



Internship Report on

Evaluation of Customer Satisfaction Level at

BRAC bank limited: Graphics Building Branch

Submitted By

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Submitted to

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Letter of Transmittal

September 20, 2012

Ms. Sharmin Shabnam Rahman
Lecturer
BRAC Business School,
BRAC University,
Mohakhali, Dhaka.

Subject: Submission of Internship Report.

Dear Madam,

Here is an Internship Report on – **“Evaluation of Customer Satisfaction Level of BRAC Bank Ltd: Graphics Building Branch”**. I have conducted my Internship at BRAC bank, Graphics Building Branch, Motijheel under your supervision.

I tried my best to make this report as reflective as possible. I will be grateful to you if you accept this report. I will be available for defense of this report any time.

Your support in this regard will be highly appreciated.

Thank you for consideration.

Yours sincerely,

.....

Ahmed Abir Choudhury

ID: 08304106

Acknowledgement

First of all I want to convey my earnest appreciation to the almighty Allah for giving me strength all thorough the report making and enabling me to finish the report within the scheduled time.

Completion of this report made me thankfulness to a number of persons. I want to my supervisor and teacher **Ms. Sharmin Shabnam Rahman** who helped me to improve my report by providing necessary guidance and suggestions. Her assistance and encouragement made it possible to accomplish this report within time.

My heartiest gratitude goes to **Mr. Muntasir Arefin** Branch manager of BRAC bank Graphics Building Branch for allowing me to do internship in his branch. I also want to thank my on-site supervisor Mr. Rizwan Chowdhury for helping me to fit in the new work environment, for co-operating me endlessly all along the internship.

I am also grateful to the entire customer service care unit, who in fact, taught me everything about bank service, described important documents and help to make my questionnaire. Specially I would like to name **Mr. Mahmudul Haque**(Branch sales & service officer), **Mahbuba jannat** (Branch sales & service officer), **Aminul Islam**(Sales officer), **Salma Rahman Kanta**(Reporting manager), thanks all of them cordially for providing me all the necessary infomations to finish this report. I am really honored to work with such a co-operative team.

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Executive Summary

In 21st century, we have entered in to a new age of business world. We have seen how business organizations have changed from profit centric to more customers centric. There is no business organization that can survive in market without satisfying its customers. Quality service is a precursor of customer satisfaction. Only purchasing product does not satisfy customers, rather they may weigh convenience, availability, reliability. In banking industry where almost all the products are indistinguishable, with nominal difference in charges set by market, service quality can be key differentiator. BRAC bank is offering wide arrays of products to its customers. Sales centers of BRAC bank are propelling these products to the customers. It is interesting to see how these service centers are operating, what is customer's perception towards their service.

I took, "Evaluation of customer satisfaction level at Graphics Building Branch: BRAC Bank LTD" as my intern topic, given that my Internship experience in BRAC bank helped me to conduct this research. During my internship, I came to realize dealing with customers, pleasing them is requires special skills and a deep understanding of customer's mind.

BRAC bank has set some code & conducts for all its employees to follow. Bank is committed to make customers leave bank with a hassel free, contented experience. While conducting my research I came to know about customer's complaints, suggestions and satisfaction. There are number of issues Graphics building branch should improve. They need to employ adequate staffs in some places to speed up the service. Server system in this branch is little slow sometime which sometimes becomes reason of customer's infuriation. Graphics building branch is very concerned about their honored customers and always ready to help them. Customers are also happy about credit service. Some of them expressed their disappointment how bank is taking too long to disburse their loan. Similarly, there are some other issues customers think bank should improve.

BRAC bank is a financial institution, which may not have been in market for long time, but they have been showing impressive growth over the years. Their quality service and diverse range of products already have left good impression on customer's mind. They have a legacy for contribution in economical reformation and development of human capital. To be a market leader in long run they need to keep improving in all aspects of their service.

Chepter#1

Introduction

- Objective of the report
- Purpose of the Report
- Methodology
- Limitation of study

1.0 Introduction

For graduate students Internship is a major requirement. Internship provides an unique opportunity for students to implement their knowledge and improve their skill while working in a different environment. As a student of business school from the very beginning, I have always been aspiring to work in a financial institution, especially in banking sector.

In a developing country like Bangladesh, for rapid progression in economic growth role of banking sector is very crucial. BRAC bank, widely regarded as one of the fastest growing banks in Bangladesh, started its journey with an unconventional view of helping potential entrepreneurs in the country, to strengthen national economy. The core operation of the bank – SME banking has gone beyond the entire conventional role of economic solution. Bank is now operating number of training programs to educate young entrepreneurs as if they become capable of managing their business on their own successfully. In line with its 3p agenda- People, planet and profit BRAC bank believes in social growth along with financial sustainability and environmental improvement. With the “go green” scheme BRAC bank has financed in number of green projects like- Bio-gas plant at Nangolkot, comilla, finding solution for renewable energy source etc.

1.1 Origin of the Report

This report has been made as a completion of academic requirement endorsed by BRAC business school, BRAC University. The principle goal of internship program is to assess student's ability for a particular career before choosing any career permanently and to provide an opportunity to converting theoretical knowledge to practical situation. It assists students to accommodate with the work environment. It is a three months long program in which students get opportunities to work in different business organizations, financial institutions, research institutions. Based on their working experience they have to make a project report.

1.2 Purpose of the study

Unlike other institutions, a bank has to focus both on its product and on service. In the age of globalization and free market, there is severe competition in banking industry. All the banks try to pull customers into their organizations by offering diverse products and services. But only providing wide range of products are not responsible alone to attract customers attention. Banking is not like other products that customers just visit outlet buy the products. To enjoy banking facilities wholly customers have to go through some services given by bank outlets. Quality service is an intangible thing that customers experience rather than physically buying it. A favorable customer experience may turn a new customer in to a loyal customer. That is the prime intention of all the business organization turning its customer into loyal customers as if they repeatedly come back to bank and buy new offers. To survive in a competitive market there is no way of underestimating clients. Today almost all the banking organizations putting emphasize on retention of existing customers, besides making of new customers.

Since quality service has become an important parameter of successful banking business, so banking organizations need to evaluate its customer's perception annually. It gives them an idea what customer demand from bank. In this report, I intend to explore customer's perception on service quality of a bank outlet. I have used different research procedures to analysis customer's opinion about service quality, areas of weakness in service and how to improve service.

1.3 Objectives

Broad objectives:

Broad objective of this report is to analyze satisfaction level of customers in Graphics building branch of BRAC bank irrespective of service taken who visit this branch for different purposes.

Specific Objective:

Specific objectives of the study are-

- To basic understanding of the activities customer service unit of BRAC bank.
- To classify key service features of a bank outlet.
- To analyze customer satisfaction level at Graphics Building Branch.
- To come up with some suggestions that can upgrade current service quality.

1.4 Methodology

To conduct a research work it is very important to obtain sufficient volume of data. I have questionnaire to conduct this survey. I have distributed this questionnaire to randomly chosen customers visit the bank every day. To get sufficient informations I also interviewed key bank staffs.

Sources of Information:

Primary sources:

- Direct conversation with the customers.
- Personal observation over the internee period.
- By interviewing bank staffs.

Secondary sources:

- Website of BRAC bank.
- Annual Report of BRAC bank.
- Different types of Brochures.
- Through attending 3 days BRAC bank orientation program.

1.5 Limitation of study:

I have only three months time to work in Graphics building branch. Within this short period it is almost impossible to acquire very deep understanding of banking industry as it is such a broad area to study and activities are quite complex. There were number of impediments in my way of research which prevailed all through the internship-

1. Time shortage:

I have already mentioned that internship period was too short to get the big picture of the organization. Besides, many days have been passed since was going through training session.

2. Access to information:

Since I was an intern not permanent staff of the bank, so according to bank's policy I did not have access to all the informaions.

3. Lack of cooperation from Customers:

Since my report is a survey work, so face-to-face conversation is most important. But not all the customers were co-operative. Many of them came here leaving their office or important job and wanted get over with the banking as early as possible, so not so eager to answer my question. Especially customers who were waiting in long row for depositing or withdrawing, it was difficult to convince them to talk.

4. Busy working environment:

It was hard to get service officers to discuss about the service since while servicing they were too busy to discuss about anything. Even after service they got busy with reconciliation, so it was difficult to manage a conversion.

Chapter#2

Organization

- **Historical Background of BRAC Bank**
- **Vision, Mission statement of BRAC Bank**
- **Organogram of Organization**
- **Product/Service of BRAC Bank**

2.0 Organization

2.1 History of BRAC Bank:

BRAC bank Limited, an entirely equipped commercial bank was founded in July 04, 2001, by Bangladesh Rural Advance committee (BRAC), one of the biggest development finance institutions founded by sir Fazle Hasan Abed in 1972. It was incorporated as a private limited company on 20 may under the company's act 1994. It has been being considered as one of the fastest growing bank since the year 2004. Though it is an affiliation of BRAC, it is partially owned by International Finance Corporation (IFC) and Shore Cap International. IFC owns 9.5% of BRAC bank limited's shareholding and Shore Cap international owns 8.75% of the shareholdings. (see Appendix- 2)

In its inception, it was established with an endeavor to facilitate small and medium enterprises (SMEs) in the country. But later on it started providing services for retail banking, corporate and banking for non-resident Bangladeshis. It has been reported to be one of the top banks processing remittance inward to the country. BRAC has gradually grown in to a large financial institution having 152 outlets, 399 SME unit office, 48 SME krishi branches, 1800 remittance cells, 313+ ATMs all across the country. All its network distributions, outlets, business segments are working relentlessly led by skilled and enthusiastic work force to extend organization's growth. BRAC bank has been working diligently to reach banking facilities to the furthest corner of Bangladesh, to facilitate small –medium entrepreneur by providing capital base and to aid the money transferring process by non- resident Bangladeshi living abroad. This organization has been coming up with new products and is planning to roll in more new products to serve wide arrays of customers.

The operational structure of BRAC bank is strictly centralized. This centralized structure is supported by its front office and back office modules. Front office, which is also called business unit of BRAC bank, are retail, corporate, SME, SRS and treasury. Back offices such as – consumer service delivery, asset operation, and payment service delivery supports front offices in their operations.

2.2 Vision & Mission of BRAC Bank

Vision:

“Just, enlightened, healthy democratic and poverty free Bangladesh” this was the slogan when BRAC bank first started its journey. After all these years BRAC bank is still working for this purpose. From the inauguration, BRAC bank has been working with an aim to reinforcing human capital. Profit making is not the only purpose of BRAC bank. On the contrary, BRAC bank has always been dedicated to work as a social reformer by bringing revolution in economy. BRAC bank’s 3p agenda includes- people, planet & profit. Simultaneously serving people, planet and profit BRAC bank wants to bring about a significant social impact. BRAC bank wants to enable mass people to contribute in our economy.

Vision Statement:

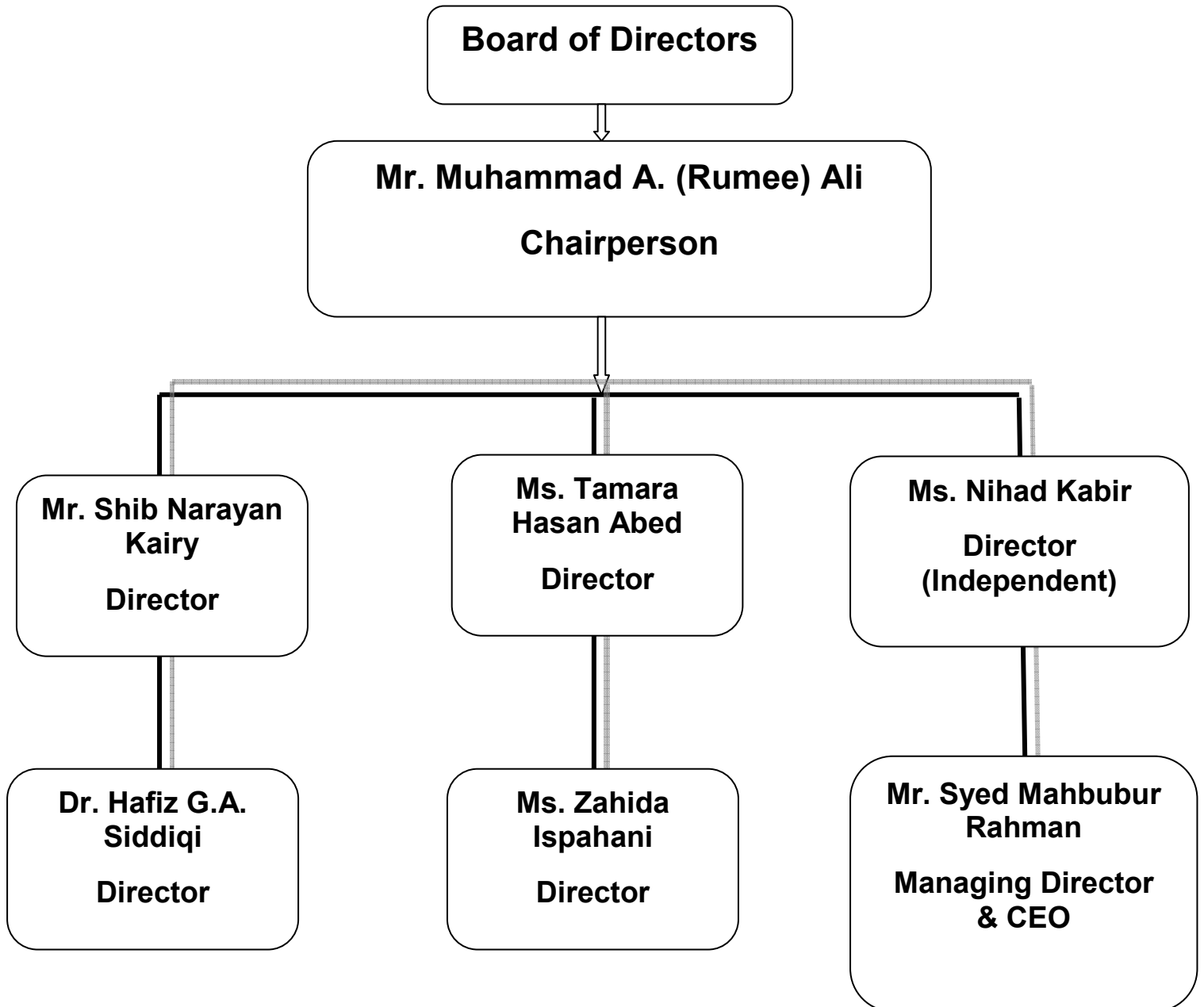
Building profitable and socially responsible financial institution focused on Market and Business with Growth potential, thereby assisting BRAC and stakeholders to build a just, enlightened, healthy democratic and poverty free Bangladesh”.

Mission:

Mission statement reflects what organization is doing currently to achieve its vision. BRAC bank has number of missions, which are very specific in their way of achieving the vision.

- Sustained growth in Small & Medium Enterprise sector.
- Continuous low-cost deposit Growth with controlled growth in retail assets.
- Corporate Assets to be funded through self-liability mobilization. Growth in Assets through syndications and investment in faster growing sectors.
- Continuous endeavor to increase non-funded income.
- Keep our debt charges at 2% to maintain a steady profitable growth.
- Achieve efficient synergies between the bank’s branches, SME unit offices and BRAC. field offices for delivery of remittance and Bank’s other products and services.
- Manage various lines of business in a full controlled environment with no compromise on service quality.

2.3 BRAC bank Organogram:



Management Committee

**Mr. Syed Mahbubur
Rahman**

Md & CEO

**Mr. Md
Mamdudur
Rashid**

DMD

**Mr. Rais Uddin
Ahmed**

GCM, Head of Legal
& Regulatory Affairs
& CAMLCO

**Mr. Nabil
Mustafizur
Rahman**

CCO

**Mr. Nawed
Iqbal**

CTO

**Mr. Shah Alam
Bhuiyan**

Head of
Operations

**Mr. Abdur
Rahman**

Head of SME
banking

**Mr. M. Sarwar
Ahmed**

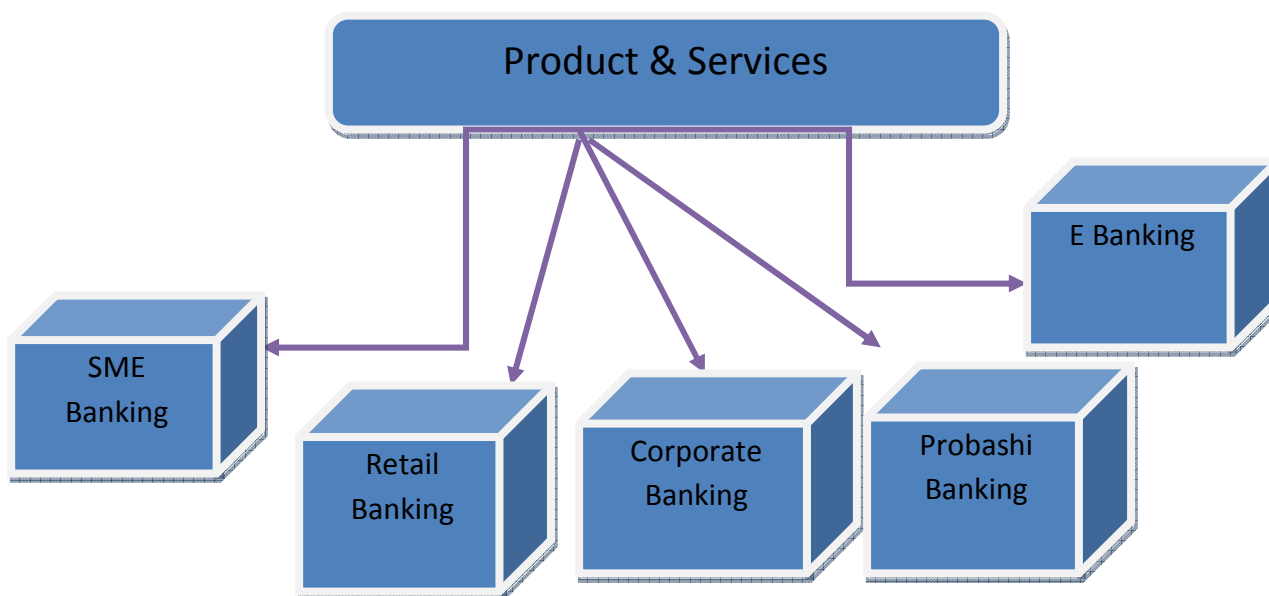
Head of special
assets
Management
(SAM-SME and
Retail Banking)

**Mr. Zeeshan
Kingshuk
Huq**

Head of
Communication
& service quality

2.4 Products & Service Information

BRAC bank has five different wings of their business activities. These are-



SME banking:

Initially, BRAC bank started their journey to cater SME business. BRAC bank believes in empowering huge human resource in the country. After liberation war, most of the commercial banks were providing large amount of loan to large industries and big corporations. No was doing anything for small and medium entrepreneurs, no one was thinking their potentiality. This group was defined as “Missing middle”. This missing middle had the potentiality but due to shortage of fund, they could not contribute to the national economy. With a view to providing them, a firm ground under their feet BRAC bank is providing SME loan service to this missing middle. 50% of BRAC bank’s total portfolio.

SME products:

A. Deposit Products:

I. Prapti current account:

A current account I which interest is paid in daily basis. Any kind of business organization such as sole proprietorship, partnership, private limited company can open this account.

II. Prachurjo Fixed deposit:

This fixed deposit is especially for small and medium business.

Eligibility:

- Any entrepreneur involved in sole proprietorship, partnership or privet limited company.
- Opening balance minimum Tk 50,000.
- Interest rate is applicable in maturity

III. Shonchoy SME deposit:

This account is for all SME clients. Eligibility same as prachurjo deposit. It has a tenure of 1 to10 years. There is no maintenance fee.

B. Loan products:

I. Anonno Rin:

A business loan designed to facilitate any business need. Any business having trade license and 3-4 years experience can take this loan. This loan starts from 3-10 lac.

II. Apurbo Rin:

Apurbo loan is to carter small business, offering BDT 1- 10 million loan.

III. Prothoma Rin:

Prothoma rin is specially offered to women entrepreneur to encourage them. Maximum BDT 1 million is offered for 10% interest rate. Trade license is required for applying.

IV. Durjoy:

Any kind of business organization can apply for this loan. Installment period is up to five years. Besides trade license, one-year bank statement is necessary to apply.

V. Shomriddhi Rin:

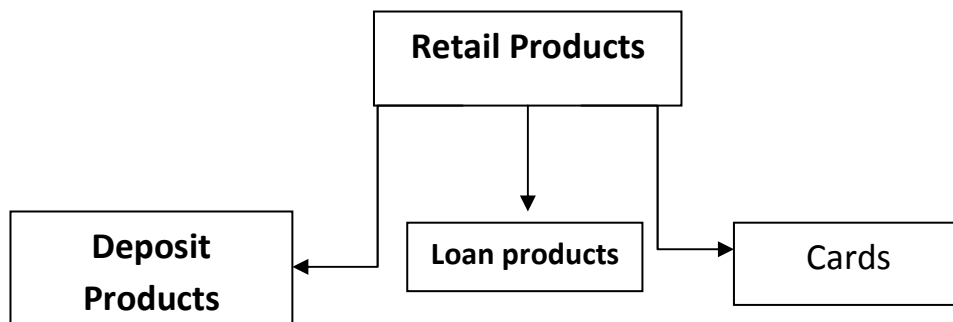
Shomriddhi rin is specially provided to cover up import-export related expenses. Loan payment facility is up to 180 days.

VI. Shokti Rin:

A business loan under which a customer can avail BDT 1-10 million to meet any kind of business needs.

Retail Products:

BRAC bank has divided its retail products in to three categories-



A. Deposit products:

1. Savings account:

I. Triple Benefit savings account:

A savings account, which offers 8.5% p.a. interest to account in every month on average monthly balance. The minimum account opening balance requirement is BDT 50,000.

1. Savings classic account:

Savings Classic Account offers interest rate up to 8.5% p.a. The minimum account opening balance requirement is BDT 15,000.

2. Aporajita Account:

This account is specially offered to women customers. Only BDT 5000 is needed to open the account. Although it is, a non-cheque book account but customer can receive one if he/ she wants.

3. Future Star Account:

This account is for those parents who want to save for their children. Parents or any legal guardian can operate the account on behalf of minor. The minimum account opening balance requirement is BDT 2,000.

- **Current Accounts:**

Current classic Account:

It is a non-interest bearing account with chequebook and Visa debit card facilities. A 12 pages chequebook comes free with opening account. Minimum opening balance requirement is BDT 15,000.

Current Plus:

An excellent opportunity to unlimited transaction, especially for those who require transaction in daily basis. If annual average balance up to BDT 25000 or above then no annual debit card has to pay.

Ezee account:

This account is for those who need frequent transaction free from chequebook. It is an interest bearing account, which offers 2% p.a.

Salary account:

Another non-chequebook individual account for employees to assist disbursement of their salaries. The organization needs at least 10 employees and an average salary per employee of Tk 10,000 per month.

Campus account:

Campus Account is an interest-bearing current account exclusively offered for university students with an interest rate of 4% p.a. The minimum account opening balance requirement is BDT 2,000. Any balance greater than zero will be eligible for interest.

- **Term Deposits:**

Fixed Deposit General:

Fixed Deposit General is a non-transactional account that gives interest and principal at maturity. Minimum amount required to open the General FD account is BDT 50,000. FD General can be opened for 1/3/6/12/24/36 months. Interest is paid on maturity, calculated on 360 days, as per the Interest Rate Matrix. This account is available on a roll over basis until the customer confirms its closure. 10% Government Tax shall apply to the interest amount.

Deposit Premium scheme:

A special savings offer that allows savings for a monthly basis. The monthly installment can be as low as BDT 500 or any multiples of it i.e. BDT 1,000, BDT 2,500, BDT 5,000 and so on.

Flexi DPS:

Flexi Deposit Premium Scheme is a non-transactional account that a customer uses for interest earning and savings purposes through monthly installment basis. Minimum amount required to open an FDPS account is BDT 500 and its multiples. FDPS can be opened for 1/2/3/4/5/6/7/8/9/10 years. This account is available on a roll over basis until the customer authorizes its closure.

Abiram Fixed Deposit:

Abiram Fixed Deposit is a non-transactional account that deposits interest monthly to your existing current or savings account. Minimum amount required to open an Abiram FD account is BDT 100,000. Abiram FD can be opened for 1/2 years. This account is available on a roll over basis until the customer confirms its closure. Interest is paid on a Monthly basis after adjusting 10% Government tax on the interest amount.

- **Loan Product:**

Salary Account:

This salary is designed especially for employees working in different corporate house to facilitate disbursement of their salary. It is a non-chequebook account. Interest rate for Salary Account is 4% p.a. Any balance greater than zero will be eligible for interest.

Quick loan:

With a minimum amount of BDT 20,000, any businessperson or self-employed person of a monthly income BDT 20,000 can open this account. Loan amount is up to BDT 1000,000.

Auto Loan:

BRAC bank is providing loan to purchase car to any salaried person, businessperson, self-employed person with a monthly salary amount of BDT 25000(for salaried person), BDT 35000(for others)

Home loan(Apon Ghor):

Apon ghor is a home loan, which is providing customers loan as well as attractive privilege consultancy for-

- Interior
- Furniture & Soft Furnishing
- Home Appliance
- Color & Window Treatment

Secured loan/ overdraft:

Customers can take this loan against their fixed deposit to meet any cash emergency.

- **Cards**

Credit card:

Platinum Card:

Platinum privileges:

- Free access at Balaka VIP Lounge
- Priority arrival and departure service at airport.

- 20% discount at D'DAMAS.
- 10% Discount at LEO Diamond
- 10% discount at OTOBI

Universal card:

This is a Visa/Master dual currency credit card with worldwide acceptability. Its USD credit limit will be within approved BDT limit assigned for the cardholder. A secured dual card's limit will be maximum USD 30,000 against lien on RFCD or ERQ account.

• Debit Card

Visa/MasterCard planet Debit card:

Enhanced facilities:

- Enhanced daily cash withdrawal limit of BDT 50,000 from ATM Booth
- Cash withdrawal facility from
More than 280 BRAC Bank ATM booths
- ATM booths of more than 30 banks under OMNIBUS network
- All ATM booths of Rupali Bank Ltd.
- BDT 3,00,000 cash withdrawal facility from Branch POS counters
- BDT 1,00,000 purchase facility from Merchant POS
- Free Account Enquiry
- Free Mini Statement Printing

• Corporate Banking:

There are three categories of corporate products-

- Loan Products
- Trade Finance
- Corporate Cash Management

Loan products:

Overdraft:

This is an on-demand credit facility designed to meet day-to-day operational activities of the business, including purchase of raw materials and expenses.

Lease finance:

One of the more convenient long-term sources of acquiring capital machinery and equipment. The client is given an opportunity to have exclusive rights to use an asset, for an agreed period of time, against payment of rent.

Loan against Trust Receipt:

This is a loan against a Trust Receipt provided to the client when the documents covering an import shipment are given without payment. Under this system, the client will hold the goods of their sale proceeds in trust for the bank, until the loan allowed against the Trust Receipt is fully paid.

- Trade Finance:

Letter of credit (LC):

This facility is related to import or local purchase of different items. It is also provided for the import and export of goods (such as raw materials, machinery, equipment, any trading item).

Letter of Guarantee (LG):

To meet different contractual requirement such as participating in Bid, Performance Guarantee and Advance Payment guarantee for different contractual requirements.

Nationwide collection service:

Bank will collect client's bill through bills pay machine at the correspondent' branches, where BRAC bank branches are not available there.

Payment Transfer service:

BRAC Banks Payment Transfer Solution (PTS) service is formulated to facilitate organizations transfer funds to their respective locations through our own branch & SME Sales & Service center network and through corresponding branch network. It facilitates the corporate clients by providing faster fund transfer solution in a cost effective manner.

- **Probashi banking:**

BRAC bank is providing probashi banking to facilitate demand for remittance. These services are described below-

Probashi Current account:

This account offers for those who have objection to earn interest due to religious reason.

Probashi Savings Account:

It is a regular savings account maintained in local currency for non-residents Bangladeshis who want to utilize this account in future when they come back to Bangladesh.

- **Probashi Fixed Deposit:**

A fixed deposit account which allows non-resident Bangladeshis to deposit their money for a fixed period of time. Interest is paid at the maturity at an attractive rate.

Probashi Abiram:

Another fixed deposit facility which allows NRB's to get return every month.

Probashi Biniyug:

Probashi biniyug is a product by which a non resident can invest in capital market in Bangladesh by opening BO account.

- **E Banking:**

E-Commerce:

BRAC bank is providing e-commerce service to all VISA & Mastercard holders. It is a convenient way of making transaction right from the web.

24 hour call center:

BRAC bank is providing 24 hour call center service to ease customer's transaction. For any banking purpose they can call into 16221 for receiving following service-

- Accounts detail
- Balance Query
- Inter-city charge query
- Debit/ Credit card activation
- Cheque book request

Chapter # 3

My Intern Experience

3.0 My daily activities in BRAC BANK LIMITED

My internship program in BRAC Bank Graphics Building Branch was started from 13th May, 2012. This branch resides in Motigheel area, beside Dhaka Stock Exchange Building, so it was easy to find it. I got chance to at this branch for 3 months. I was asked to meet Mr. Rizwan Chowdhury, customer service manager of Graphics Building branch, he had been my supervisor for next three months.

3.1 Working hours:

All the employees right from permanent employees to intern are supposed to be present in office from 9:30 am since transaction start from 10:00 am. I was given an intern attendance form in which I had to sign in every day. Likewise, when I left I signed off the paper and submitted it to my supervisor. Normal time of leaving office is 6:00 pm but I used to leave office at 6:30 pm. In the month of Ramadan, timing was little bit different. I had to present at office at 9:00 am and leave office at 4:45 pm.

3.2 Work details:

I got opportunity to work in customer service end, so in my joining day I was introduced with branch sales and service officers (BSSO). So initially, my work was to observe how the services are given to the customers. Gradually I came to know what the common problems those bring customers here. I carefully observed how customer service officers give solution to the customers and try to satisfy them.

Every single day I started to learn bit by bit. I started helping BSSO's in their service. In first couple of days, I was introduced with the documents necessary for providing services. In the beginning, I was given briefings about the functions of the document such as- document issues, collection authorization, loan closure, general instruction, signature cards, contact information change, accounting opening form, debit card request form which are used frequently while providing service. Therefore, it was a big help for customer service officers since I passed on important documents towards them while giving service.

As an intern my responsibility was to conduct a survey among the customers about their complains, their satisfaction from the branch service. I set customer satisfaction as the

main subject of my project, made a questionnaire and started collecting data. I also talked to BSSO's to know their opinion.

Since I was an intern there and my main objective there was to learn work, collect in formations for my report, so I was not authorized to provide any service, works in customer service are very technical, and it should not be done by an intern. Nevertheless, I could give some limited services or better say I could assist customer service officers in their services. For example, those who came to branch for receiving money through western money union I helped them in filling in the form as well as made sure if they brought national id or other necessary documents for the service. Similarly, I helped customers in filling in money gram or account opening form.

Proper documentation of products was another important aspect of my work. Every day branch receives debit card, chequebook, captured card (captured in booth), adjustment letter of loan from head office through courier. Receiving those and keeping them in right place was one of my jobs. There are registers for each of the items in which I wrote them down as if they could be identified quickly when necessary. There was another register book called inbound mail in which I wrote all the items with number to keep record of them.

Sometimes I had to make call to the customers to inform or request them to receive their product. Suppose there was new debit card had been issued, or we received capture card or chequebook, I, having collected their contact number, would call them, informed them to collect it from our branch. These debit cards, captured cards, chequebooks are kept in branch for three months, after that they are destroyed. Before destroying, I once again reminded customers by making call to receive their items.

Another important part of my work was to assist BSSO's in reconciliation. Every day after transaction period is off; we used to do this reconciliation. First, I would count how many items were in cabinet. Then I counted how many items we received that day and how many items were delivered. Then I would do the calculation with the previous day's closing balance and examine if it matched the number of items present in cabinet. It was then crosschecked by BSSO again to make sure the calculation was correct. Besides all those works, I carried on my survey. In sense, internship was a great way of achieving practical knowledge, which cannot be achieved through academic knowledge.

Chapter#4

Project

“Evaluation of Customer satisfaction level at BRAC Bank; Graphics Building Branch”

4.0 Foundation of the study:

My three months long experience of working in BRAC Bank Ltd has given me an opportunity to study its operation. Since I was associated with Motijheel Graphics building branch, findings of my observation are revolved around this branch. I worked in customer care department so operation of customer care is something I have observed very closely. I have seen how BSSO's provide service to the respective clients; how the whole customer care management is operated within a branch. Therefore, I decided to examine the level of customer satisfaction towards the banking service, sources of dissatisfaction and how to improve service.

In all form of business organizations, customer satisfaction is vital to survive in market for long period. In the banking organizations all the services are centered on customers, customers are lifeblood for the bank. Without possessing substantial customer's contentment over banking service, it is not possible to ensure growth of the bank. During my graduation at BRAC University, we have studied the subject of customer satisfaction, its important in business world and effective ways of conducting research. My working experience, which took me close to daily operation of a retail bank and customer, motivated me to conduct this research on this key issue of customer satisfaction.

Bearing in mind the scope of my study, I took this attempt to conduct a research on performance of retail banking service of motijheel Graphics Building Branch of the BRAC bank. This study was carried out under internship of **Ahmed Abir Choudhury** under the supervision of lecturer **Ms Sharmin Shabnam Rahman** at BRAC University Dhaka

4.1 Research Background:

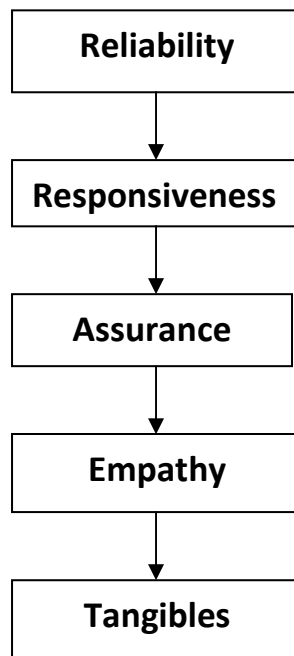
Customer Satisfaction, most echoed term in business world, is a measurement of the extent to which quality of goods or service of a company meets or surpasses customer expectation. Alternatively, in a more plain word customer satisfaction is the measurement of how acceptable a product or service of a company to the customer. It is not possible to make a concrete definition of customer satisfaction since it is highly personal assessment, which varies from person to person. Still there is a certain standard, which is expected, below which no one will be satisfied.

In banking industry, customer satisfaction is the key performance indicator. When almost all banks provide identical products, there is only way to distinguish is quality. All the banks are providing same product and there is only little difference in interest rate charge. Therefore, bank management plays vital role to differentiate itself from other banks through adjusting its service

quality to the customer's expectation. In most cases, it is reported that customers switch banks because of poor service. Banks success largely depends on its outlets dedicated to render service. It is reported from various research that cost of acquiring new customer is huge then retaining existing customer. Therefore, successful organizations always take special care about existing customers by incorporating rigid service management into their objective in an attempt to turn existing customer into loyal customer.

Customer satisfaction has been a constant subject of numerous researches to find out how customers perceive quality service. There are number of models to draw customer's perspective on service quality. One of such model is "SERVQUAL" or "Rater", a service quality framework developed by Zeithaml, Parasuraman & Berry. This framework is an instrument of assessing customer's perception of service quality especially in service and retail businesses. According to SERVQUAL customer's perception in this regard can be described through five dimensions. If these five dimensions can be ensured customers will be converted into royal customers of the organization. However, not all the dimensions are equal; they usually vary from customer to customer.

The five SERVQUAL dimensions are-



1. Reliability:

Reliability means service provider's ability to provide services the way it was promised, accurately and dependably. So it should be service provider's utmost effort to make service reliable.

2. Responsiveness:

Responsiveness means how cordial service providers towards customer's problem and ability to provide prompt service. Service providers are expected to responsive to customers request. Besides, delay in providing service makes for disappointing experience for customers.

3. Assurance:

Clients trust service providers thinking that they are seasoned in delivering service; it is definite from customer's side. But if service provider's aptitude does not become visible to customers, their assessment on overall service will be negative because service providers are the person they deal face to face. Therefore, service provider's approach should instill faith into customers.

4. Empathy:

Customers tend to feel being cared by the service employee. Service employee should make customers feel that they are taken important individually. If customers feel that service employees only care about them during service delivery, they are not available after that then customer will develop a negative assessment about service quality.

5. Tangibles:

A dimension sometime considered least important among the model, may not be least important in all places, in all context. It refers attractiveness of physical facilities, availability of technology, personal communication etc. Issues like employees uniform, equipment, office environment may appear to be source of customer's dissatisfaction.

While working in BRAC bank I found there three factors those should be weighed more than anything else to define customer satisfaction- 1) satisfaction with client-bank staff interaction, if it is in person, or by phone or mail. 2) Precision of the service and 3) timeliness of the service. In banking industry, quality service is very often synonymous to good relationship between bank staff and customer. Customer always expect friendly behavior from bank stuffs, they also expect bank stuffs are able to solve their problems. Precision of service means providing customers with adequate informations about product so as to avert any future conflict which may cause dissatisfaction and executing service in line with rules and regulations of bank as well as law stipulated by Bangladesh bank. Timeliness refers branch being able to render quick service, not keeping people waiting for long time for any service.

4.2 Project Description:

In the course of my internship at BRAC bank branch, I received an opportunity to know about banking service, customer's problems and their response towards the service. Therefore, I decided to do my project on customer satisfaction of BRAC bank Graphics building branch.

4.3 Research Subject:

"My Research subject is to evaluate or analyze if customer satisfaction level at Graphics Building Branch in different aspects of service higher or lower than average level."

4.4 Method & Data:

My research has been conducted by questionnaire. Population of this research is all the customers of BRAC bank Graphics building branch. In view of the fact that there is not precise data recorded on exactly how many customers visit this branch everyday so I have taken all the customer as population. I have selected a sample size of 100 customers. All the questionnaire respondents are active with bank service and visit this branch at least twice a month. I have distributed questionnaire randomly to the customers irrespective of their gender, occupation, location etc. I have not taken into account of these factors because I thought these factors do not add any value to the research and all the customers have their own opinion about service.

4.5 Research Method:

To conduct this research I have used research software SPSS. I have used likert scale; a psychometric rating scale widely recognized scaling used in survey research. To testify my hypothesis test I have used two-tailed sample t-test.

4.6 Hypothesis test:

For hypothesis testing, I have chosen a significance level of 0.05. so to conclude if null hypothesis will be rejected or not I set my hypothesis assumption-

- If $p \text{ value} < 0.05$, reject null hypothesis
- If $p \text{ value} > 0.05$, fail to reject null hypothesis

Decision process:

Now here I have done a hypothesis test to investigate customer’s satisfaction about bank’s employee’s service. I have put my sample data into SPSS software and come up with the result. I have used my questionnaire as a tool of measure (see Appendix). For measuring, I have used a hypothetical satisfaction scale with the attribution of likert scale.

Satisfaction Scale

Highly Satisfied/Strongly Agree/Never	5
Satisfied/Agree/Rarely	4
Neutral/ Neither agree or disagree/ Sometimes	3
Dissatisfied/ Disagree/ Often	2
Highly Dissatisfied/ strongly Disagree/ Very often	1

For analyzing sample data I computed the satisfaction rate from the above table= $15/5 = 3$. This average rank means that satisfaction level is not extremely positive or negative, rather tossup between these two. So I will compare this average satisfaction rank to the sample result to see if there is significant difference between a particular aspect of service to the average satisfaction level of customers. If there is significant deviation between two variables, I have tested frequency test to analyze frequencies of the answers.

4.7: Basic Ideas about respondents:

Before conducting the survey, it is important to know some basic informations about sample. It gives us clear view about customers, their expectations and their demand. Along with my survey on various aspect of service I randomly chose 70 customers and asked them about their association with this branch, kind of services they usually take, their monthly visit in this branch.

Customer’s association with BRAC Bank:

Factors	Responses(out of 70)	% of Responses
Brand Image	27	38.57%
Service	20	28.57%
Desired Products	23	32.86%
Total	70	100%

All customers have some certain reasons to choose a bank. My survey shows that brand image is the key factor for choosing BRAC bank owns a very positive image on customers mind, which motivate them to choose this bank. BRAC bank’s wide range of products also another determining factor. Only little above 28% thinks they prefer BRAC bank for its service.

Frequency of Visiting the Branch:

During conducting the survey, I thought It is important to know the frequency of visiting this branch by customers, which would assist evaluating their response. So i asked them how often they visit this branch in a month.

Monthly visit by the customers:

Frequency	Responses(out of 70)	% of Responses
1-2 times	15	21.4%
3-5 times	24	34%
6-8 times	8	11.4%
9-10 times	19	27%
Above 10 times	4	5.71%

Since Graphics, building branch provides retail banking services most of the customers visit for individual purpose. 34% visit this branch 3-5 times and 21.4% visit couple of times. Most of these customers visit branch to withdraw money, to collect new issued card, to deposit or come with other problems. Those who visit this branch for nine to ten times or more than ten times are mostly businesspersons. Out of business necessity, they have to visit this branch so often.

Satisfaction with the location of the branch:

The first question I put in my questionnaire is if they are satisfied with the location of the bank. Besides this question, I felt I needed to know why they prefer this branch for banking. Respondents, whom I distributed this questionnaire, I asked 70 people out of hundred sample about this question. Reasons for banking in this branch largely varied. Some customers selected this branch because this branch is nearer to their residence or work place. Some people chose it because of some degree of personal rapport with bank staffs.

I put below my findings on reasons of choosing Graphics building branch-

Reasons	response	% of responses
Close to residence	24	34.3%
Close to workplace	29	41.4%
Close to both residence & office	10	14.23%
Familiar Staffs	7	10%
Total	70	100%

From the above table we can see that most of the people of the sample do their banking in this branch because either it is in a close proximity to their workplace or to their home. In fact, Motijheel is the commercial hub of Dhaka city, most of the financial institutions and corporate offices are there. Therefore it is convenience for clients who work in this area to do banking in this branch. So we can see 41.4% respondents recognize their association with this branch because it is nearer to their workplace. So in lunchtime or if they get little break, they manage to visit this branch. 34.3% respondents do their banking in this branch because it is near to their home. This is especially convenient for homemakers and students having this branch near to dwelling. In case of 14.23% customers, this branch is near to both their home and workplace. There are 10% customers who have known some bank staffs from earlier or developed a good relationship with the bank employee over the banking. So they have faith on these familiar employees which cause them to perpetuate their relation with this branch.

4.8 Hypothesis test:

H0: customer’s location choice does not affect average customer satisfaction level.

H1: Customer’s Location significantly affects average customer satisfaction level

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 1	6.631	99	.000	.61	.43	.79

From the above sample test, we have a positive t value with significant mean difference. T value represents mean difference between two variables. Positive mean difference means sample mean is .61 higher than average mean. Two tailed p value is –

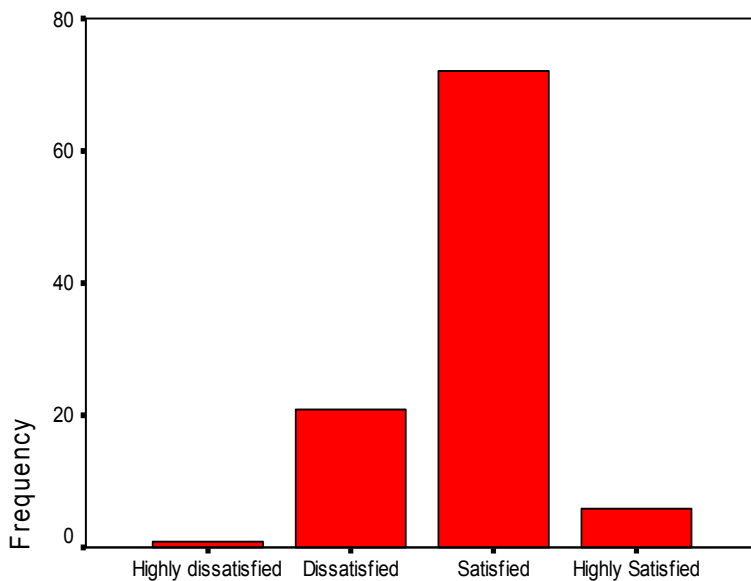
.000 < .05, therefore null hypothesis (H0) is rejected. There is significant deviation from the average satisfaction level. So we can deduce customer’s satisfaction about location of this bank is above average.

Now I have done a frequency test of respondents reply to their satisfaction to the location of the branch-

Question 1

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly Dissatisfied	1	1.0	1.0	1.0
	Dissatisfied	21	21.0	21.0	22.0
	Satisfied	72	72.0	72.0	94.0
	Highly satisfied	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

customer satisfaction on location



question 1

Analysis:

From the above frequency table it has been founded that 72% respondents are satisfied with the location of the branch. Since we have already come to know most of the customers chose this branch either because it is near to their home or workplace, so it is natural of them being satisfied with the location. Besides another advantage of this location is it can be traced because it resides

just next to Dhaka Stock Exchange building. This branch is on the main road so customers do not have to go for searching this branch. 21% are dissatisfied with the location. These respondents usually come from far place because of official work. On top of that, sometimes this area gets unsafe because of the outrage of shareholders on share market issue.

Opinions about cash counter efficiency:

Cash counter management one of the vital factors of quality service. It is quite improbable not seeing long line up of customers in a bank. Customers expect staffs working in cash are efficient enough to give them a quick service. Customers come to branch to withdraw money from their account or remittance money and to deposit their money. Tellers should be very skilled to speed up the transaction and do it accurately.

Hypothesis test:

H0: cash counter efficiency does not significantly affect customer’s average satisfaction level.

H1: Cash counter efficiency significantly affects customers average satisfaction level.

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 2	-7.267	99	.000	-.94	-1.20	-.68

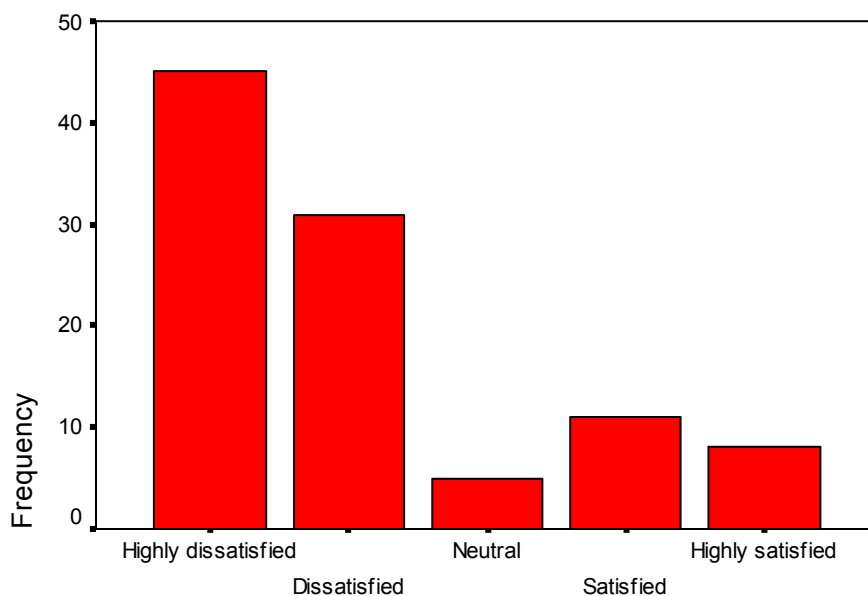
From the above table we can see there is negative t value, mean difference is negative which means sample mean is .94 less than average mean. Here p value is .000 < .05, therefore null hypothesis is rejected. There is significant deviation in average satisfaction level.

New here is the result of customer’s perception of efficacy of cash counter-

Question 2

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly dissatisfied	45	45.0	45.0	45.0
	Dissatisfied	31	31.0	31.0	76.0
	Neutral	5	5.0	5.0	81.0
	Satisfied	11	11.0	11.0	92.0
	Highly Satisfied	8	8.0	8.0	100.0
	Total	100	100.0	100.0	

opinion on cash counter efficacy



question 2

From the above frequency test, it is seen that customers are by no means satisfied about cash counter service. A huge portion of 45% has given their verdict that they are highly dissatisfied with the cash counter service. Another 31% are dissatisfied about the way this service is given. Only 11% are satisfied and 8% are highly satisfied with service.

Observation:

During my internship, I tried to find out what is problem with cash counter. Couple of times I got opportunities to work inside cash counter. There were some inefficiencies caught my attention-

1. Inadequate tellers:

In the cash counter, there should be sufficient teller to facilitate customers. But I noticed there were not adequate tellers to provide service. They have a head teller, under him there are other tellers work. There are total seven counters and six tellers including head teller. Head teller generally does not take part in regular transaction. He usually does cheque deposit, cheque return processing, and supervision of vault. Only if there is huge row he gets involved. Out of the rest five tellers, there is another one who only provides service for remittance and special customers. Therefore, four tellers are not sufficient to serve regular account holders.

2. New teller:

During my internship, I have seen changes in cash counter of employees. Some of them got shifted to another branch or some became were sick. I have seen some female tellers in cash that were pregnant. So eventually, they will take maternity leave, which will cause new staff to be employed. Although, new employees are trained to work in cash counter but still they need time to settle down to the system of the branch, which slows down service in the cash counter in the process.

Opinion about customer waiting place:

Customers do not only come to branch to deposit or withdraw cash, they also come to open account, to know about product, to receive remittance service or to get solution regarding any banking related problem. Our sales officers are there to listen to customers problem, try to solve their problems. Given that not all the customers can get service at once, they need to take token and wait for their call. So customers waiting place should be comfortable, there should be enough space for sitting. Thus, a comfortable waiting place is also included in quality service. For that reason, I asked my respondents about what is their opinion about branch's waiting place through the questionnaire.

H0: waiting place does not significantly affect customer's average satisfaction rate.

H1: waiting place significantly affects customer's average satisfaction level

Analysis:

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
	Lower	Upper				
Question 3	-7.896	99	.000	-.89	-1.11	-.67

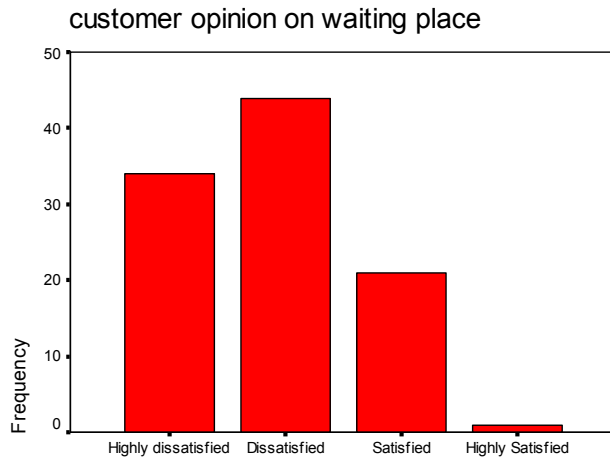
Here as well sample mean is significantly lower than satisfaction average. P value < .05, therefore null hypothesis is rejected, this analysis is statistically significant.

Frequency Test:

Question 3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly dissatisfied	34	34.0	34.0	34.0
	Dissatisfied	44	44.0	44.0	78.0
	Satisfied	21	21.0	21.0	99.0
	Highly satisfied	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

From the questionnaire, I found 44% customers are dissatisfied with the waiting place. 34%, 21% and 1% are highly dissatisfied, satisfied and highly satisfied respectively.



question 3

Observation:

The key problem of waiting place is the way it has been designed. I had better give a physical description of the waiting room. It is a big hall room, where at one end there is cash counter and on the opposite end we have customer care unit. There is a long sofa in front of the customer care unit for customers to sit. This sofa is not big enough to take all the waiting customers. Besides, since this sofa is positioned at a corner they get deprived from air conditioner. So when there is delay in calling name customers get impatient.

Customer's opinion about employee's services:

Branch sales & service officers play key role in serving customers. Service officer should be very resourceful and proficient in terms of providing service. Customers come to branch with their problems knowing that service officer is capable of solving their problems.

Hypothesis test:

H0: Bank employee's service does not significantly affect customer's average satisfaction level.

H1: Bank employee' service significantly affect customer's average satisfaction level.

Analysis

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 4	.557	99	.579	.07	-.18	.32

From the above tables we can see for hundred respondents mean is 3.07, which is greter than test value (average satisfaction rate). T value is positive here because sample mean is larger than test value. The significance value (p value) is 0.579, which is larger than threshold value of 0.05, so fail to reject null hypothesis that employee's service does not significantly affect average satisfaction level of customers.

Observation:

There are six counters for service officers. One of them is only dedicated for credit card related service. One of these counter remains empty, it is only used for western union service. Rests of the four service officers give all other services except credit card. What I have observed there those who have been working here for quite a long time are very efficient in rendering service. They are well versed in all the problems customers usually face and help them with proper solution. Service officers seem to be well aware of rules and regulations. Even those who are new in work are trying hard to give optimum service. Nevertheless, I found some service glitch-

1. New employees seem to be less trained for their work and know less about software use. Because of that, they tend to provide slow service. Their lack of knowledge in finacle software makes them ask his/her senior repeatedly. It impedes other officers while servicing.
2. Along with limited knowledge about software, new employees sometime know less about product, which makes for providing wrong information, which causes future discontentment from customer's side.

I think number of officer is less than enough. When one officer go for lunch or absent for some reasons, it becomes difficult to manage customers

Customer’s view on staff’s behavior:

Customers expect that bank staffs will do their utmost to help them. Any negative response from staffs may adversely affect customers. If they are not happy about the standard of courtesy of bank’s employees, it may accelerate their decision to switch the bank. So I have kept these question in my questionnaire that-‘Have they ever experienced any unacceptable behavior from any bank staffs?’

Hypothesis Test:

H0: Bank’s staff’s behavior has an average impact on satisfaction level.

H1: Bank’s staff’s behavior has a significant impact on satisfaction level.

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 5	-13.903	99	.000	-.78	-.89	-.67

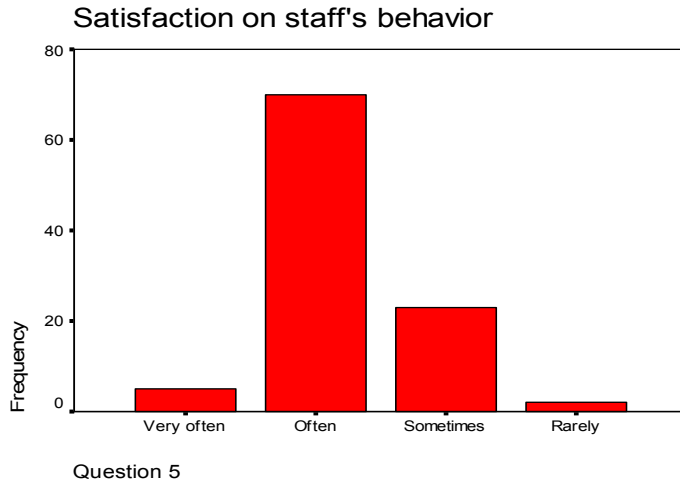
From this sample, t test table I have found sample mean is negative in big margin. P value<.05, so H0 is rejected.

Here is response from the customers-

Question 5

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very often	5	5.0	5.0	5.0
	Often	70	70.0	70.0	75.0
	Sometimes	23	23.0	23.0	98.0
	Rarely	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

What we can see from this table is not good news for bank. Out of total, 70%, believe that they have often experienced negative behavior from employees. 23% of them think sometime they have met with bad response from bank staffs. 5% of respondents think very often employees are less helpful to them and 2% rarely experienced such behavior. Not that every one of them experienced it but while staying at branch they saw it happened which gave them a bad impression about this bank.



Observation:

There are handfuls of reasons for these disappointing responses from customers. I describe them below-

1. Lack of supervision and training:

Guards and bank staffs should be trained how to behave with customers properly. Here I should bring an example I saw during my internship- one of the guards who were calling people to customer care when it came their turn. He saw a client was talking very loudly over phone. So he went up to that person and told him very loudly to keep his voice down. That customer got very angry and a scene was created. That guard could have asked him politely instead of showing anger. While doing intern I found that customer service manager or general manager did not properly supervise this sort of events. They would only step in when there was a problem. But they did not take any effective action against staffs who did it.

2. Bad example from service officers:

Sometimes while giving service, service officers seemed to lose their temper. Especially it happened in cash counter. Very often specially after lunch hour people started gathering in branch resulted in huge line up. Having stood for a long time, customers

started objecting, and then sometimes heat words were exchanged between customers and employees in cash counter. In the question number two and four where I asked about cash counter and service officer's efficacy, those who gave negative response to these questions gave negative answers this question. They think service officers are not sympathetic to their problems and only say what bank's policy is.

Customer's opinion about ATM service:

ATM service is an important extension of banking service. Customers like to get ATM service from branch as if they can easily collect their money. There are two Automated teller machines in graphics building branch.

Here I set my hypothesis about ATM service –

H0: ATM service in graphic building branch does not make any difference to customer's average satisfaction.

H1: ATM service in graphic building branch makes difference to customer's

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 6	.956	99	.342	.08	-.09	.25

So for question number 6 we have a t value of .956 with 99 degree of freedoms and a mean difference between sample mean and satisfaction mean is .08. T value is positive because sample mean is greater than satisfaction average. We significance value of .342 which is greater than 0.05, as a result we fail to reject null hypothesis. Therefore, satisfaction on ATM service is not highly positive or negative.

Observation:

I have already mentioned that there are two automated teller machines in the branch. It aids customers remarkably. Nevertheless, I have seen some problems with this service-

- Out of these two ATM machines, one of them had been inactive for most of the time of my internship. So literally only one of them was out of function for customers for most of the time. Besides, there was a constant complain from few customers that their card got captured when they inserted card into it due to the machine’s problem. So because of that ATM machine they have to come to the branch to retrieve their card which was quite embarrassing for branch.

This ATM service is very less obtrusive, if one do not enter into this branch will not notice it. So many BRAC bank customers get deprived from ATM service.

Satisfaction of credit card service of the branch:

Customers often visit branch to receive credit card related services. They have usually query about credit card service, they also come here to pay credit card bill, to give new credit card order or even to know credit card transaction details. As a very important part of service, I asked my respondents about their response towards this service.

Based on their response I have made my hypothesis:

H0: Credit card service does not result in any difference in average customer satisfaction.

H1: Credit card service results in significant change in average customer satisfaction.

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 7	3.478	99	.001	.28	.12	.44

From the above one sample test for question, no 7 we can see there is a mean difference of .28

Here p value is lower than significance level ($0.001 < 0.05$), therefore we can reject the null hypothesis. Credit card service does make difference in average customer satisfaction.

Customer’ verdict of credit card service:

Question 7

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Dissatisfied	20	20.0	20.0	20.0
	Neutral	34	34.0	34.0	54.0
	satisfied	44	44.0	44.0	98.0
	Highly satisfied	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

From the table above we can see 44% customers are satisfied about credit card service. Here I would like to mention that credit card customer is less compared to other customers. So service provider does not have to hurry for their service. Out of 100 respondents 34% are neutral, most of these 34% do not use credit card. 20% respondents are dissatisfied with the service. Most of them complained that they were not informed timely when their ordered card was issued or they had to wait in line for a long time in row to pay their bill.

Observation:

Since customers of credit card are fewer compared to other customers, it is possible for one person to provide this service. But I noticed that other sales & service officer’s do not know about credit card facilities. As a result, when they need some informations about credit cards they need to go to sales officer who serve this part. However, I think other service officers should know about this service better. If this only sale officer are not present a single day, no one is there to provide this service, because no one can operate this software. Therefore, they have to inform it to head office to send someone for an interim period. But in between this sometimes we have to turn down customers request and ask them to wait or visit us other day.

Customer’s satisfaction on branch communication:

Customers expect that they will be informed in advance if their card has reached to branch, which he/she has ordered before, if bank has retrieved their capture card or will be updated with their account information. When it does not happen, they become upset.

Hypothesis testing:

H0: Branch communication with customers does not make significant difference in average customer satisfaction level.

H1: Branch communication with customers makes significant difference in average customer satisfaction level.

Hypothesis test:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
	Lower	Upper				
Question 8	9.013	99	.000	.80	.62	.98

From this two-tailed sample test, we have a t value of 9.013 with 99 degree of freedom. Mean difference between sample mean and satisfaction average is .80. Our two tailed p value is $.000 < .05$ so we reject null hypothesis.

Below is the frequency of customer’s response-

Question 8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	17	17.0	17.0	17.0
	Agree	69	69.0	69.0	86.0

Strongly agree	14	14.0	14.0	100.0
Total	100	100.0	100.0	

Out of 100 respondents 69% of them are agree that they are informed in advance about important issues. 17% and 14% disagree and strongly agree respectively.

Observation:

When a new card is issued, it is not immediately informed to customers. While filling the card request form, customers are told they will have to collect it after three working days. Usually customer come after three days to collect their card or if within three months customer do not come they are phoned from branch requesting to collect it. Problem is sometimes customers account becomes inactive due to lack of transaction. Though they are sent transaction informations in their address sometimes, they forget that. Once account remains inactive it is a lengthy process to active it again. Very often customers change their cell number so it becomes difficult to inform them.

Customer’s opinion on remittance service:

BRAC bank is facilitating its customers by channeling remittance money from abroad to country. There are different mediums of remittance service available for customers such as – western union money transfer, Money gram, remit2home, express money; exchange houses etc. customers always demand quick remittance service from branch.

Now I want to test if remittance service in branch significantly affects customer satisfaction-

Customer satisfaction on quick loan disposing:

BRAC bank retail outlets are providing wide range of loan products such as – salary loan, Quick loan, Auto loan, Home loan and Secured loan. Customers expect bank will arrange their loan soon after submitting the application for loan. Yet, BRAC bank has a very centralized system. It takes quite a long time to receive approval from head office. By the time, it goes through all the processing customers become impatient about it.

Now I will test if delay in disposal of loan has a significant effect on customer’s satisfaction level.

H0: delay in arrangement in loan service does not have any impact on customer’s average satisfaction level.

H1: Delay in arrangement in loan service has either greater or smaller impact on customers average satisfaction level.

Result:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
	Lower	Upper				
Question 9	-7.391	99	.000	-.74	-.94	-.54

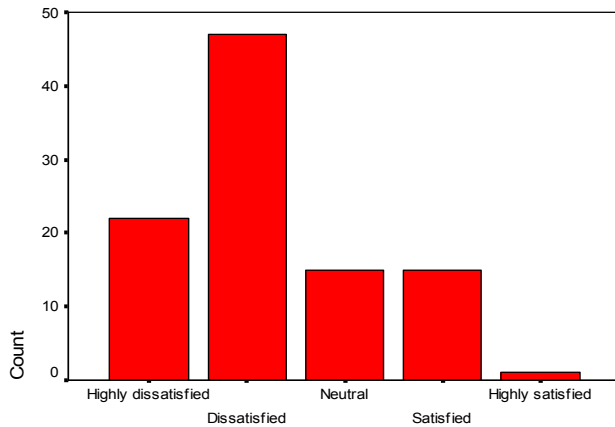
From one sample test above we can see there is a negative mean difference, sample mean is smaller than test value. We have standard deviation is 1.001; t value is negative value of 7.391 with a degree of freedom of 99. Here two tailed p value is lower than significance value, so we will reject null hypothesis. Quality of remittance service does affect acceptable standard of customer satisfaction.

Now I have tested if respondent's replies are significantly positive or negative-

Question 9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Highly dissatisfied	22	22.0	22.0	22.0
	Dissatisfied	47	47.0	47.0	69.0
	Neutral	15	15.0	15.0	84.0
	Satisfied	15	15.0	15.0	99.0
	Highly satisfied	1	1.0	1.0	100.0
Total		100	100.0	100.0	

From the table we can see 47% of respondents are dissatisfied, 22% are highly dissatisfied.



Question 9

Observation:

The reason of customers being so dissatisfied about remittance service is slow processing. In that area a cable repair work was underway, this made the remittance service unbearably slow. Apart from western union service, all other remittance service mediums were having this problem. Another thing is there was a computer in customer end, only used for western union purpose because it has western union link. Other computers do not have western union link. Therefore, to complete western union processing BSSO has to leave his/her own sit and go to that computer. Western union customer is very frequent compared to other remittance mediums. Since there is only one computer to use for western union it keeps customers waiting for long.

Customer satisfaction on quick loan disposing:

BRAC bank retail outlets are providing wide range of loan products such as – salary loan, Quick loan, Auto loan, Home loan and Secured loan. Customers expect bank will arrange their loan soon after submitting the application for loan. Yet, BRAC bank has a very centralized system. It takes quite a long time to receive approval from head office. By the time, it goes through all the processing customers become impatient about it.

Now I will test if delay in disposal of loan has a significant effect on customer’s satisfaction level.

Hypothesis Test

H0: delay in arrangement in loan service does not have any impact on customer’s average satisfaction level.

H1: Delay in arrangement in loan service has either greater or smaller impact on customers average satisfaction level.

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 10	2.559	99	.012	.22	.05	.39

Here t value is 2.559 with a degree of freedom of 99. There is a positive mean difference of .22. Since two tailed p value is $.012 < .05$ so we fail to reject null hypothesis. There is not much difference between sample mean and satisfaction average.

Service for privilege customer:

BRAC bank has categorized its honored customer based on some criteria. Privilege customers are promised to get special facilities. But there was no isolated counter for special customers. Usually customer service manager serve them. Usually customer service manager facilitates privileged customer. But sometimes customer manager interrupt BSSO in the middle of their service by ordering them to serve the special customer. So a general customer who has been waiting for long for service gets annoyed.

Now I set hypothesis to know if privileged customer service makes any difference to acceptable service quality-

Hypothesis Test:

H0: Privileged customer service does not make any significant difference in regular customer satisfaction.

H1: Privileged customer service makes significant difference in regular customer satisfaction.

Result:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 11(a)	9.706	99	.001	.64	.51	.77

We can see there is considerable mean difference. T value is 9.706 with degree of freedom of 99.

With 95% confidence interval of the difference p value is lower than level of significance (.001<.05), so according to statistical condition we reject null hypothesis.

Frequency table-

Question 11(a)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree/Dissatisfied	4	4.0	4.0	4.0
	Neither agree or disagree/Standard	34	34.0	34.0	38.0
	Agree/Satisfied	56	56.0	56.0	94.0
	Strongly agree/Strongly agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

So from above table we can see only 56% agree that there is special service for privileged customers. 34% are neutral about this service. So in terms of this service this branch is providing above average service.

Customer’s opinion about opening an account:

Customers who do not have account in branch can open an account with the help of BSSO. Usually BSSO on the behest of customer fill in the accounting form. Besides, there are direct sales executives who help customers to fill in the AOF.

Hypothesis Test:

<p>H0: Service of opening an account form does not make much deviation in average customer satisfaction.</p> <p>H1: Service of opening an account form makes significant deviation in average customer satisfaction.</p>
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Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 11(b)	4.913	99	.001	.42	.25	.59

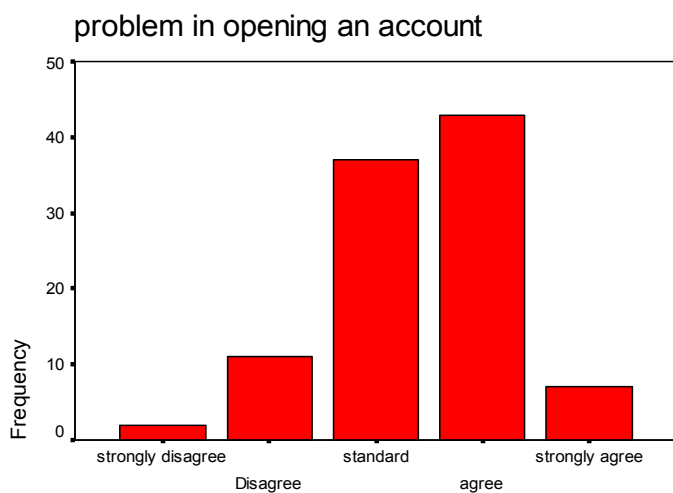
So we can see sample mean is significantly greater than average satisfaction by .42. With standard deviation of .855, t value is 4.913. p value is .001 > 0.05, so we reject null hypothesis.

Frequency test:

Question 11(B)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree/dissatisfied	2	2.0	2.0	2.0
	Disagree/Dissatisfied	11	11.0	11.0	13.0
	Neither agree or disagree/standard	37	37.0	37.0	50.0
	Agree/satisfied	43	43.0	43.0	93.0
	Strongly agree/Strongly agree	7	7.0	7.0	100.0
	Total	100	100.0	100.0	

From the frequency table we can conclude that graphics building is providing above average service, since 43% of respondents think they do not face any problem in opening an account and 37% think service is standard.



O_11B

Attachment of Most important papers with product:

Terms and condition papers are attached with product to educate customers about products. It educates customers about their rights and obligations, procedures to receive service, charges, requirements, bill payment, and termination of service and all the other aspects of product. Although BSSO describes everything to the customers before handing over product but terms

and condition papers give customers proper understanding of the product and in doing so it prevents future misunderstanding.

Hypothesis test:

H0: Service of opening an account form does not make much deviation in average customer satisfaction.

H1: Service of opening an account form makes significant deviation in average customer satisfaction.

Result:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 11(D)	12.338	99	.001	.79	.66	.92

We can see there is a significant mean difference of .79 with a standard deviation of .640. p value is smaller than significance level(.001<.05). Therefore, we can reject null hypothesis.

Frequency test:

Question 11(D)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree/Dissatisfied	8	8.0	8.0	8.0
	Neither Agree or Disagree/ Standard	9	9.0	9.0	17.0
	Agree/ Satisfied	79	79.0	79.0	96.0
	Strongly agree/Highly satisfied	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

From the frequency table that 79% of respondents are in the favor of the claim that they are given all the necessary terms and conditions with products. Responses are mostly positive so we can say customer's satisfaction level is above average here.

Customer's opinion about bank statements:

Bank account statement is the summary of bank transaction of a customer for given period. Every day number of customers who have account in this branch come to this branch to receive printed copy of bank account statement. Bank account statements are required for receiving loan, bill payment of credit card or utilities, for checking salary account. Customers expect this bank statement will be provided with proper format. Therefore, I will do hypothesis test if this service causes any impact on customer's average satisfaction.

Hypothesis test:

H0: Format of bank account statement does not significantly affect customer's average satisfaction.
H1: Format of bank account statement significantly affects customer's average satisfaction.

Analysis:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 11(E)	-.094	99	.925	-.01	-.22	.20

From the one sample test table we can deduce that there is a negative mean difference, but sample is not significantly lower than average, it is only .01 less. As p value is higher than significance value so we fail to reject null hypothesis. So formation of bank account statement does not significantly shift customer's satisfaction level higher or lower from the average level.

Observation:

Statement of account includes account holder’s name, account number, address, MICR code, transaction informations for a given period. BRAC bank provide all these informations in the bank statement. But very often we came across complaints from customers that printed bank account statements are not readable with inappropriate font size. Sometimes because of malfunction in printing machine customers, have to wait for long time.

Customer’s recent experience:

To know how I my respondents recent experience of visiting our branch I put this question in questionnaire. Because I thought, current experience will be responsible for customer’s verdict on my questionnaire.

Frequency result:

Question 12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unacceptable	5	5.0	5.0	5.0
	Poor	16	16.0	16.0	21.0
	Average	32	32.0	32.0	53.0
	Very good	33	33.0	33.0	86.0
	Excellent	14	14.0	14.0	100.0
	Total	100	100.0	100.0	

So from the above table we can see that 33% think it was very good experience, 32% said average, 16% think it was poor. 14% think it was excellent experience last time and 5% think it was unacceptable experience.

T-table test:

One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Question 12	3.280	99	.001	.35	.14	.56

From the one sample test, I can conclude that since there is a significant mean difference and p value $.001 < .05$ so we can say recent experience of customers in this branch is above average.

5.0 Problems & Recommendations

5.1 Some Major Problems:

- There is not adequate teller in cash counter.
- Lack of proper line management for customers while depositing or withdrawing money.
- Server system of BRAC bank is too slow which impedes natural pace of service and makes customers waiting for a simple service. On top of that, network problem in remittance service which was supposed to be a temporary problem has been lasting for nearly two months.
- Sometimes there are confusions over tracking documents and files caused by courier.
- Too lengthy loan disbursement process
- There is no special service for senior citizens and handicapped people.
- Air conditioning system in branch is a major source of discontentment for customers

5.2 Recommendations:

Based on customer's suggestions and my observations, I made some recommendations that may help to improve customer care of BRAC bank Graphics building branch-

- Graphics building branch need to fix their server problems related to remittance service as soon as possible. Although it is up to back office to fix this problem, so they need to keep reminding about this problem. I have seen customers who came to withdraw remittance money at morning, but left branch when it was almost afternoon. This sort of service is very disappointing. Another thing is, i saw that there was one computer, which was dedicated to give western union service. Western union service is more frequent than other remittance service. It is not good BSSO change their seat repeatedly again just to give this service. If western union link is installed in every single computer, this waste of time can be saved.
- Sufficient tellers should be appointed in cash counter. I have seen there is enough space at the backside of the cash counter. A seating place accompanied with computer and important documents should be arranged for head teller. So when he is not serving customers, another teller can take his place to serve customer. Row for account holder seems to be most crowded, when there is more tellers, this row can be split into three or four rows whereby they can speed up transaction process. Guards will assist customers to line up properly.
- When a new sales executive is appointed, it should make sure he/she know all aspects of service he /she is assigned to provide. Although, all the BRAC outlets use same software,

uniform documents, but still, when new sales executive is appointed, initially they face problems to get along with new environment. Therefore, before being hired, sales executives should be educated about all features of product and policies as if he/she does not pass any wrong information to the customer. Besides, it will not annoy other sales executives in the middle of their service to teach new sales executive, thus prevents service being slowed down.

- BRAC bank is stipulating its sales outlets to encourage its customers to use electronic statements. Nowadays, an increasing number of customers are taking facilities of internet banking. On top of that a large number of customers especially students, jobholders have their own e-mail account. Those who do not have own e-mail account usually one of their family members have e-mail account. So customers can easily take this e-statement facilities by receiving mail containing their transaction statement which they can download. Thereby they can know about all their bank transactions without coming to branch.
- Bank statement is the summary of transactions, thus it should be provided with appropriate readable font size (Arial, 12), with proper line spacing.
- To achieve customer satisfaction bank should be more customer centric. Employees always should depict a 'Client first attitude'. Customers will be highly dissatisfied if they feel lack of courtesy from service provider of guards. When customer appears with a dilemma sales executive should not only describe what bank's policy is as if customers think bank does not care about their problem. Rather sales executive should be sympathetic to customers; if something is against bank's policy they should politely express their inability and offer alternative solution. HR should train employees to implant right attitude towards customers. Guard's behavior should be strictly observed.
- Branch should fix its ATM machine to make sure an uninterrupted, hassle free service. If it is constantly troubling, they should raise this issue to head office to solve this problem.
- Branch should have their own courier system to send important documents to head office and customers. It will increase transparency over courier system and incidents like document lost; problem of tracking files will be reduced.
- Customers waiting place should be comfortable and sufficient sitting place should be there.
- When an account becomes inactive it takes series of formalities to active it again which is quite harassing for customers. Bank should send SMS or e-mail alerts to its customers

before making any account inactive. Very often customer change their cell number or e-mail address, in that case bank should make effort to trace whereabouts of the account holder or his nominee.

- Bank should maintain a complaint register in a proper format for customer to express their grievances in it. Regional manager or any representative from head office should examine this register book when they pay visit to the branch.
- Because of centralized system, loan approval takes time. But bank should at least be able to notify customers time schedule for approval for loan application as if customer do not have visit branch over and over again.
- Senior citizens and handicapped person should get priority in service. It is difficult for them to stand in line waiting for their turn. So there should be proper crowd/people management for these customers.

5.3 Conclusion:

At present world, commercial bank is emerging as a driving factor for economic development of a country. It is said that if there is an efficient banking system in a country it contributes rapid growth in many sectors in economy. Since its inception, BRAC bank has been working according to its 3p agenda- Planet, people and profit. From the beginning, BRAC bank has been working to ensure best use of human capital. As a member of GABV (Global Alliance for banking on values), BRAC bank put emphasis on sustainable banking by making sure utmost service for people and economy.

In this cutthroat world, there is huge competition. Banking industry is no different. All banks try to make a strong presence to market by rendering best possible solutions and supreme service quality. Nevertheless, satisfaction is highly personal opinion; definition of satisfaction differs from person to person. Satisfaction is something perhaps beyond adequacy, beyond expectation that put a positive impression on customer's mind. Since there is no fixed definition of customer's satisfaction in banking, I made this report by making an effort to question customers with whom I got opportunity to get close in the course of my internship. I tried to know from them what they think would make them satisfied about service.

Working in customer care of a branch has given me an opportunity to have an idea of front office operation of a branch. There was not much confidentiality that could hinder my research work. Though I have limited access to the important documents but there was no obstruction like interviewing customers and bank staffs.

It is a grand experience, and I like to convey that I am honored to be part of the fastest growing bank in Bangladesh for three months. I hope opportunity of working here would help me a lot ahead in my career.

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Appendix-1

Questionnaire

Evaluation of customer satisfaction level: A study on customer service of BRAC bank-Motijheel Graphics building Branch.

Thank you for taking time to fill in the questionnaire. These questions are designed to receive your feedback on the performance of customer services in BRAC bank Graphics Building branch.

Satisfaction Scale

1. Are you satisfied with the location of the bank?
 - I. Highly Dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. satisfied
 - V. Highly satisfied

2. Do you think cash counter is efficient enough to provide you a quick service?
 - I. Highly dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. satisfied
 - V. Highly satisfied

3. Do you think customer-waiting place is comfortable?
 - I. Highly dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. satisfied
 - V. Highly satisfied

Highly Satisfied/Strongly Agree/Never	5
Satisfied/Agree/Rarely	4
Neutral/ Neither agree or disagree/ Sometimes/standard	3
Dissatisfied/ Disagree/ Often	2
Highly Dissatisfied/ strongly Disagree/ Very often	1

4. Do you think service officers are able to solve your problem?
 - I. Strongly Disagree
 - II. Disagree
 - III. Neither agree or disagree
 - IV. Agree
 - V. Strongly agree

5. Have you ever experienced unacceptable or offensive behavior from guard or any bank staff?
 - I. Very often
 - II. Often
 - III. sometimes
 - IV. rarely
 - V. never

6. Is ATM service is good & hassle free?
 - I. Highly dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. Satisfied
 - V. Highly satisfied

7. Are you satisfied with Credit card service in branch?
 - I. Highly dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. Satisfied
 - V. Highly satisfied

8. Branch informs you in advance in the issue of inactive account or new issued card-
 - I. Strongly Disagree
 - II. Disagree
 - III. Neither agree or disagree
 - IV. Agree
 - V. Strongly agree

9. Are you satisfied with the remittance service?
 - I. Highly dissatisfied
 - II. Dissatisfied
 - III. Neutral
 - IV. Satisfied

V. Highly satisfied

10. Are you satisfied with loan service in terms of receiving it shortly after applying?

- I. Highly Dissatisfied
- II. Dissatisfied
- III. Neutral
- IV. Satisfied
- V. Highly satisfied

11. Please indicates to which extent you agree or disagree with the following statements-

- I. Strongly disagree/ Highly dissatisfied
- II. Disagree/Dissatisfied
- III. Neither Agree or Disagree/ Standard
- IV. Agree/ Satisfied
- V. Strongly agree/Highly satisfied

a) Privileged customers get special service _____

b) You face no problem in opening an
Account in this branch _____

c) Customer service manager is responsive towards
any query or arising conflict _____

d) Always provided with most important terms &
condition papers with all products & services _____

e) Bank statements are provided with
Proper format _____

12) How would you rate your most recent experience of visiting our branch?

- I. Unacceptable
- II. poor
- III. Average
- IV. Very good
- V. Excellent

Please elaborate other problems or issues you have encountered while taking service from our branch (or recommendation for better service quality)

Appendix-2

- ❖ **T value-** It represents the difference between the mean or average scores of two groups, while taking into account any variation in scores.
- ❖ **Two tailed test-** First let's start with the meaning of a two-tailed test. If you are using a significance level of 0.05, a two-tailed test allots half of your alpha to testing the statistical significance in one direction and half of your alpha to testing statistical significance in the other direction. This means that .025 is in each tail of the distribution of your test statistic. When using a two-tailed test, regardless of the direction of the relationship you hypothesize, you are testing for the possibility of the relationship in both directions.
- ❖ **Null hypothesis-** A type of hypothesis used in statistics that proposes that no statistical significance exists in a set of given observations. The null hypothesis attempts to show that no variation exists between variables, or that a single variable is no different than zero.
- ❖ **Alpha-** A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index.
- ❖ **P value-** The P value or calculated probability is the estimated probability of rejecting the **null hypothesis (H0)** of a study question when that hypothesis is true.

Appendix-3

Shareholding structure of BRAC bank-

Names of Shareholders	Total shares	% of Total Shares
BRAC	11,712,732	43.77
Mr. Fazle Hasan Abed	265	0.001
Mr. Syed Humayun Kabir	265	0.001
Mr. A.S Mahmood	222	0.001
Mr. Faruq A. Choudhury	222	0.001
Mr. Dr. Saleh Uddin Ahmed	266	0.001
Mr. Md. Aminul Alam	366	0.001
Ms. Tamara Hasan Abed	222	0.001
Mr. Shib Narayan Kairy	202	0.001
International Finance Corporation	14,34,273	5.36
ShoreCap International Limited	231,184	0.86
General Shareholders	133,84,381	50.00