campus ambassadorship program, e-sports tournament arranged for the university students known as "BEACON".

HR Business Partner (HRBP): bKash implements a dedicated HRBP structure where the designated HR representatives act as liaisons between HR and specific business divisions, ensuring clear communication and addressing employee concerns within each department. The HRBP department acts as a bridge between HR strategies and business goals. For each of the division there are designated HRBPs who addresses different issues of employees.

HR Operations: HR operations looks after the recruitment sector of the organization. Talent acquisition, HR Information System, onboarding, employee onboarding etc. 4. Compensation & Benefits- This department deals with the payroll management and all the compensation & benefit packages that includes salary disbursement, bonus, pension, insurance etc. Based on the above information, write a broad description titled "management practices of bKash Limited"

Compensation & Benefits: This department deals with the payroll management and all the compensation & benefit packages that includes salary disbursement, bonus, insurance, rewards etc. There are around 1200 outsourced employees at bKash, the compensation & benefits department is responsible for the outsource management. bKash also offers Employee Share Option Plan (ESOP) to the employees from Assistant Management level and this department deals with ESOP of bKash.

2.3.1 Leadership Style

The leadership style prevailing at bKash denotes a participative leadership style. The management has an Employee Development Focus which emphasizes on training programs such as "Monthly Level Up" as well as there are leadership development and skill-building opportunities that indicates a belief in employee potential and a desire to empower them to make decisions. Employees have a choice in their skill development, demonstrating trust and encouraging initiative. The HR Business Partner structure is designed as such that there are dedicated HR representatives embedded within each business unit facilitating open communication and encouraging employee participation in resolving departmental issues.

2.3.2 Recruitment and selection process

The talent acquisition team deals with the recruitment process by hunting the job seekers for the job openings. There are usually two to three stages the candidate needs to clear before getting a job.

2.3.3 Compensation system

To keep staff members engaged and motivated in their work, management has implemented a number of motivational measures. They are listed in the following order:

- **Performance Bonus:** Earning a decent performance bonus is contingent upon meeting KPI and receiving a favorable appraisal.

- **Acknowledgment and Prize:** Superior performers receive special prizes and acknowledgement.

- **Safety and Security:** Workers' general safety is taken into consideration, and their security is guaranteed.

- **Medical Allowance:** In the event of an employee emergency, special medical allowance is given.

- **Retirement Benefits:** In recognition of their loyalty, employees who retire from the company receive a special retirement benefit.

By providing an alluring wage and benefits package, bKash helps the company stay professional and draws in talented individuals to join the team. The fact that bKash has become

the leading employment brand in the sector is demonstrated not only by the wage but also by other advantageous compensations. The following are the salary and benefits that bKash management offers:

- Paid time off for mothers.

- Leave Fare Assistance (LFA) for 10 days each year.

- Using the yearly leave option.

- Alluring health insurance for workers, their spouses, and their kids.

- The second-year festival bonuses.

- Car loans, staff loans, home loans, gratuities, and so forth.

2.3.4 Training and development initiatives

There is a designated monthly "Level up" program at bKash under the organizational development initiative named "bAcademy". Employees are offered training programs of various range of field including soft skill, professional development, technical skill, etc. The employees are offered these trainings every month where they can develop their professional competencies trained by master class trainers.

2.3.5 Performance appraisal system

The performance management system at bKash is very rewarding. The system is HRIS oriented and includes two steps of review of both the employee and line manager. There is total three quarter of evaluation included in the process. bKash also offers increment based on the performance of the employee at the end of the evaluation phase of performance appraisal.

2.4 Marketing Practices

It is exceedingly difficult to establish and maintain a brand in a highly competitive business such as MFS. Even so, the bKash marketing division has consistently maintained the highest market share in the sector and won the best brand title multiple times.

2.4.1 Media Team

The marketing division's media team performs exceptional duties in maintaining current knowledge of media trends, branding, and sponsorship management, event planning and execution, content production, and vendor management pertaining to the marketing area. Two wings comprise the media team. They are:

- **Outdoor and Out-of-Home:** The group is in charge of organizing and carrying out all kinds of outdoor branding and promotions, including the creation and selection of billboard locations, wall painting, vehicle stickers, banner and placard marketing, and more.

- **Event Management:** To represent bKash to clients, the event management team plans events and takes part in them. The group participates in fairs and special events like music concerts and job fairs, and it arranges roadshows and seminars in universities. Additionally, the team organizes campaigns and brings unique deals during festivals like Pohela-Falgun, Eid, Victory Day, New Year, and Pohela-Boishakh.

2.4.2 Creative Team

The creative team handles the creation of online content, website content management, festoon designs, TVC scripts, posters, online content, online content creation, and reorganizing the website's information structure to display updated content on the main site. This section is the channel for all of bKash's innovative marketing initiatives.

Customer-centric marketing strategy that prioritizes comprehending and meeting the demands of customers for convenience and financial inclusion.

Financial Literacy: Inform consumers on the advantages and secure use of bKash services, particularly in rural areas.

Digital Focus: Use digital platforms for marketing and customer interaction, such as social media and mobile apps.

Agent Network Extension: To provide broader accessibility, sustain and expand a robust agent network.

Positioning Strategy, Targeting, and Customer Targeting:

Segments of Targets:

- Low-income workers (both general and rural)

- Affluent (urban population)

- Non-resident Bangladeshis

Positioning:

bKash presents itself as the unbanked population's gateway to financial inclusion, a convenient and cost-effective alternative to traditional banking, a safe and secure mobile financial service provider.

Marketing Channels:

- Products & Services:

- Mobile App

- Website

- SMS & USSD

- The Agent Network

- Social media websites

Product/New Product Development and Competitive Strategies:

Product Development

Incorporate new features on a regular basis, such as microloans, investments, and bill payments.

Competitive Practices

- Provide transaction costs and fees that are competitive.

- Collaborate with organizations and companies to increase service coverage.

Branding Activities

Sustain a robust brand identity linked to:

- Dependability

- Safety

- Financial Inclusion

Strategies for Advertising and Promotion:

- Digital marketing and social media.

- Facebook advertising, both paid and organic, to reach a large audience.

- Financial inclusion videos on sites like YouTube.

- Influencer marketing to reach particular audiences.

- Engaging social media marketing that are interactive.

- Conventional Media; in rural areas with lower internet penetration, use of TV and radio advertising.

Critical Marketing Issues & Gaps:

To bridging the gap of knowledge about mobile banking especially in rural areas and to lessen the competition from the side of other mobile financial service providers they managed security by maintaining the trust of users regarding their data being completely secured. By solving these important marketing challenges, bKash and others can solidify their spot as the leading mobile financial service provider in Bangladesh.

2.5 Financial Performance and Accounting Practices

The core of any firm is its finances, and accounting gives stakeholders access to all of the information about a company. However, the bKash finance and accounting department is in charge of creating revenue reports, making financial investment decisions, managing company assets, guaranteeing employee payroll, managing costs and doing cost analysis, carrying out internal and external audits, and creating VAT and tax clearance reports, among other things. There are four departments that make up bKash's finance and accounting department. They are listed in the following order:

2.5.1 Accounts Centralized

The annual budget preparation, fixed asset monitoring, accounts payable and receivable reconciliation reports, costing record keeping, and financial statement preparation are under the purview of bKash's central accounts department.

2.5.2 Factoring and Costing

The bKash costing and factoring section projects the organization's yearly costs as well as its sales and revenue for the coming year. The department oversees all of the organization's spending and creates the cost structure.

2.5.3 Revenue and Assurance

The department is in charge of keeping an eye on every transaction and guaranteeing the safety of the business's financial resources. Additionally, the department works to reduce transactional risks, financial hazards, and irregularities associated to customer accounts.

2.5.4 Taxation

This specific department makes sure that all of the organization's operations pertaining to taxes, VAT, and tariffs are cleared. Additionally, it controls how well tax, VAT, and tariff-related policies are followed by regulatory bodies.

2.6 Operations Management and Information System Practices

The organization's activities are service-oriented and akin to those of a bank. The foundation of the business's operations is information. Sorting, validating, and compiling data using software are all basic procedures used by organizations to oversee their entire business. A cell phone and a mobile wireless network are required for bKash to function. The following procedures are ensured by the bKash information system to manage financial operations:

- Ensuring consistent communication between sim card providers and financial institutions.

- Keeping track of customer transaction records and both parties' transaction confirmation messages to guarantee the accuracy of transaction facts.

- Managing sensitive consumer data and protecting the privacy of customer information.

- Preserving software-driven data analysis and customer relationship management.

- Preserving user authenticity and lowering financial risks and fraudulent activity.

2.7 Industry and Competitive Analysis

Key Players in Mobile Financial Services Industry

- bKash Limited (a subsidiary of BRAC Bank Limited, his today)

- Rocket of Dutch-Bangla Bank Limited.

- UCash by United Commercial Bank Limited

- MYCash by Mercantile Bank Limited.

- Bangladesh Post Office: Nagad

- Next up is the platform called mCash by Islami Bank Bangladesh Limited.

- Hello by Bank Asia Limited.

- IFIC Bank Limited (IFIC Mobile Banking)

- FSIBL FirstPay SureCash by First Security Islami Bank Limited

- Trust Bank Mobile Money Trust Bank Limited

- OK bank by ONE Bank Limited

Competitive Analysis by Porter's Five Forces Model

Bangladesh's mobile financial services sector has seen a sharp increase in competition in recent years. With additional agent locations and merchant stores across the nation, established businesses are enlarging the territories they cover in the market. Additionally, businesses periodically launch new services into the market with unique offerings. The main drivers of the MFS industry's expansion are these consumer-driven tactics. The following describes a competitive analysis of the MFS industry using Michael Porter's five forces model:

1. Competitive Rivalry – (High)

As banks and other financial organizations are giving access to mobile services, there is no monopoly here. Some of the banks have launched their mobile financial services, such as Trust Bank, IFIC Bank, One Bank, United Commercial Bank Limited (UCBL), Dutch Bangla Banks Ltd., Mercantile bank etc. Currently in the market there are 2 leaders, Rocket (by Dutch Bangla Bank) and bKash (by BRAC Bank). With bKash as the market leader and its ultra-aggressive marketing approach, they have virtually achieved 100% (theoretical) penetration of the market. The next market leader, Dutch Bangla Bank bKash has more ATM locations but fewer agents than its successor Rocket. Even though their rivals in the industry aren't focusing as much on their mobile financial services, it's nevertheless simple for businesses to enter the market and draw in clients with fresh product offerings. Islami Bank Bangladesh Limited's mCash service is expanding in the market, following bKash and Rocket, thanks to a sizable client base focused on bank accounts. But bKash continues to dominate the industry by providing cutting-edge services to clients in every manner imaginable. It is evident from a market analysis that there is fierce competition among the current rivals.

2. Threat of New Entrants – (Moderate)

In the MFS sector, establishing a business requires a sizable amount of capital. In addition, firms that wish to participate in the business as financial institutions need to uphold particular capital adequacy, cash reserve, and liquidity ratios. They also need to have sound corporate governance practices and a secure, well-regulated IT system. Because of this, it might be challenging for newcomers to get a license to operate in the industry without a banking operation. Additionally, the market leaders benefit from economies of scale and the advantage of being in business for longer because to their extensive agent and merchant acquisition, KYC procedures, powerful negotiating positions with mobile network providers, and innovative and sophisticated distribution networks. After examining these variables, we may conclude that there is a moderate risk of new competitors for the established MFS companies.

3. Threat of Substitutes – (Moderate)

Top MFS providers like bKash have gained the lead in the industry by delivering similar services while saving clients' vital time and money on transaction expenses, despite the banking services like bank drafts, checks, debit cards, and credit card systems. There are about 58 commercial banks in the nation, but the majority of them offer standard banking services, with

bKash spearheading the industry with cutting-edge offerings. Instead of the top firms, alternatives like the Government Post Office's "Nagad" and private courier services provide low-cost money transfers. Furthermore, there are unapproved and unregulated money transfer services like "Hundi" that can function as near replacements for the current mobile financial service. In general, we may say that there is a moderate risk of substitutes in the MFS sector.

4. Bargaining Power of Buyers – (Moderate)

Businesses in the MFS sector primarily cater to individual and corporate clients. Corporate users use mobile financial services for business-to-business transactions, employee salary payments, etc. because they are efficient and cost-effective. According to these rules, MFS providers are not allowed to charge more than the maximum permitted rate. While firms like bKash, Nagad, Rocket, and others provide comparable services at varying transaction rates, bKash's agent coverage in remote areas makes it more expensive to utilize than its competitors in terms of facilities and prices. Customers in rural areas can take advantage of cross-border remittance facilities with bKash. Because of these factors, even with a low switching cost, customers do not have a lot of negotiating power because the services provided by bKash are distinctive and alluring. Therefore, purchasers have a moderate amount of bargaining power.

5. Bargaining Power of Suppliers – (High)

One of the MFS industry's main suppliers is mobile network carriers. MFS companies are unable to operate without the operators' wireless network. MNO Partnerships are formed between MFS firms and operators. The collaboration is open to five mobile network operators. Furthermore, IT infrastructure is essential to the operation of the MFS sector. To execute MFS activities flawlessly, specialized IT support and a well-structured IT infrastructure are required. Specialized IT vendors therefore have significant negotiating leverage inside the sector. Due to the substantial capital needed to launch an MFS business, investors are also essential to the sector. As a result, those who are willing to invest large sums of money anticipate a high rate of return. Because there are so few investors prepared to take on a significant risk, investors have significant bargaining power. In general, the industry's suppliers have significant negotiating influence.

SWOT Analysis

Strength:

- Has a strong brand image and is well-known throughout Bangladesh's MFS business, giving it an advantage over its competitors.

- Has a large consumer base that spans all socioeconomic classes and geographic areas.

- Several important market participants, including the International Finance

- The World Bank Group, BRAC Bank, the Bill and Melinda Gates Foundation, etc.

Weakness:

- The potential clients' trust difficulties because of fraudulent actions.

- A higher transaction cost in comparison to other MFS firms Prospects.

Opportunities:

- bKash has a large consumer base to deal with because it strives for financial inclusion, regardless of socioeconomic status or location.

- bKash payments are growing as a result of the increase in online buying.

- bKash's enrollment of RMG as their payroll provider may lead to a number of opportunities.

- As more individuals in Bangladesh become accustomed to using smartphones, it becomes simpler for bKash to grow its inclusive consumer base.

Threat:

- New players in the MFS space are becoming more and more well-liked, and some even have more alluring features like cheaper transaction fees.

- A significant number of individuals are actively involved in defrauding bKash, which could damage the company's reputation.

- Modifications to governmental laws may have an impact on bKash's fees and operations.

2.8 Conclusion

Within the MFS sector, bKash continuously holds the top spot. By launching mobile banking services, the organization has redefined traditional banking. Customers may now simply access their bank accounts and conduct financial transactions from the comfort of their homes using a mobile device. Since the sector was still in its infancy, bKash has established a solid brand identity in the marketplace. To leave a lasting impression on customers, the marketing and creative team at bKash is always refining their promotional tactics and marketing plans. The finest aspects of the company are also brought by other departments including supply chain, finance, external affairs, and information technology. Among the competitors, bKash has the most boasting network of distribution and service channel. The bKash agent network is incredibly helpful in offering financial services and being reachable throughout the country. The ability for customers to make payments from their bKash accounts has expanded the standard banking transaction services offered by merchant payments through bKash. In addition to connecting bank accounts with bKash accounts, other extra services like bill payment, add money, remittance, etc. have made it possible for users to access a variety of financial services from a single platform.

In order to acquire a competitive space in the market, bKash should standardize the price of its service offerings and concentrate on cost-cutting measures. This is because market rivalry is growing. Although bKash has been recognized as the market leader due to their strategic decisions and effective business model, the company needs concentrate on reevaluating and developing its operations in order to maintain its position as the leader. Enhancing the organization's marketing plan, operation management, and IT infrastructure will help it succeed in the MFS sector.

2.9 Recommendations/Implications

The departments of bKash Limited are well-organized and furnished with all the tools required. The process they adhere to is incredibly precise, and it is positively affecting bKash's consumer base. However, following my four-month internship, I've identified the following areas for improvement, along with some suggestions:

Repayment/Compensation: When a consumer files a complaint, bKash responds right away, and in the case of fraud allegations, the FDM team thoroughly looks into the issue from all angles. In addition to taking strong measures against the con artists, bKash ought also to look out for the people who were scammed.

Technological Advancement: Large numbers of fraud reports are arriving to customer touchpoints on a daily basis. Due to the volume of fraud complaints, the investigation process is drawn out and the department is under pressure to provide appropriate conclusion. If technology is developed and effectively applied to lower fraudulent activity, the investigation process may become easier to handle. Furthermore, bKash may update their software to stop fraudulent activity, making it more difficult for fraudsters to violate the rules.

Promoting Awareness in Rural Areas: Despite bKash's constant efforts to educate its users about their privacy and the importance of keeping personal account information private, many users fall victim to fraudulent calls and unintentionally divulge personal information or pin numbers, resulting in financial loss. Precaution is necessary for prevention, and bKash is always raising awareness through advertising campaigns, social media, and phone calls. Promoting efforts are still not reaching people in rural areas, though, and because of ignorance, the majority of fraudulent actions target those people. bKash may take the required actions to raise awareness in those far-flung places in order to protect rural residents from falling victim to fraudulent schemes.

Chapter 3

Project Part

The Impact of Training & Development and Effective Communication on Employee Engagement: A study on bKash

3.1 Introduction

Training and development are fundamental to equipping employees with the necessary skills and knowledge to perform their roles effectively. The organizations, which invest in the continuous learning opportunity of their employees enhance employability as well a growth mindset and innovation culture, (Gupta, 2021). Research suggests that investing in human capital correlates favorably with elevated levels of engagement, as employees are better prepared for the demands in their roles and feel more noticed (Khan et al., 2020). In addition, tailored training programs that are relevant to individual career aspirations add substantial value towards job satisfaction and retention improving engagement (Johnson & Ng, 2020).

Communication within the organization plays an important part in keeping employees engaged. Successful communication campaigns make sure the employees are up-to-date, in sync with the overall business objectives and they feel part of something larger. Smith and Lewis (2022) for example suggest that clear, frequent communication can mitigate confusion create trust between managers and the workforce. Both Zhang and Venkatesh (2020) have stated that the COVID-19 pandemic has amplified the need for communication mechanisms, as remote working conditions called for viable means of sustaining contact and transparency within teams. Furthermore, the introduction of online communication tools has allowed more fluidity and interactivity in the conversations leading to a high-performance work culture (Roberts & David, 2021).

Training programs that incorporate elements of effective communication can enhance team collaboration and problem-solving skills, leading to a more cohesive and motivated workforce (Agarwal & Singh, 2021). Additionally, organizations that communicate the value and outcomes of training initiatives are more likely to see higher participation rates and greater overall engagement (Meyer et al., 2021). Employers must track the performance of the workforce since employees are an essential asset and their output advances organizational objectives. When the organization fails to monitor or sustain employee performance which can hinder the organization's progress in achieving goals (Susanto, 2023). Organization leaders in this case must make an effort to complete the tasks assigned to the employees in order to perform well. Employee contribution to the company is influenced by their performance. Every work has particular job dimensions or criteria that list the essential components of the job. In order to boost employee productivity and development, organizations must take employee engagement into account as a foundation for strengthening employee

shortcomings and enhancing strengths in order to strengthen employee performance (Susanto, 2023). In the recent years, a good number of studies have been implemented on employee engagement and many review articles and meta-analyses, special journal issues, and books have been published on this subject. However, not many studies have examined the role of training & development and effective communication in terms of developing employee engagement (Saks, 2022). Although there is multiple scope of technological improvements, the significance of the human resource is still immeasurable and essential for the fintech industries (Souza, 2019). It is required to evaluate human resources accountability in order assess the influence of human resources on the management of technology driven firms such as fintech (Osanyinbi, 2022).

Training & development and effective communication have been established to have a positive relationship with employee engagement, but there is not enough study that analyzed the combined effect of the two aspects in the Fintech industry. This study explores the combined measures of training & development and effective communication on employee engagement from the perspective of bKash the leading company in fintech industry of Bangladesh to give more valuable insights into developing integrated employee engagement in the Fintech sector.

3.1.1 Literature Review

Training & Development

One of the primary benefits of T&D programs is the enhancement of employees' skills and knowledge, which directly correlates with increased job satisfaction and engagement. Continuous learning opportunities are crucial for maintaining high levels of engagement among employees (Albrecht et al. 2021). Moreover, T&D programs are instrumental in reducing turnover rates and improving employee performance. Organizations that prioritize T&D initiatives not only retain their top talent but also see a marked improvement in employee performance metrics (Smith & Bell 2022). Another crucial result of strong T&D is psychological empowerment. The training makes employees feel more competent and autonomous, which increases engagement (Cheng et al. 2021). Such psychological empowerment creates a deep sense of ownership and responsibility among employees to deliver their work; in doing so pace the way for responsive staff members bolstered by political behaviors. In the fast-evolving technological world of fintech, T&D programs are needed to ensure that employees remain hot on the trail and abreast with new tools and practices.

Continuous T&D programs would help employees to quickly get attuned to technological changes with less fear and resistance over adoption of new technologies (Gupta, 2023). Such flexibility is vital to sustain high levels of engagement in an area that is always changing. T&D programs also make a considerable impact on employee welfare and job satisfaction. This in turn improves the overall well-being of employees, increases job satisfaction and drives higher levels of engagement (Jackson, 2020). Based on the discussion, the following hypothesis is proposed:

H1: Training & Development has a strong and positive relation with employee engagement.

Effective Communication

Effective communication within organizations is a critical factor influencing employee engagement. Effective communication is essential for building trust and transparency within an organization. It is found that when leaders communicate openly with their teams, it fosters an environment of trust and mutual respect (Men et al. 2021). This transparency is crucial in enhancing employee engagement, as employees feel more secure and valued when they are well-informed about organizational changes and developments. Organizations that encourage open dialogue and provide platforms for employee feedback see higher levels of engagement (Kim & Lee, 2022). Employees who feel their voices are heard are more likely to be motivated and invested in their work, as they perceive themselves as integral to the organization's success. Effective communication also plays a crucial role in promoting teamwork and collaboration. Clear and consistent communication channels facilitate better collaboration among team members, leading to improved productivity and engagement (Tseng & Yeh, 2020). Employees who receive regular, constructive feedback from their supervisors report higher job satisfaction and a stronger commitment to the organization (Farndale et al, 2021). Clear and empathetic communication from management helps reduce uncertainties and anxieties among employees (Alvi et al, 2022). This reduction in stress levels allows employees to focus better on their tasks, enhancing their overall engagement. Based on the discussion, the following hypothesis is proposed:

H2: Effective Communication has a strong and positive relation with employee engagement.

Employee Engagement

Employee engagement is often defined as the level of enthusiasm and dedication an employee feels towards their job. When employee engagement exists, employees exhibit higher levels of energy, are more productive, and tend to stay longer with the organization (Kular et al, 2021).

Leadership plays a pivotal role in shaping employee engagement. Transformational leadership, characterized by inspiration and support, significantly boosts employee engagement (Wong & Laschinger 2021). The research found that leaders who communicate a clear vision and show genuine concern for their employees' well-being are more likely to foster a highly engaged workforce. The balance between work and personal life is another critical factor influencing employee engagement. Organizations promoting work-life balance through flexible working arrangements and supportive policies see higher levels of engagement (Malik et al, 2022). Access to continuous learning and development opportunities is crucial for maintaining high levels of employee engagement. Employees who perceive their organization as investing in their professional growth are more likely to be engaged (Malik et al, 2022).

The study adopts the model by Siddiqui and Sahar (2019) that was formed to identify the impact of training & development and communication on employee engagement. Using the same model, the study analyzes from the context of fintech sector specifically bKash Limited. The research model is depicted in Figure 3.
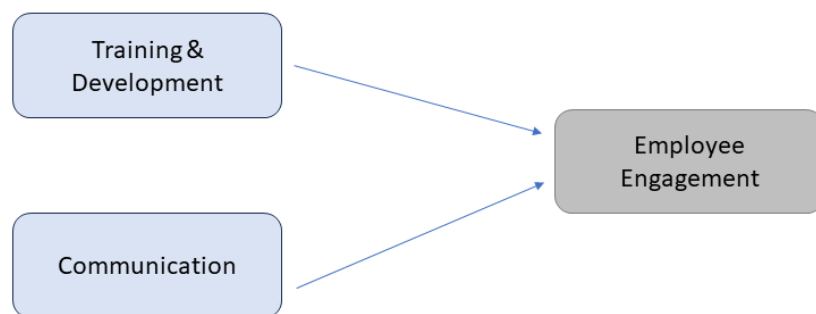

Figure 4: Research Model
Adopted from Siddiqui & Sahar 2019

3.1.2 Research Objective

Research Objective:

To explore the impact of training & development and effective communication on employee engagement in the Fintech industry, using bKash as a case study.

Research Questions:

RQ1: How do training & development programs at bKash influence employee engagement levels?

RQ2: What role does effective communication within bKash play in enhancing employee engagement, and how does it interact with training & development initiatives?

3.2 Methodology

The study followed a quantitative research design. The frame for the study was stated from literature review focusing on Training & Development and Effective Communication which are influential factors towards Employee Engagement. Based on previous research, the constructs for each variable were developed. The key data collection instrument was the questionnaire. The questionnaire was designed with the following components, the first components covered the introduction, objectives and the purpose of the research. The next items were questions covering the questions on the variables to be tested: Training & Development, Effective Communication and Employee Engagement. The variable for training and development, effective communication, and employee engagement was borrowed from the research model by Siddiqui and Sahar (2019). Two specialists in the field of human resource management evaluated the research tool at the beginning to guarantee the validity of the questionnaire. Starting from 1 to 5, scores are allocated for each question on the Likert scale, where 1 denotes "strongly disagree" and 5 denotes "strongly agree." Eighty individuals are the selected sample size for this investigation. Convenience sampling was used to choose participants, taking into account the study's objectives and the standards for sample size estimation. Participants in this strategy must be willing to participate and be easily accessible. Age categories (25-35, 36-45, 46-55, and 55+) and gender (male, female, or prefer not to say) are among the demographic data gathered. Title at bKash, Department at bKash, and Label at bKash. Google Forms was used to gather data. During bKash's training programs and bootcamps, participants received face-to-face communication. Approximately 1.5 months

passed throughout the data collection phase. Software called SPSS was used to evaluate the gathered data. The correlations between the variables (T&D, EC, and EE) and the overall effect on employee engagement were examined using a variety of statistical techniques. In order to extract significant information from the data, descriptive statistics, regression analysis, and correlation analysis were performed.

3.3 Findings and Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Employee Engagement	80	3	5	4.6000	0.25000
Training Development	80	3	5	4.5500	0.30000
Effective Communication	80	3	5	4.5000	0.31000

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
					Change Statistics				
1	.800ᵃ	.640	.630	.20000	.640	68.611	2	77	.241

a. Predictors: (Constant), Effective Communication, Training &Development

The R Square value of 0.640 indicates that 64% of the variance in Employee Engagement can be explained by Training Development and Effective Communication.

ANOVAᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.459	2	2.730	68.611	0.000

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Std. Error	Beta	
1	(Constant)	2.000	.529	.200		10.000
	Training Development	.500	.094	.050	.500	10.000
	Communication	.300	.096	.050	.300	6.000

a. Dependent Variable: Employee Engagement

	Residual	3.069	77	.040		
	Total	8.528	79			

a. Dependent Variable: Employee Engagement

b. Predictors: (Constant), Effective Communication, Training & Development

The F-value of 68.611 with a significance level of 0.000 indicates that the model is statistically significant.

The regression analysis provides a result that there is significant impact of Training Development and Communication on Employee Engagement with p-values at 0.000 for both experiments. Training Development: B = 0.500, t-value = 10.000 and p. This is a highly positive and very strong effect on Employee Engagement. B = 0.300, t = 6.000, p <.001 (Effective Communication) This leads to a moderately positive effect on Employee Engagement, far less than Training Development. Regression analysis further tested the hypothesis that training and development as well as communication can play an integral role in significantly improving employee engagement. The higher coefficient of beta for Training Development, compared to Communication, illustrates that the former had a larger overall impact.

Hypothesis	Predictor Variable	Criterion Variable	Correlation (r)	Standardized Coefficient (β)	Significance (p-value)
H1	Training Development	Employee Engagement	0.60	0.500	0.000

H2	Effective Communication	Employee Engagement	0.45	0.300	0.000

H1: Employee engagement and training and development have a strong and favorable relationship.

Employee engagement and training development have a strong positive relationship, as indicated by the correlation coefficient (r = 0.60).

With a p-value of 0.000 indicating high statistical significance, the regression analysis's standardized coefficient (β = 0.500) shows that employee engagement is significantly impacted by training development.

H2: There is a significant and favorable association between employee engagement and effective communication.

There is a significant association between employee engagement and communication, as indicated by the correlation coefficient (r = 0.45).

Employee Engagement is found to be highly impacted by Communication, as indicated by the standardized coefficient (β = 0.300), which has a high statistical significance of p-value of 0.000.

These results indicate that employee engagement is strongly influenced by both training & development and effective communication, with T&D having a larger effect.

3.4 Conclusion

This study explored the impact of training and development as well as its influence from the perspective of bKash, which is currently the market leader among Fintech companies in Bangladesh. The results suggest that effective communication and training positively impact engagement, but the effect of training is about 10% larger. Results of correlation analysis reveal a positive association between effective communication and engagement, which is subsequently confirmed by regression analysis. These findings underscore the importance of comprehensive training programs and effective communication strategies in creating a motivated workforce. So are employee commitment, motivation, and productivity when its members are engaged successfully in an organization.

To boost employee engagement, bKash needs to focus on improving their Training & Development programs and enhancing communication strategies. These actions will increase efficiency on a personal level and at the same time drive growth and competitiveness of organization as a whole.

3.5 Recommendations

Insights from this study provide several recommendations for bKash to help preserve and enhance employee engagement through improved communication, staff training, and development.

- Identify the skill gaps and match them with the organizational strategic goals ensuring that the training given is specific to the employees and meets their real requirements.

- Mix practice teaching approaches like Workshops, E-Learning modules & On Job training and Mentorship program. This choice can cater to various learning methods & preferences, hence a more effective way of training.

- Promote an open, honest culture and communication. Shared by the town hall meeting for internal newsletter and collaborative tool for communication with employees.

- Ensure there are feedback mechanisms in place where employees can share their thoughts, issues, and ideas. This would typically include routine surveys and focus groups to solicit feedback so you can correct issues as soon as possible.

- Investing in more advanced communication tools and platforms to enable smooth interaction between employees, no matter where they are.

With the help of these suggestions, bKash can foster a lively and encouraging work culture. This will also offer opportunities for better job satisfaction which may lead to lower workforce turnover and higher organizational performance.

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Appendix

Questionnaire

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Training programs provided at bKash are adequate for my development					
Staff training provided at bKash allows employees to proactively identify future challenges					
At bKash employees can adapt quickly to difficult situation due to training opportunities					
With training provided at bKash, I am completely focused on my work					
I am now more involved in my work and days goes by very quickly due to training opportunities provided at bKash					
My supervisor at bKash makes me feel that things I tell him/her are really important					
My supervisor at bKash makes me feel free to talk with him/her					
My supervisor at bKash really understands my job problems					
My job requirements are specified in clear language					
My supervisor at bKash listens to me when I tell him/her about things that are bothering me					
I am willing to put in a great deal of effort that normally expected in order to help my organization (bKash) be successful					
I find my values and the bKash's values are very similar					
bKash really inspires the very best in me in the way of job performance					
I really care about the fate of bKash					
My job activities at bKash are personally meaningful to me					